

ORIGINAL

14-035

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

JUL 23 2014

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Facility/Project Identification

Facility Name:	St. Anthony's Memorial Hospital-Discontinuation of Long-Term Care Category of Service				
Street Address:	503 North Maple Street				
City and Zip Code:	Effingham, Illinois 62401				
County:	Effingham	Health Service Area	5	Health Planning Area:	F-02

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name:	St. Anthony's Memorial Hospital of the Hospital Sisters of the Third Order of St. Francis				
Address:	503 North Maple Street, Effingham, Illinois 62401				
Name of Registered Agent:	Amy L. Marquardt				
Name of Chief Executive Officer:	Theresa Rutherford				
CEO Address:	503 North Maple Street, Effingham, Illinois 62401				
Telephone Number:	217-347-1494				

Type of Ownership of Applicant/Co-Applicant

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> 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.

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 during the review period]

Name:	Annette Schnabel, DPT MBA FACHE
Title:	Executive Director of Strategy and Administration
Company Name:	St. Anthony's Memorial Hospital
Address:	503 North Maple Street, Effingham, Illinois 62401
Telephone Number:	217-347-1824
E-mail Address:	Annette.Schnabel@hshs.org
Fax Number:	217-347-1563

Additional Contact

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

Name:	Edwin W. Parkhurst, Jr.
Title:	Managing Principal
Company Name:	PRISM Healthcare Consulting
Address:	800 Roosevelt Road, Building E, Suite 110, Glen Ellyn, Illinois 60137
Telephone Number:	630-790-5089
E-mail Address:	eparkhurst@consultprism.com
Fax Number:	630-790-2696

Additional Contacts

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

Name:	Theresa Rutherford
Title:	CEO
Company Name:	St. Anthony's Memorial Hospital
Address:	503 North Maple Street, Effingham, Illinois 62401
Telephone Number:	217-347-1494
E-mail Address:	Theresa.Rutherford@hshs.org
Fax Number:	618-222-4650

Name:	Amy L. Marquardt
Title:	Registered Agent
Company Name:	Hospital Sisters Health System
Address:	4936 LaVerna Road Springfield, Illinois 62707
Telephone Number:	217-492-9167
E-mail Address:	Amy.Marquardt@hshs.org
Fax Number:	217-523-0542

Post Permit Contact

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

Name:	Theresa Rutherford
Title:	CEO
Company Name:	St. Anthony's Memorial Hospital
Address:	503 North Maple Street, Effingham, Illinois 62401
Telephone Number:	217-347-1494
E-mail Address:	Theresa.Rutherford@hshs.org
Fax Number:	618-222-4650

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	St. Anthony's Memorial Hospital of the Hospital Sisters of the Third Order of St. Francis
Address of Site Owner:	503 North Maple Street, Effingham, Illinois 62401
Street Address or Legal Description of Site:	503 North Maple Street, Effingham, Illinois 62401
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.	
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Operating Identity/Licensee

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

Exact Legal Name:	St. Anthony's Memorial Hospital (See Attachment 3)		
Address:	503 North Maple Street, Effingham, Illinois 62401		
<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
		<input type="checkbox"/>	Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o 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. o 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 co-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.

Flood Plain Requirements Not applicable. The application for permit does not involve construction.

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 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 #2005-5 (<http://www.hfsrb.illinois.gov>).

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

Historic Resources Preservation Act Requirements Not Applicable. The application for permit does not involve construction or modernization.

[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 1110.40 and Part 1120.20(b)]

<p>Part 1110 Classification:</p> <p><input checked="" type="checkbox"/> Substantive</p> <p><input type="checkbox"/> Non-substantive</p>	<p>Part 1120 Applicability or Classification: [Check one only.]</p> <p><input type="checkbox"/> Part 1120 Not Applicable</p> <p><input checked="" type="checkbox"/> Category A Project</p> <p><input type="checkbox"/> Category B Project</p> <p><input type="checkbox"/> DHS or DVA Project</p>
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2. Narrative Description

Provide in the space below, 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.

St. Anthony's Memorial Hospital, 503 N. Maple Street, Effingham, Illinois, 62401, proposes to discontinue its 13-bed Long Term Care Category of Service. No other clinical services will be impacted or discontinued based on this permit application.

It was determined by St. Anthony's that sufficient long term care beds existed within 45 minutes travel time from the Hospital and they were available to accept patients without restrictions, limitations, conditions, or discrimination. Hence, the Service stopped admitting patients in January 2014 after notifying the appropriate regulatory agencies of the Hospitals' intent (see Narrative Exhibits 1 through 14, inclusive) which follow this page. The last patient was discharged on January 22, 2014.

There is no cost to the discontinuation. The associated care delivery staff has been reassigned to other hospital departments, have voluntarily sought other positions, or retired. The 6,972 sq. ft. of vacated space will be modernized into medical / surgical beds in the future as the Hospital increases its private room accommodations. No increase in beds is contemplated.

This is a substantive project given it proposes a discontinuation of a Category of Service.

Copies of Letters of Intent to Discontinue

Exhibit #

- 1 Illinois Health Facilities and Services Review Board (IHFSRB) – Ms. Courtney Avery
- 2 Illinois Health Facilities and Services Review Board (IHFSRB) – Mr. Michael Constantino
- 3 Office of Healthcare Regulation, Illinois Department of Public Health (IDPH) – Lamar Hasbrouck, MD, MPH
- 4 Office of Healthcare Regulation, Illinois Department of Public Health (IDPH) – Ms. Toni Colon
- 5 Office of Policy, Planning, and Statistics, Illinois Department of Public Health (IDPH) – Mr. David Carvalho
- 6 Illinois Department of Public Health – Marion Regional Office – Regional Administrator
- 7 Health and Human Services (HHS) – Mr. Jim Varpness
- 8 Illinois Department of Healthcare and Family Services (HFS) – Ms. Theresa Eagleson
- 9 Illinois Department of Healthcare and Family Services (HFS) – Ms. Julie Hamos
- 10 Illinois Department on Aging (IDA) – Ms. Terri Simpson
- 11 Bureau of Long Term Care – Mr. Richard L. Dees
- 12 Centers for Medicare and Medicaid Services (CMS) – Mr. John Hammerlund
- 13 Centers for Medicare and Medicaid Services (CMS) – Ms. Gwen Sampson
- 14 Centers for Medicare and Medicaid Services (CMS) – Ms. Nadine Renbarger

January 15, 2014

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities and Services Review Board (IHFSRB)
525 West Jefferson Street (2nd Floor)
Springfield, Illinois 62761

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Ms. Avery,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

Consider this letter as notification of the pending 13-bed SNF/LTC closure/discontinuation. Closure will be based on our written closure plan which considers applicable CMS and IDPH criteria, including, but not limited to:

- a. Notifications to impacted parties and agencies including CMS, HHS, IDPH, and HFS.
- b. Notification to facility residents, family, and legal representatives, as applicable.
- c. Admission processes which comply with written closure notification requirements.
- d. Transfer and relocation procedures, as may be applicable, assuring resident needs, choices, and best interests are met.
- e. Maintenance of resident medical records based on St. Anthony Memorial Hospital policy and procedures. St. Anthony's will remain an on-going operation.

Once discontinuation is approved by the IHFSRB, St. Anthony's will notify all applicable regulatory agencies that discontinuation has occurred.

If you have any questions regarding this notification, please contact Shawna O'Dell, RN, Post-Acute Care Manager, at (217) 347-1641 or shawna.odell@hshs.org.

Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Mr. Michael Constantino
Supervisor, Review Section
Illinois Health Facilities and Services Review Board (IHFSRB)
525 West Jefferson Street (2nd Floor)
Springfield, Illinois 62761

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Mr. Constantino,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

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Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

LaMar Hasbrouck, MD, MPH
Director
Office of Healthcare Regulation Illinois Department of Public Health (IDPH)
535 West Jefferson Street
Springfield, Illinois 62761

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Dr. Hasbrouck,

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Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Ms. Toni Colon
Deputy Director (5th Floor)
Office of Healthcare Regulation Illinois Department of Public Health (IDPH)
535 West Jefferson Street
Springfield, Illinois 62761

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Ms. Colon,

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Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Mr. David Carvalho
Deputy Director (4th Floor)
Office of Policy, Planning, and Statistics
535 West Jefferson Street
Springfield, Illinois 62761

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Mr. Carvalho,

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Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Regional Administrator
Illinois Department of Public Health (IDPH)
Marion Regional Office
2309 West Main Street
Marion, Illinois 62959

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Regional Administrator,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

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Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121

January 15, 2014

Mr. Jim Varpness
Regional Administrator
Health and Human Services (HHS)
233 North Michigan Avenue, Suite 790
Chicago, Illinois 60601

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Mr. Varpness,

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Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Ms. Theresa Eagleson
Deputy Director
Division of Medical Programs
Director Illinois Department of Healthcare and Family Services (HFS)
100 South Grand Avenue East
Springfield, Illinois 62704

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Ms. Eagleson,

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Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Ms. Julie Hamos
Director Illinois Department of Healthcare and Family Services (HFS)
100 South Grand Avenue East
Springfield, Illinois 62704

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Ms. Hamos,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

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Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121



January 15, 2014

Ms. Terri Simpson
Regional Ombudsman
Illinois Department on Aging (IDA)
Senior Protective Services
209 South Merchant Street, Suite 1200
Effingham, Illinois 62401

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Ms. Simpson,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Mr. Richard L. Dees
Chief
Bureau of Long Term Care
Division of Long Term Care, Quality Assurance
Office of Healthcare Regulation Illinois Department of Public Health (IDPH)
535 West Jefferson Street
Springfield, Illinois 62761

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Mr. Dees,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

Consider this letter as notification of the pending 13-bed SNF/LTC closure/discontinuation. Closure will be based on our written closure plan which considers applicable CMS and IDPH criteria, including, but not limited to:

- a. Notifications to impacted parties and agencies including CMS, HHS, IDPH, and HFS.
- b. Notification to facility residents, family, and legal representatives, as applicable.
- c. Admission processes which comply with written closure notification requirements.
- d. Transfer and relocation procedures, as may be applicable, assuring resident needs, choices, and best interests are met.
- e. Maintenance of resident medical records based on St. Anthony Memorial Hospital policy and procedures. St. Anthony's will remain an on-going operation.

Once discontinuation is approved by the IHFSRB, St. Anthony's will notify all applicable regulatory agencies that discontinuation has occurred.

If you have any questions regarding this notification, please contact Shawna O'Dell, RN, Post-Acute Care Manager, at (217) 347-1641 or shawna.odell@hshs.org.

Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE • EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121



January 15, 2014

Mr. John Hammarlund, Regional Administrator
Centers for Medicare and Medicaid Services (CMS)
Chicago Regional Office (Region V)
Office of the Regional Administrator
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

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Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121



January 15, 2014

Ms. Gwen Sampson, Deputy Regional Administrator
Centers for Medicare and Medicaid Services (CMS)
Chicago Regional Office (Region V)
Office of the Regional Administrator
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Ms. Sampson,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG 217.342.2121

January 15, 2014

Ms. Nadine Renbarger, Associate Regional Administrator
Midwest Division of Survey and Certification
Centers for Medicare and Medicaid Services (CMS)
Chicago Regional Office (Region V)
Office of the Regional Administrator
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601

Re: 13-bed LTC Category of Service/SNF
Proposed Closure/Discontinuation Notice
St. Anthony's Memorial Hospital
Medicare Certification 14-5940
License 8022790
Facility 6015176

Dear Ms. Renbarger,

St. Anthony's Memorial Hospital is preparing to submit a CON Permit Application to the Illinois Health Facilities and Services Review Board (IHFSRB) to discontinue and close its 13-bed Skilled Nursing Facility (SNF) or Long-term Category (LTC) of Service at the Hospital. We expect the Permit Application to be heard at the Review Board's tentatively scheduled June 9, 2014 meeting. If approved by the IHFSRB, we will discontinue and close the unit on or about June 30, 2014.

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President and CEO

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Project Costs and Sources of Funds Not applicable. There are no costs associated with this project.

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 equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	-0-	-0-	-0-
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	-0-	-0-	-0-
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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 \$ Not applicable.

Project Status and Completion Schedules

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 The last LTC patient was discharged on January 22, 2014...official discontinuation will occur within 24-hours of Review Board approval; date uncertain pending Review Board action which is expected no later than October 7, 2014.

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140): **Not applicable. Projects that have no cost shall be considered obligated upon HFSRB issuance of a permit.**

Purchase orders, leases or contracts pertaining to the project have been executed.
 Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
 Project obligation 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

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 No costs associated with project.

Provide in the following format, the department/area **DGSF** or the building/area **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 department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

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							
Long Term Care	-0-	6,972	--	--	--	--	6,972
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical	-0-	6,972	--	--	--	--	6,972
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical	-0-	-0-	--	--	--	--	-0-
TOTAL	-0-	6,972	--	--	--	--	6,972

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

Facility Bed Capacity and Utilization (Draft)

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are 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: St. Anthony's Memorial Hospital		CITY: Effingham			
REPORTING PERIOD DATES: From: January 1, 2013 to: December 31, 2013					
Category of Service	Authorized Beds	Admissions	Patient Days ¹	Bed Changes	Proposed Beds
Medical/Surgical	100	5,180	16,530	0	100
Obstetrics/Gyn	17	886	1,824	0	17
Pediatrics	6	254	435	0	6
Intensive Care ²	10	690	1,666	0	10
Comprehensive Physical Rehabilitation	0	0	0	0	0
Acute/Chronic Mental Illness	0	0	0	0	0
Neonatal Intensive Care	0	0	0	0	0
General Long Term Care	13	389	3,013	0	13
Specialized Long Term Care	0	0	0	0	0
Long Term Acute Care	0	0	0	0	0
Other ((identify)	0	0	0	0	0
TOTALS:	146	0	0	0	146

Source: Annual Hospital Questionnaire, 2013

^{1.} Includes observation days

^{2.} Direct admissions only

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 following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are 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: St. Anthony's Memorial Hospital		CITY: Effingham			
REPORTING PERIOD DATES: From: January 1, 2012 to: December 31, 2012					
Category of Service	Authorized Beds	Admissions	Patient Days *	Bed Changes	Proposed Beds
Medical/Surgical	100	4,473	18,777	0	100
Obstetrics/Gyn	17	849	1,949	0	17
Pediatrics	6	144	453	0	6
Intensive Care **	10	652	1,464	0	10
Comprehensive Physical Rehabilitation	0	0	0	0	0
Acute/Chronic Mental Illness	0	0	0	0	0
Neonatal Intensive Care	0	0	0	0	0
General Long Term Care	13	430	3,288	0	13
Specialized Long Term Care	0	0	0	0	0
Long Term Acute Care	0	0	0	0	0
Other ((identify))	0	0	0	0	0
TOTALS:	146	6,548	25,931	0	146

Source: Annual Hospital Questionnaire, 2012

1. Includes observation days
2. Direct admissions only

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

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

This Application for Permit is filed on the behalf of St. Anthony's Memorial Hospital of the Hospital Sisters of the Third Order of St. Francis *
 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 for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

John F. Kingery
 SIGNATURE

[Signature]
 SIGNATURE

John Kingery
 PRINTED NAME

Tom Henderson
 PRINTED NAME

Board Chairperson
 PRINTED TITLE

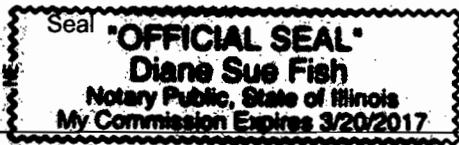
Board Vice-Chairperson
 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 22nd day of JULY 2014

Notarization:
 Subscribed and sworn to before me
 this 22nd day of JULY 2014

[Signature]
 Signature of Notary

[Signature]
 Signature of Notary



SECTION II. DISCONTINUATION

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.130 - 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 is to be discontinued.
2. Identify all of 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. 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 60 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not 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 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

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

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services 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 a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of 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 43.

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)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

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 44.

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

APPEND DOCUMENTATION AS ATTACHMENT-44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

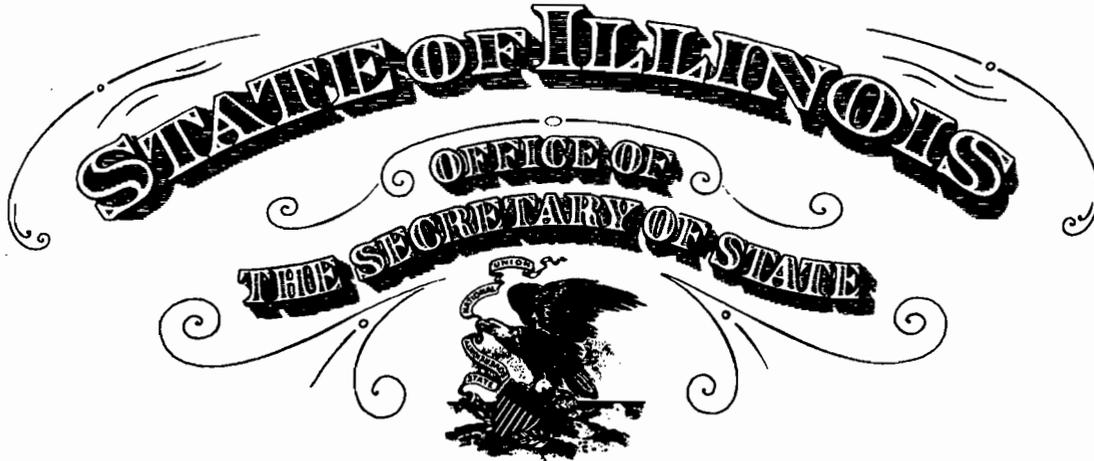
After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Co-applicant Identification including Certificate of Good Standing	31 – 32
2	Site Ownership	33 – 36
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	37 – 39
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	40 – 41
5	Flood Plain Requirements	42
6	Historic Preservation Act Requirements	43
7	Project and Sources of Funds Itemization	44
8	Obligation Document if required	45
9	Cost Space Requirements	46 – 47
10	Discontinuation	48 – 64
11	Background of the Applicant	NA
12	Purpose of the Project	NA
13	Alternatives to the Project	NA
14	Size of the Project	NA
15	Project Service Utilization	NA
16	Unfinished or Shell Space	NA
17	Assurances for Unfinished/Shell Space	NA
18	Master Design Project	NA
19	Mergers, Consolidations and Acquisitions	NA
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	NA
21	Comprehensive Physical Rehabilitation	NA
22	Acute Mental Illness	NA
23	Neonatal Intensive Care	NA
24	Open Heart Surgery	NA
25	Cardiac Catheterization	NA
26	In-Center Hemodialysis	NA
27	Non-Hospital Based Ambulatory Surgery	NA
28	General Long Term Care	NA
29	Specialized Long Term Care	NA
30	Selected Organ Transplantation	NA
31	Kidney Transplantation	NA
32	Subacute Care Hospital Model	NA
33	Post Surgical Recovery Care Center	NA
34	Children's Community-Based Health Care Center	NA
35	Community-Based Residential Rehabilitation Center	NA
36	Long Term Acute Care Hospital	NA
37	Clinical Service Areas Other than Categories of Service	NA
38	Freestanding Emergency Center Medical Services	NA
	Financial and Economic Feasibility:	
39	Availability of Funds	NA
40	Financial Waiver	NA
41	Financial Viability	NA
42	Economic Feasibility	NA
43	Safety Net Impact Statement	65 – 68
44	Charity Care Information	69 – 70
Appendix A	Impact Letters and Receipt Documentation	71 – 113
Appendix B	MapQuest Travel Time Documentation	114 – 160
Appendix C	HSHS Financials	161 – 222

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Applicant /Co-Applicant Identification
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name:	St. Anthony's Memorial Hospital of the Hospital Sisters of the Third Order of St. Francis
Address:	503 North Maple Street, Effingham, Illinois 62401
Name of Registered Agent:	Amy L. Marquardt
Name of Chief Executive Officer:	Theresa Rutherford
CEO Address:	503 North Maple Street, Effingham, Illinois 62401
Telephone Number:	217-347-1494



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

ST. ANTHONY'S MEMORIAL HOSPITAL, OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1955, 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 18TH day of FEBRUARY A.D. 2014 .



Authentication #: 1404900266
Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	St. Anthony's Memorial Hospital of the Hospital Sisters of the Third Order of St. Francis
Address of Site Owner:	503 North Maple Street, Effingham, Illinois 62401
Street Address or Legal Description of Site:	503 North Maple Street, Effingham, Illinois 62401
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, 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.	

**EFFINGHAM COUNTY
CERTIFICATE OF STATUS OF EXEMPT PROPERTY
For the TAX YEAR 2014**

In accordance with Section 15-10 of the Property Tax Code, Chapter 35 of the Illinois Compiled Statutes (35 ILCS 200/15-10), I submit this statement of status of the below described property. As property owner, owner of a beneficial interest in said property, corporate officer, or an authorized agent, I declare that as of January 1, 2014, there has been no change in ownership or use of said parcel since the time exemption was granted, except as noted.

PIN: 03-16-009-022

Name: St Anthony Memorial Hospital
Address: Attn: Administrator
503 N Maple St
City Effingham IL 62401

Legal Description:

Lots 1 & 2 of St Anthony
Subd. of Pt NW SE &

If any part or parcel of the property listed as exempt is leased, loaned, or otherwise made available for profit, the property owner, owner of a beneficial interest in said property, corporate officer, or an authorized agent shall file, with the Supervisor of Assessments, a copy of all such leases or agreements at the time the certificate of affidavit is filed. Failure to file such documents shall, in the discretion of the Supervisor of Assessments, constitute cause to terminate the exemption from taxation of that property, notwithstanding any other provision of this Act.

Nature of change in use, if any:

None

Dawn Starn, CFO
Authorized Signature

Signed this 13 of Jan, 2014

Address of owner, officer, or agent

503 N. Maple

Effingham, IL

62401

NOTE: FAILURE TO FILE THIS CERTIFICATE SHALL CONSTITUTE CAUSE TO TERMINATE THE EXEMPTION FROM TAXATION OF THIS PROPERTY.

This form must be returned to: Effingham County Supervisor of Assessments
101 North Fourth Street, Suite 400, Effingham IL 62401
Phone (217) 342-6711 Fax (217) 342-6124

Date returned _____, 2014

**EFFINGHAM COUNTY
CERTIFICATE OF STATUS OF EXEMPT PROPERTY
For the TAX YEAR 2014**

In accordance with Section 15-10 of the Property Tax Code, Chapter 35 of the Illinois Compiled Statutes (35 ILCS 200/15-10), I submit this statement of status of the below described property. As property owner, owner of a beneficial interest in said property, corporate officer, or an authorized agent, I declare that as of January 1, 2014, there has been no change in ownership or use of said parcel since the time exemption was granted, except as noted.

PIN: 03-16-009-014

Name: St Anthony Memorial Hospital
Address: Attn: Administrator
503 N Maple St
City Effingham IL 62401

Legal Description:

E 70ft Loco 4 & 5 Blk 2
Kepley s Addn & that pt

If any part or parcel of the property listed as exempt is leased, loaned, or otherwise made available for profit, the property owner, owner of a beneficial interest in said property, corporate officer, or an authorized agent shall file, with the Supervisor of Assessments, a copy of all such leases or agreements at the time the certificate of affidavit is filed. Failure to file such documents shall, in the discretion of the Supervisor of Assessments, constitute cause to terminate the exemption from taxation of that property, notwithstanding any other provision of this Act.

Nature of change in use, if any:

Name

Dave Storm, CFO
Authorized Signature

Signed this 13 of Jan, 2014

Address of owner, officer, or agent

503 N. Maple
Effingham, IL 62401

NOTE: FAILURE TO FILE THIS CERTIFICATE SHALL CONSTITUTE CAUSE TO TERMINATE THE EXEMPTION FROM TAXATION OF THIS PROPERTY.

This form must be returned to : Effingham County Supervisor of Assessments
101 North Fourth Street, Suite 400, Effingham IL 62401
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**EFFINGHAM COUNTY
CERTIFICATE OF STATUS OF EXEMPT PROPERTY
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PIN: 03-16-009-017

Name: St Anthony Memorial Hospital
Address: Attn: Administrator
503 N Maple St
City Effingham IL 62401

Legal Description:

W 1/2 Lots 6 & 7 Blk 2

Kepley s Add & that pt

If any part or parcel of the property listed as exempt is leased, loaned, or otherwise made available for profit, the property owner, owner of a beneficial interest in said property, corporate officer, or an authorized agent shall file, with the Supervisor of Assessments, a copy of all such leases or agreements at the time the certificate of affidavit is filed. Failure to file such documents shall, in the discretion of the Supervisor of Assessments, constitute cause to terminate the exemption from taxation of that property, notwithstanding any other provision of this Act.

Nature of change in use, if any:

None


Authorized Signature

Signed this 13 of Jan, 2014

Address of owner, officer, or agent

503 N. Maple

Effingham, IL 62401

NOTE: FAILURE TO FILE THIS CERTIFICATE SHALL CONSTITUTE CAUSE TO TERMINATE THE EXEMPTION FROM TAXATION OF THIS PROPERTY.

This form must be returned to :

Effingham County Supervisor of Assessments
101 North Fourth Street, Suite 400, Effingham IL 62401
Phone (217) 342-6711 Fax (217) 342-6124

dated _____, 2014

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Operating Identity/Licensee

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

Exact Legal Name:	St Anthony's Memorial Hospital of the Hospital Sisters of the Third Order of St. Francis		
Address:	503 North Maple Street, Effingham, Illinois 62401		
<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
		<input type="checkbox"/>	Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o 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. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 			
<p>APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>			



**Illinois Department of
PUBLIC HEALTH**

HF104554

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

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.

LaMar Hasbrouck, MD, MPH
Acting Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	ID NUMBER
12/31/2014		0002279
General Hospital		
Effective: 01/01/14		

Exp. Date 12/31/2014

Lic Number 0002279

Date Printed 11/25/2013

St. Anthony's Memorial Hospital

503 North Maple Street

Effingham, IL 62401

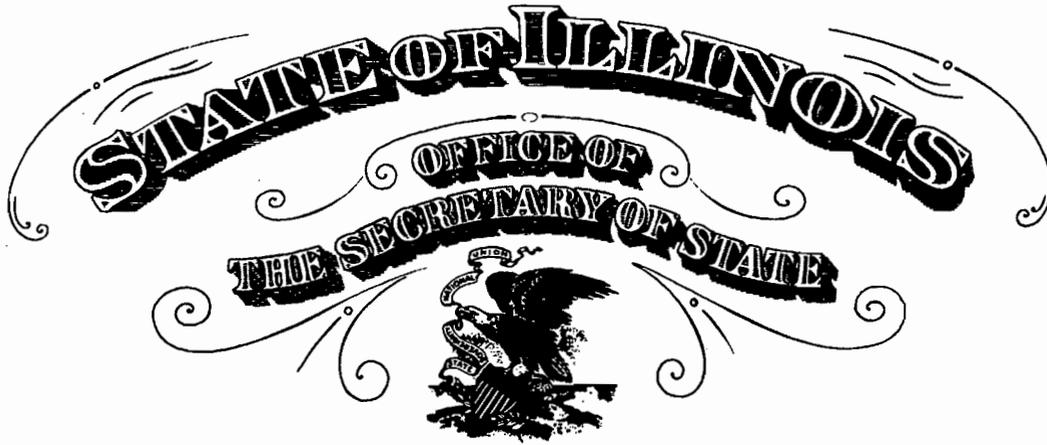
St. Anthony's Memorial Hospital

503 North Maple Street

Effingham, IL 62401

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #4012320 10M 3/12

FEE RECEIPT NO.



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

ST. ANTHONY'S MEMORIAL HOSPITAL, OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1955, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1404900266

Authenticate at: <http://www.cyberdriveillinois.com>

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 FEBRUARY A.D. 2014 .

Jesse White

SECRETARY OF STATE

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Organizational Relationships

Provide (for each co-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.

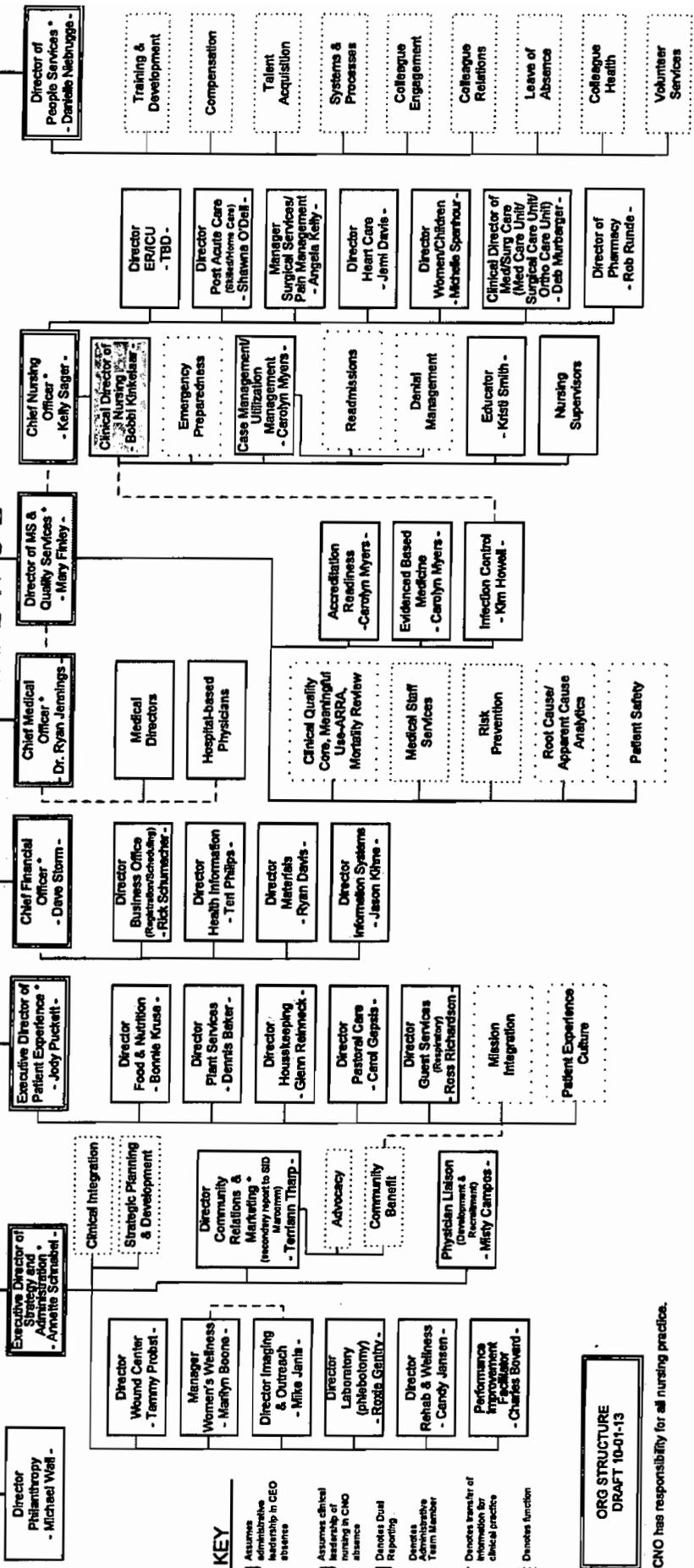
ST. ANTHONY'S MEMORIAL HOSPITAL

BOARD OF DIRECTORS
 PRESIDENT & CEO
 THERESA RUTHERFORD

Medical Executive Committee

Quality Care Committee

PATIENT EXPERIENCE



- KEY**
- Assumes administrative leadership in CEO absence
 - Assumes clinical leadership in CNO absence
 - Directorial Reporting
 - * Directorial Team Member
 - - - Directorial transfer of information for clinical practice
 - Directorial function

ORG STRUCTURE
 DRAFT 10-01-13

CNO has responsibility for all nursing practice.

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 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 #2005-5 (<http://www.hfsrb.illinois.gov>).

Not Applicable. The application for permit does not involve construction.

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

Not Applicable. The application for permit does not involve construction.

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Project Costs and Sources of Funds **Not applicable. There are no costs associated with this project.**

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 equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	-0-	-0-	-0-
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	-0-	-0-	-0-

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Project Status and Completion Schedules

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 **The last LTC patient was discharged on January 22, 2014...official discontinuation will occur within 24-hours of Review Board approval; date uncertain pending Review Board action which is expected no later than October 7, 2014.**

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140): **Not applicable. Projects that have no cost shall be considered obligated upon HFSRB issuance of a permit.**

- Purchase orders, leases or contracts pertaining to the project have been executed.
 Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
 Project obligation will occur after permit issuance.

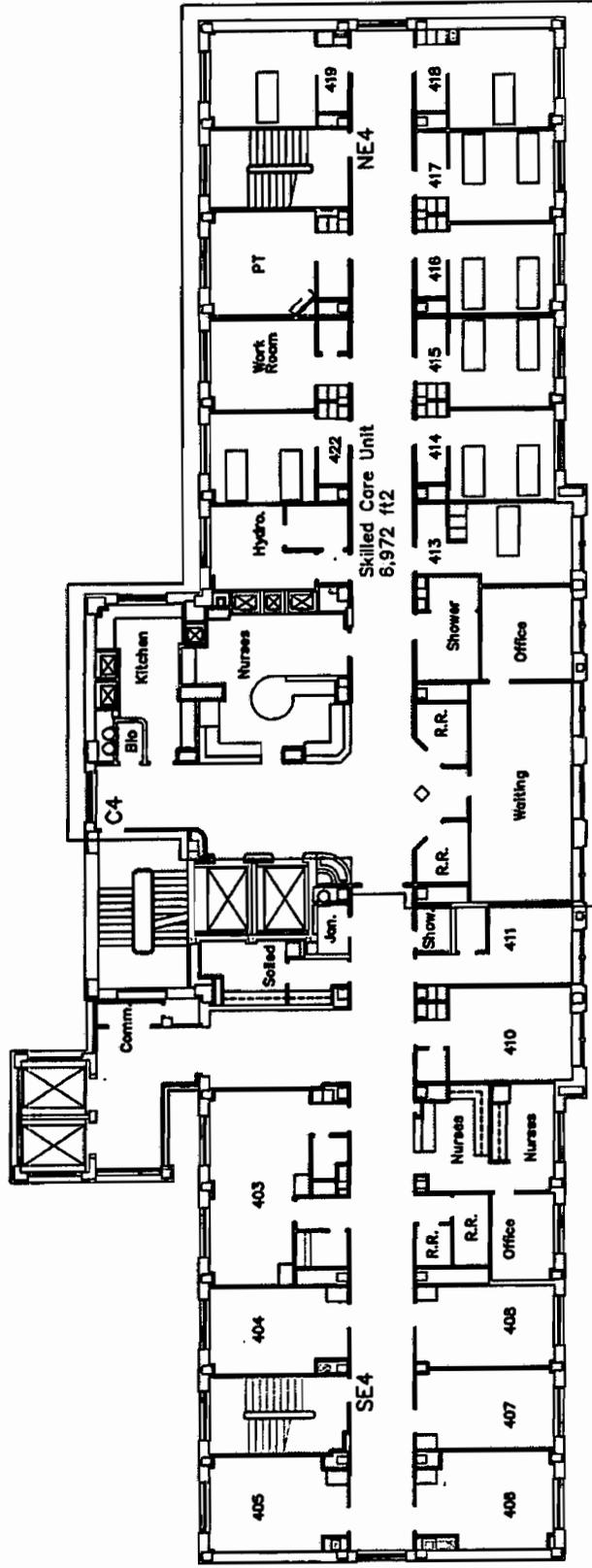
SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Cost Space Requirements **No costs associated with project.**

Provide in the following format, the department/area **DGSF** or the building/area **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 department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

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							
Long Term Care	-0-	6,972	--	--	--	--	6,972
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical	-0-	6,972	--	--	--	--	6,972
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical	-0-	-0-	--	--	--	--	-0-
TOTAL	-0-	6,972	--	--	--	--	6,972

See Attachment 9, Exhibit 1 for plan reference.



 St. Anthony's Hospital 1001 North 17th Street Denver, CO 80202	Fourth Floor	Date 1-13-14
	Skilled Care	Scale 1/16" = 1'
		Designer Baker

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

SECTION II. DISCONTINUATION

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

This application is for the discontinuation of the long term care category of service at St. Anthony's Memorial Hospital in Effingham. There is no project cost. The applicants will respond to Attachments 43 and 44 of this application.

Criterion 1110.130 – 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 is to be discontinued.
2. Identify all of 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. 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 60 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not 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 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

General Information

1. Category of Service

St. Anthony’s proposes to discontinue its 13-bed Long Term Care Category of Service (LTC) which stopped admitting patients in January 2014 after determining there were sufficient LTC beds to accommodate their average daily census approximating 9 patients or less. The LTC service utilization has been declining over the last 3 years (AHQ data).

<u>CY</u>	<u>Admissions</u>	<u>Average Daily Census</u>
2010	455	9.4
2011	437	9.6
2012	430	9.0
2013	389	8.25

2. Other Services

No other clinical service will be affected or discontinued.

3. Discontinuation Date

Admissions to the LTC unit were stopped in January 2014. The last patient was discharged on January 22, 2014. There were no other service discontinuations.

4. Physical Plant Use

The vacated 6,972 sq. ft. long term care unit will be modernized sometime in the future to provide private, inpatient medical / surgical bed rooms. The infrastructure of this unit is the original dating from 1954 and is not contemporary.

Any useful equipment will be used for ongoing hospital operations with the remainder being declared surplus and appropriately disposed of based on Hospital policy.

5. Medical Records Disposition

St. Anthony’s Memorial Hospital is an ongoing operation. As such, all medical records will be maintained based on the then current record retention policy which complies with relevant regulatory policy.

6. Regulatory Data Compliance

This criteria is not applicable in that a single category of service will be discontinued and not an entire facility. In addition, St. Anthony's Memorial Hospital is an ongoing operation.

Reason for Discontinuation

The respective category of service is being discontinued due to its ongoing operational loss and the availability of sufficient LTC beds within a 45-minute drive time of the Hospital site. The various regulatory agencies were advised of the proposed discontinuation in January 2014, see Permit Application Narrative and Attachment 10, Exhibit 1. See Attachment 10, Exhibit 2 for drive time map and Exhibits 3, 4, and 5 for the available facilities. The operating losses in FY 2012 were \$692,000 and in FY 2013, \$675,000. These losses impact on the financial viability of the Hospital.

Impact on Access

1. Adverse Impact

There are sufficient LTC beds available within a 45-minute drive time from the Hospital to accommodate the average, and declining, daily census of 9 LTC patients. See Attachment 10, Exhibit 5 for associated data regarding LTC beds in the 45-minute drive-time geographic service area.

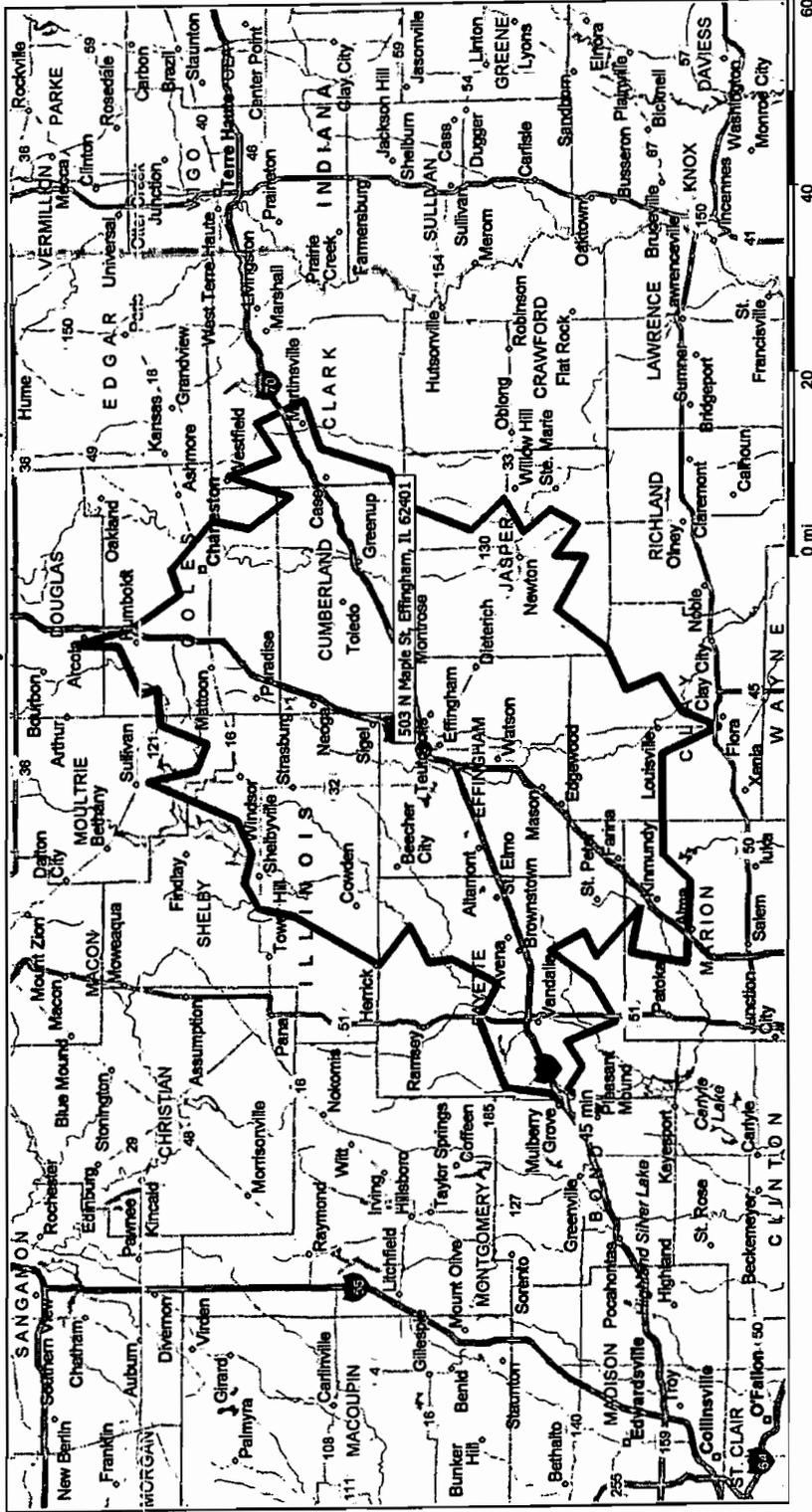
2. Attachment 10, Exhibits 4 and 5, profiles those existing LTC facilities within this drive time. It indicates sufficient total and available LTC beds within the 45-minute drive time. Appendix A documents the impact letters provided to these organizations and the respective distribution documentation.
3. Attachment 10, Exhibit 6 contains the responses received from the impacted facilities and their responses regarding their ability to accept additional LTC patients. They indicate sufficient available beds and, in addition, there has been no problem placing LTC patients since admissions were suspended in early 2014.

Copies of Letters of Intent to Discontinue

Sent to:

- Illinois Health Facilities and Services Review Board (IHFSRB) – Ms. Courtney Avery
- Illinois Health Facilities and Services Review Board (IHFSRB) –
Mr. Michael Constantino
- Office of Healthcare Regulation, Illinois Department of Public Health (IDPH) –
Lamar Hasbrouck, MD, MPH
- Office of Healthcare Regulation, Illinois Department of Public Health (IDPH) -
Ms. Toni Colon
- Office of Policy, Planning, and Statistics, Illinois Department of Public Health (IDPH) –
Mr. David Carvalho
- Illinois Department of Public Health – Marion Regional Office – Regional Administrator
- Health and Human Services (HHS) – Mr. Jim Varpness
- Illinois Department of Healthcare and Family Services (HFS) – Ms. Theresa Eagleson
- Illinois Department of Healthcare and Family Services (HFS) – Ms. Julie Hamos
- Illinois Department on Aging (IDA) – Ms. Terri Simpson
- Bureau of Long Term Care – Mr. Richard L. Dees
- Centers for Medicare and Medicaid Services (CMS) – Mr. John Hammerlund
- Centers for Medicare and Medicaid Services (CMS) – Ms. Gwen Sampson
- Centers for Medicare and Medicaid Services (CMS) – Ms. Nadine Renbarger

45-minute Drive Time from St Anthony's Memorial Hospital



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Letters Sent to
AMI Providers within
45 Minute Travel Time of
St. Anthony's Memorial Hospital

Lakeland Rehabilitation and Health Care Center
Evergreen Nursing Home
Effingham Rehab and Health Care Center
Lutheran Care Center
Heartland Christian Village
Friendship Manor of St. Elmo
Newton Rest Haven
Cumberland Rehab and Health Care Center
Mattoon Rehab and Health Care Center
Palm Terrace of Mattoon
Douglas Nursing and Rehab Center
Odd Fellow-Rebekah Home
Shelbyville Rehab and Health Care Center
Flora Rehab and Health Care Center
Flora Gardens Care Center
Fayette County Hospital Long Term Care
Vandalia Rehab and Health Care Center
Heartland Manor Nursing Home
Hilltop Skilled Nursing and Rehab
Casey Health Care Center
Charleston Rehab and Health Care Center
Arcola Health Care Center

Facilities Within 45-minute Travel Time

Facility	Address	Municipality	State	Zip	Distance (Miles)	Travel Time MapQuest
St. Anthony's Memorial Hospital	503 North Maple Street	Effingham	IL	62401		
Lakeland Rehabilitation and Health Care Center	800 West Temple	Effingham	IL	62401	0.24	1
Evergreen Nursing Home	1115 North Wenthe	Effingham	IL	62401	1.19	3
Effingham Rehab and Health Care Center	1610 N Lakewood	Effingham	IL	62401	1.52	4
Lutheran Care Center	702 W Cumberland	Altamont	IL	62411	13.98	18
Heartland Christian Village	101 Trowbridge Road	Neoga	IL	62447	18.48	22
Friendship Manor of St. Elmo	221 East Cumberland	St. Elmo	IL	62458	20.52	24
Newton Rest Haven	300 S Scott Street, PO Box 360	Newton	IL	62448	24.84	35
Cumberland Rehab and Health Care Center	300 N Marietta St	Greenup	IL	62428	25.16	28
Mattoon Rehab and Health Care Center	2121 S 9th St	Mattoon	IL	61938	27.03	30
Palm Terrace of Mattoon	1000 Palm Avenue	Mattoon	IL	61938	27.34	32
Douglas Nursing and Rehab Center	3516 Powell Lane	Mattoon	IL	61938	29.78	38
Shelbyville Manor	1111 W North 12th St	Shelbyville	IL	62565	30.59	39
Odd Fellow-Rebekah Home	201 Lafayette Ave, East	Mattoon	IL	61938	31.45	34
Shelbyville Rehab and Health Care Center	2116 Sth 3rd & Dacey Drive	Shelbyville	IL	62565	32.31	45
Flora Rehab and Health Care Center	232 Given Street	Flora	IL	62839	32.97	45
Flora Gardens Care Center	701 Shadwell Ave	Flora	IL	62839	33.67	46
Fayette County Hospital Long Term Care	650 W Taylor	Vandalia	IL	62471	33.85	37
Vandalia Rehab and Health Care Center	1500 W St Louis Ave	Vandalia	IL	62471	35.42	41
Heartland Manor Nursing Home	410 Northwest Third, PO Box 10	Casey	IL	62420	36.01	39
Hilltop Skilled Nursing and Rehab	910 W Polk St	Charleston	IL	61920	36.28	40
Casey Health Care Center	100 N. E. 15th	Casey	IL	62420	36.42	39
Charleston Rehab and Health Care Center	716 18th St	Charleston	IL	61920	38.33	44
Arcola Health Care Center	422 E 4th St, PO Box 70	Arcola	IL	61910	44.33	47

Nursing Homes	County	# Skilled Beds
Lutheran Care Center	Effingham	96
Effingham Rehab and Health Care Center	Effingham	62
Evergreen Nursing Home	Effingham	120
Lakeland Rehab and Health Care Center	Effingham	141
Cumberland Rehab and Health Care Center	Cumberland	54
Heartland Christian Village	Cumberland	71
Friendship Manor of St. Elmo	Fayette	42
Fayette County Hospital Long Term Care	Fayette	85
Vandalia Rehab and Health Care Center	Fayette	57
Newton Rest Haven	Jasper	57
Shelbyville Manor	Shelby	115
Shelbyville Rehab and Health Care Center	Shelby	12
Total Skilled Beds Available		912
Total Skilled Facilities		12

Nursing Homes	County	# Skilled Beds	Miles
Casey Health Care Center	Clark	69	34
Heartland Manor Nursing Home	Clark	81	33
Flora Gardens Care Center	Clay	105	33
Flora Rehab and Health Care Center	Clay	32	33
Charleston Rehab and Health Care Center	Coles	93	38
Hilltop Skilled Nursing and Rehab	Coles	36	36
Douglas Nursing and Rehab Center	Coles	79	27
Mattoon Rehab and Health Care Center	Coles	148	27
Odd Fellow-Rebekah Home	Coles	162	31
Palm Terrace of Mattoon	Coles	178	27
Cumberland Rehab and Health Care Center	Cumberland	54	24
Heartland Christian Village	Cumberland	71	18
Lutheran Care Center	Effingham	96	14
Effingham Rehab and Health Care Center	Effingham	62	1
Evergreen Nursing Home	Effingham	120	1
Lakeland Rehabilitation and Health Care Center	Effingham	141	0.5
Friendship Manor of St. Elmo	Fayette	42	20
Fayette County Hospital Long Term Care	Fayette	85	33
Vandalia Rehab and Health Care Center	Fayette	57	35
Newton Rest Haven	Jasper	57	24
Twin Willows Nursing Center	Marion	29	44
Burgin Manor of Olney, Inc.	Richland	157	43
Richland Care and Rehab	Richland	118	44
Richland Memorial Hospital SKU	Richland	14	43
Shelbyville Manor	Shelby	115	43
Shelbyville Rehab and Health Care Center	Shelby	12	37
Prairie Rose Health Care Center	Christian	105	42
Heritage Health-Pana	Christian	151	44
Ridgeview Care Center	Crawford	55	40
Eastview Terrace	Moultrie	63	37
Mason Point	Moultrie	72	38
Sullivan Rehab and Health Care Center	Moultrie	123	41
Arcola Health Care Center	Douglas	50	44
Total Skilled Beds Available		2763	
Total Skilled Facilities		31	

Exhibit 6

Long Term Care Category of Service Discontinuation
 General Long Term Care Facilities Within 45 Minute Drive Time
 St. Anthony's Memorial Hospital, Effingham, Illinois

Facility	Impact Letter Response Received *	Location	Willing to Accept	Distance (Miles)	Travel Time (Minutes)	Discontinuation Comments
Lakeland Rehabilitation	12/19/13	Effingham, IL	Yes	0.24	1	No impact – available capacity
Evergreen Nursing Home	12/23/13	Effingham, IL	Yes	1.19	3	Willing to accept patients
Lutheran Care Center	12/26/13	Altamont, IL	Yes	13.98	18	No impact
Cumberland Rehab and Health	12/27/13	Greenup, IL	Yes	25.16	28	Excepting patients requiring mechanical ventilation
Douglas Nursing and Rehab	12/26/13	Mattoon, IL	Yes	29.78	38	No impact
Newton Rest Haven	12/20/13	Newton, IL	Not Stated	24.84	35	Available capacity
Arcola Health Center	12/24/13	Arcola, IL	Yes	44.33	47	No impact due to distance
Grand Total						

Source: Analysis of Received Impact Letters; see Attachment 10, Exhibits 7 through 13.
 Compiled by PRISM Healthcare Consulting

* Note: The original impact letter was distributed without a “return-receipt requested” The letter was resent as indicated herein re State Board policy. Hence, these impact letter responses predate the second impact letter distribution.

From: Lakeland Administrator [mailto:lakeland@tutera.com]
Sent: Thursday, December 19, 2013 12:26 PM
To: O'Dell, Shawna R
Subject: discontinuation of skilled nursing unit

Shawna, I received a letter asking that as the administrator of Lakeland Rehabilitation and Healthcare, I address some issues to you regarding the potential discontinuation of the skilled nursing unit at St. Anthony's hospital.

What, if any, impact the proposed discontinuation of the skilled nursing unit will have on our operations.

I do not anticipate any negative impact on our operations.

If our facility has the available capacity to accommodate a portion or all of St. Anthony's Memorial hospital skilled nursing care unit caseload.

Lakeland can more than handle all of St. Anthony's skilled unit caseload.

Whether our facility operates with any restrictions or limitations that would preclude providing service to residents of the ST. Anthony's Memorial hospital market area.

Lakeland has no restrictions or limitations.

If you need any further information, feel free to contact me at 217-342-2171

1

William Wade
Administrator

Scanned by MailMarshal - M86 Security's comprehensive email content security solution. Download a free evaluation of MailMarshal at www.m86security.com

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Monday, December 23, 2013 11:25 AM
To: Schnabel, Annette D
Subject: Fwd: Skilled Nursing Unit
Attachments: image002.jpg

Shawna O'Dell

Begin forwarded message:

From: Lola White <lwhite@evergreennursingrehab.com>
Date: December 23, 2013 at 10:48:04 AM CST
To: <Shawna.Odell@hshs.org>
Subject: Skilled Nursing Unit

Dear Shawna: I am writing in regards to the letter I received about St. Anthony's Memorial Hospital Certificate of Need for skilled Nursing.

We at Evergreen Nursing and Rehabilitation Center are a licensed 120 skilled bed facility. We accept Medicare, Medicaid and private insurances.

We will be more than Happy to accommodate any needs your patients may have for skilled nursing and or therapy at Evergreen Nursing and Rehabilitation Center. We have no restrictions that would prohibit us from providing services to the residents of St. Anthony's Memorial Hospital Market area.

We also have an on sight Nurse Practitioner that works very closely with the patients primary physician to make the transition as comfortable as possible.

If you have any questions or would like to meet, please do not hesitate to contact me at the below numbers.

Thank you and Happy Holidays.

Lola White MA, LNHA, Administrator



1115 North Wenthe Drive

**Effingham Illinois 62404
217-347-7121 cell 217-690-0597**

Fax: 217-342-5525

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Thursday, December 26, 2013 2:47 PM
To: Schnabel, Annette D
Subject: Fwd: Responses/Comments CON

Shawna O'Dell

Begin forwarded message:

From: Karen Hille <khille@mchsi.com>
Date: December 26, 2013 at 1:30:52 PM CST
To: <Shawna.Odell@hshs.org>
Subject: Responses/Comments CON

Good Afternoon.

Lutheran Care Center, Altamont, IL
Responses/Comments submitted by Karen Hille, Administrator

#1. Lutheran Care Center does not anticipate any negative impact to our skilled care facility. We are dully certified for Medicare and Medicaid. Our facility is located within a reasonable distance from the hospital (10 miles).

#2. Lutheran Care Center does have available beds and generally census levels are less than full capacity; therefore, we are able to accommodate a portion of St. Anthony Memorial Hospital skilled care patients.

#3. Lutheran Care Center currently does not have any restrictions or limitations that would preclude providing service to residents of the St. Anthony Memorial Hospital market area. In the past we have not had any significant issues with transition of residents from St. Anthony acute care to our facility.

If additional information if needed, please contact me at 618-483-6136.
Karen Hille

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Saturday, December 28, 2013 10:04 AM
To: Schnabel, Annette D
Subject: Fwd: Skilled Care Nursing

Sent from my iPad

Begin forwarded message:

From: Katie Hanner <khanner@petersenhealthcare.net>
Date: December 27, 2013, 3:31:08 PM CST
To: <Shawna.Odell@hshs.org>
Subject: Skilled Care Nursing

Shawna,

I received your letter stating that St. Anthony's Skilled Care Unit is discontinuing operations. We are a 54 bed Skilled Nursing Facility located in Greenup. All of our beds are dually certified for Medicare/Medicaid recipients. We would be happy to assist St. Anthony's in placing individuals with post acute skilled care needs. The only exclusion we would have is patients needed mechanical ventilation. If you need any further information please contact me at this email address or the phone number listed below. We look forward to working with you in meeting the needs of your patients.

Thank you,

Katie Hanner, LNHA
Administrator
Cumberland Rehab & Health Care Center
ph. 217-923-3186; fax 217-923-5226
khanner@petersenhealthcare.net

This document may contain information covered under the Privacy Act, 5 USC 552(a), and/or the Health Insurance Portability and Accountability Act (PL 104-191) and its various implementing regulations and must be protected in accordance with those provisions. Healthcare information is personal and sensitive and must be treated accordingly. If this correspondence contains healthcare information it is being provided to you after appropriate authorization from the patient or under circumstances that don't require patient authorization. You, the recipient, are obligated to maintain it in a safe, secure and confidential manner. Redisclosure without additional patient consent or as permitted by law is prohibited. Unauthorized redisclosure or failure to maintain confidentiality subjects you to application or appropriate sanction. If you have received this correspondence in error, please notify the sender at once and destroy any copies you have made.

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Thursday, December 26, 2013 2:46 PM
To: Schnabel, Annette D
Subject: Fwd: CON

Shawna O'Dell

Begin forwarded message:

From: Cindy Lewton <administrator@douglasrehab.com>
Date: December 26, 2013 at 1:16:36 PM CST
To: <Shawna.Odell@hshs.org>
Subject: CON

There is no impact to the discontinuation of the Skilled Nursing Unit will have on Douglas Nursing and Rehab Center.

Yes we have the available capacity to accommodate a portion or all of the skilled nursing care unit caseload.

There are no restrictions or limitations that would preclude providing service to residents of the St. Anthony's Memorial Hospital market area.

Cindy Lewton, LNHA
Douglas Nursing & Rehabilitation Center
3516 Powell Lane
Mattoon, IL. 61938
Ph: (217) 234-6401
Cell: (217) 671-8044
Fx: (217) 258-3300
Web site <http://www.douglasrehab.com>

Newton Rest Haven

Phone 618-783-2309

Nursing Home

KAREN EYMAN KINDER

P.O. BOX 360
300 SOUTH SCOTT STREET
NEWTON, ILLINOIS 62448

December 20, 2013

Shawna O'Dell, Post Acute Care Manager
St. Anthony's memorial Hospital
503 North Maple Street
Effingham, IL 62401

Re: Discontinuation Skilled Nursing Unit

Dear Ms. O'Dell,

In reply to your letter dated 12/17/2013, Newton Rest Haven has the capacity to accommodate any individuals who may need placement due to the closure of your skilled Nursing Unit. We are currently fully certified and abide by all State and Federal regulations governing long term care nursing facilities. We are certified to accept both skilled and intermediate residents. We do have vacancies that would allow immediate admissions once appropriate screening is completed.

Please do not hesitate to contact us should you have residents that need placement. We would be happy to accommodate all those individuals needing our services.

Sincerely,



Karen E. Kinder
Owner/Administrator

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Tuesday, December 24, 2013 3:16 PM
To: Schnabel, Annette D
Subject: Fwd: skilled beds

Sent from my iPad

Begin forwarded message:

From: Jamie Patton <jpatton@petersenhealthcare.net>
Date: December 24, 2013, 12:01:39 PM CST
To: <shawna.odell@hshs.org>
Subject: skilled beds

Hello Shawna. I received your letter in the mail today regarding the closing of the swing beds. I do not feel that it would have any impact on our community needs due to the distance that we are apart. We definitely have the ability to accept any potential patients that might need placement. We do not have any restrictions or limitations as well.

Thank you and best of luck!

*Jamie Patton, LNHA
Administrator
Arcola Health Care Center
Office: (217) 268-3022
Fax: (217) 268-4180*

This document may contain information covered under the Privacy Act, 5 USC 552(a), and/or the Health Insurance Portability and Accountability Act (PL 104-191) and its various implementing regulations and must be protected in accordance with those provisions. Healthcare information is personal and sensitive and must be treated accordingly. If this correspondence contains healthcare information it is being provided to you after appropriate authorization from the patient or under circumstances that don't require patient authorization. You, the recipient, are obligated to maintain it in a safe, secure and confidential manner. Redisclosure without additional patient consent or as permitted by law is prohibited. Unauthorized redisclosure or failure to maintain confidentiality subjects you to application of appropriate sanction. If you have received this correspondence in error, please notify the sender at once and destroy any copies you have made.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services 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 a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of 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 43.

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)			
Inpatient			
Outpatient			
Total			

XI. Safety Net Impact Statement

1. St. Anthony's is an ongoing operation. The proposed LTC discontinuation will have no impact on safety net services in that no other categories of service will be discontinued and the market has sufficient LTC beds to accommodate the average 9 patient average daily LTC patient census.
2. Considering St. Anthony's Hospital will continue to provide all services other than the proposed to be discontinued LTC category of service, there will be no cross-subsidization other than that which currently exist.
3. No impact is anticipated nor expected on other in-market providers.

Safety Net Impact Statements shall also include all of 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.*

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year 2011	Year 2012	Year 2013
Inpatient	548	553	110
Outpatient	989	1,118	1,838
Total	1,537	1,671	1,948
Charity (cost In dollars)			
Inpatient	680,144	624,599	649,591
Outpatient	1,226,790	1,262,934	1,531,129
Total	1,906,934	1,887,593	2,180,720
MEDICAID			
Medicaid (# of patients)	Year 2011	Year 2012	Year 2013
Inpatient	773	714	549
Outpatient	45,627	46,661	38,868
Total	46,400	47,375	39,417
Medicaid (revenue)			
Inpatient	4,014,559	3,397,813	2,746,095
Outpatient	6,322,432	5,458,528	5,230,392
Total	10,336,991	8,856,341	7,976,487

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

Not relevant to the proposed discontinuation

XII. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

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 44.

CHARITY CARE			
	Year 2009	Year 2010	Year 2011
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

Attachment 44, Table 1
St. Anthony's Memorial Hospital

CHARITY CARE			
	Year 2011	Year 2012	Year 2013
Net Patient Revenue	115,519,188	118,536,477	118,705,147
Amount of Charity Care (charges)	5,258,408	5,596,633	5,943,637
Cost of Charity Care	1,226,490	1,887,533	2,180,720

Appendix A
Impact Letters and Receipt Documentation

Appendix B
MapQuest Travel Time Documentation

Letters Sent to
AMI Providers within
45 Minute Travel Time of
St. Anthony's Memorial Hospital

Lakeland Rehabilitation and Health Care Center

Evergreen Nursing Home

Effingham Rehab and Health Care Center

Lutheran Care Center

Heartland Christian Village

Friendship Manor of St. Elmo

Newton Rest Haven

Cumberland Rehab and Health Care Center

Mattoon Rehab and Health Care Center

Palm Terrace of Mattoon

Douglas Nursing and Rehab Center

Odd Fellow-Rebekah Home

Shelbyville Rehab and Health Care Center

Flora Rehab and Health Care Center

Flora Gardens Care Center

Fayette County Hospital Long Term Care

Vandalia Rehab and Health Care Center

Heartland Manor Nursing Home

Hilltop Skilled Nursing and Rehab

Casey Health Care Center

Charleston Rehab and Health Care Center

Arcola Health Care Center



**St. Anthony's
Memorial Hospital**

AN AFFILIATE OF HOSPITAL SISTERS HEALTH SYSTEM

December 17, 2013

William Wade, Administrator
Lakeland Rehabilitation and Health Care Center
800 West Temple
Effingham, IL 62401

Dear Mr. Wade:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

In fiscal years 2012 and 2013, the hospital had a total of 865 admissions to the Skilled Nursing Unit. After careful evaluation, we determined there are currently an ample number of Skilled Nursing beds in our service area. There are approximately 1,876 beds in our planning area (Effingham County and contiguous counties within 45 minutes of St. Anthony's Memorial Hospital) for this category of service.

As part of the discontinuation process, and consistent with requirements of Section 1110.130 C, you are hereby asked to identify, within **15 days**:

- What impact, if any, the proposed discontinuation of the Skilled Nursing Unit will have on your operations.
- If your facility has the available capacity to accommodate a portion or all of St. Anthony's Memorial Hospital skilled nursing care unit caseload.
- Whether your facility operates with any restrictions or limitations that would preclude providing service to residents of the St. Anthony's Memorial Hospital market area.

Please send your responses or comments by **January 6** to:

Shawna O'Dell, Post-Acute Care Manager
St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

It is our goal to work closely with you and other Skilled Nursing facilities in the region to ensure a smooth transition for patients who need these services. Thank you for your prompt attention to this request.

Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121



**St. Anthony's
Memorial Hospital**

AN AFFILIATE OF HOSPITAL SISTERS HEALTH SYSTEM

December 17, 2013

Lola White, Administrator
Evergreen Nursing Home
1115 North Wenthe
Effingham, IL 62401

Dear Ms. White:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

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St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121



December 17, 2013

Shirley Acree, Administrator
Effingham Rehab and Health Care Center
1610 N. Lakewood
Effingham, IL 62401

Dear Ms. Acree:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

In fiscal years 2012 and 2013, the hospital had a total of 865 admissions to the Skilled Nursing Unit. After careful evaluation, we determined there are currently an ample number of Skilled Nursing beds in our service area. There are approximately 1,876 beds in our planning area (Effingham County and contiguous counties within 45 minutes of St. Anthony's Memorial Hospital) for this category of service.

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- If your facility has the available capacity to accommodate a portion or all of St. Anthony's Memorial Hospital skilled nursing care unit caseload.
- Whether your facility operates with any restrictions or limitations that would preclude providing service to residents of the St. Anthony's Memorial Hospital market area.

Please send your responses or comments by January 6 to:

Shawna O'Dell, Post-Acute Care Manager
St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121

December 17, 2013

Karen Hille, Administrator
Lutheran Care Center
702 W. Cumberland
Altamont, IL 62411

Dear Ms. Hille:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

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- What impact, if any, the proposed discontinuation of the Skilled Nursing Unit will have on your operations.
- If your facility has the available capacity to accommodate a portion or all of St. Anthony's Memorial Hospital skilled nursing care unit caseload.
- Whether your facility operates with any restrictions or limitations that would preclude providing service to residents of the St. Anthony's Memorial Hospital market area.

Please send your responses or comments by January 6 to:

Shawna O'Dell, Post-Acute Care Manager
St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

It is our goal to work closely with you and other Skilled Nursing facilities in the region to ensure a smooth transition for patients who need these services. Thank you for your prompt attention to this request.

Sincerely,



Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121



December 17, 2013

John Letizia, Administrator
Heartland Christian Village
101 Trowbridge Road
Neoga, IL 62447

Dear Mr. Letizia:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

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Please send your responses or comments by January 6 to:

Shawna O'Dell, Post-Acute Care Manager
St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121



December 17, 2013

Charles Hutson, Administrator
Friendship Manor of St. Elmo
221 East Cumberland
St. Elmo, IL 62458

Dear Mr. Hutson:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

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Please send your responses or comments by January 6 to:

Shawna O'Dell, Post-Acute Care Manager
St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121



December 17, 2013

Karen Kinder, Administrator
Newton Rest Haven
300 S. Scott Street, PO Box 360
Newton, IL 62448

Dear Ms. Kinder:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

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Please send your responses or comments by January 6 to:

Shawna O'Dell, Post-Acute Care Manager
St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121



December 17, 2013

Katherine Hanner, Administrator
Cumberland Rehab and Health Care Center
300 N. Marietta St.
Greenup, IL 62428

Dear Ms. Hanner:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

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St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

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Sincerely,

Theresa Rutherford, RN, MSN, MBA, FACHE
President and CEO

503 N MAPLE · EFFINGHAM, IL 62401
WWW.STANTHONYSHOSPITAL.ORG · 217.342.2121



December 17, 2013

Jade Belcher, Administrator
Mattoon Rehab and Health Care Center
2121 S. 9th St.
Mattoon, IL 61938

Dear Ms. Belcher:

St. Anthony's Memorial Hospital in Effingham is preparing a Certificate of Need application to be filed with the Illinois Health Facilities and Services Review Board (IHFSRB), addressing the discontinuation of its 13-bed Skilled Nursing Unit on the fourth floor of the hospital. The hospital is located at 503 North Maple Street in Effingham. The discontinuation is scheduled to occur, following IHFSRB approval, in mid-summer 2014.

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Please send your responses or comments by January 6 to:

Shawna O'Dell, Post-Acute Care Manager
St. Anthony's Memorial Hospital
503 North Maple Street
Effingham, IL 62401

or you may email Shawna.Odell@hshs.org.

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**St. Anthony's
Memorial Hospital**

AN AFFILIATE OF HOSPITAL SISTERS HEALTH SYSTEM

December 17, 2013

Glenna Birch, Administrator
Palm Terrace of Mattoon
1000 Palm Avenue
Mattoon, IL 61938

Dear Ms. Birch:

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December 17, 2013

Cindy Lewton, Administrator
Douglas Nursing and Rehab Center
3516 Powell Lane
Mattoon, IL 61938

Dear Ms. Lewton:

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December 17, 2013

Karen Dailey, Administrator
Shelbyville Manor
1111 W. North 12th St.
Shelbyville, IL 62565

Dear Ms. Dailey:

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December 17, 2013

David Standerfer, Administrator
Odd Fellow-Rebekah Home
201 Lafayette Ave., East
Mattoon, IL 61938

Dear Mr. Standerfer:

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December 17, 2013

Susan Shaw, Administrator
Shelbyville Rehab and Health Care Center
2116 Sth 3rd & Dacey Drive
Shelbyville, IL 62565

Dear Ms. Shaw:

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December 17, 2013

Nancy Gelsinger, Administrator
Flora Rehab and Health Care Center
232 Given Street
Flora, IL 62839

Dear Ms. Gelsinger:

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December 17, 2013

April Utley, Administrator
Flora Gardens Care Center
701 Shadwell Ave.
Flora, IL 62839

Dear Ms. Utley:

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December 17, 2013

Gregory Starnes, Administrator
Fayette County Hospital Long Term Care
650 W. Taylor
Vandalia, IL 62471

Dear Mr. Starnes:

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December 17, 2013

Michelle Vaughan, Administrator
Vandalia Rehab and Health Care Center
1500 W. St Louis Ave
Vandalia, IL 62471

Dear Ms. Vaughan:

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December 17, 2013

Penny Chrysler, Administrator
Heartland Manor Nursing Home
410 Northwest Third, PO Box 10
Casey, IL 62420

Dear Ms. Chrysler:

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December 17, 2013

Angela Towle, Administrator
Hilltop Skilled Nursing and Rehab
910 W. Polk St.
Charleston, IL 61920

Dear Ms. Towle:

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December 17, 2013

Kelly Clark, Administrator
Casey Health Care Center
100 N. E. 15th
Casey, IL 62420

Dear Ms. Clark:

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December 17, 2013

Sandra Edwards, Administrator
Charleston Rehab and Health Care Center
716 18th St.
Charleston, IL 61920

Dear Ms. Edwards:

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**St. Anthony's
Memorial Hospital**

AN AFFILIATE OF HOSPITAL SISTERS HEALTH SYSTEM

December 17, 2013

Jamie Patton, Administrator
Arcola Health Care Center
422 E. 4th St, PO Box 70
Arcola, IL 61910

Dear Ms. Patton:

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Impact Letter Receipt Documentation

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature X <i>Kelly Clark</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Kelly Clark, Admin. Casey Health Care Center 100 N. E. 15th Casey, IL 62420		B. Received by (Printed Name) <input type="checkbox"/> C. Date of Delivery <i>Kelly Clark</i>	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 8847		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, February 2004		Domestic Return Receipt 102595-02-M-1540	
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes			

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature X <i>Sandra Edwards</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Sandra Edwards, Admin. Charleston Rehab & H.C.C. 716 18th St. Charleston, IL 61920		B. Received by (Printed Name) <input type="checkbox"/> C. Date of Delivery <i>Sandra Edwards</i> 12-24-13	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 8892		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, February 2004		Domestic Return Receipt 102595-02-M-1540	
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes			

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature X <i>Katherine Hanner</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Katherine Hanner 40 Cumberland Rehab & H.C.C. 300 N. Marietta St. Greenup, IL 62428		B. Received by (Printed Name) <input type="checkbox"/> C. Date of Delivery <i>Katherine Hanner</i> 12-11-13	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6256		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, February 2004		Domestic Return Receipt 102595-02-M-1540	
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes			

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
	B. Received by (Printed Name) Virginia Hedeketh	C. Date of Delivery 1/29/13
1. Article Addressed to: Cindy Lewton 40 Douglas Nursing & Rehab 3516 Powell Lane Mattoon, IL 61938	D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 9011	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
	B. Received by (Printed Name) Shirley Acree	C. Date of Delivery 1/29/13
1. Article Addressed to: Shirley Acree 90 Eff. Rehab & H.C.C. 1610 N. Lakewood Effingham, IL 62401	D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6300	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
	B. Received by (Printed Name) Lola White	C. Date of Delivery 1/29/13
1. Article Addressed to: Lola White 90 Evergreen Nursing Home 1115 North Wenthe Effingham, IL 62401	D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6317	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> <i>Kevin L. Dulak</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Gregory Starnes 40 Fayette Cty. Hospital Long Term Care 650 W. Taylor Vandalia, IL 62471	B. Received by (Printed Name) <i>Kevin L. Dulak</i>	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.		
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6355		
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> <i>April Utley</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: April Utley, Admin. 40 Flora Gardens Care Center 701 Shadwell Ave. Flora, IL 62839	B. Received by (Printed Name)	C. Date of Delivery
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.		
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		
2. Article Number (Transfer from service label) 7012 2210 0000 2822 8878		
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> <i>Nancy Gelsinger</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Nancy Gelsinger, Admin. Flora Rehab / H.C.C. 232 Given St. Flora, IL 62839	B. Received by (Printed Name) <i>Nancy Gelsinger</i>	C. Date of Delivery <i>Feb 26 / 13</i>
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.		
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes		
2. Article Number (Transfer from service label) 7012 2210 0000 2822 8885		
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) Heather Brown</p> <p>C. Date of Delivery 12/24/13</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to: Charles Hutson 40 Friendship Manor of St. Elmo 221 East Cumberland St. Elmo, IL 62458</p>	<p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) 7012 2210 0000 2822 6348</p>	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) Miss McDason</p> <p>C. Date of Delivery 12-24-13</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to: John Letizia 40 Heartland Christian Village 101 Trowbridge Rd. Neoga, IL 62447</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) 7012 2210 0000 2822 6294</p>	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) Penny Chrysler</p> <p>C. Date of Delivery 12-24-13</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to: Penny Chrysler Heartland Manor 410 N.W. 3rd P.O. Box 10 Casey, IL 62420</p>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) 7012 2210 0000 2822 8861</p>	
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X <i>[Signature]</i></p>	
<p>1. Article Addressed to:</p> <p>Angel a Towle 40 Hilltop Skilled Nursing 1910 W. Polk St. Charleston, IL 61920</p>	<p>B. Received by (Printed Name)</p> <p><i>[Signature]</i></p>	<p>C. Date of Delivery</p> <p>12-24-13</p>
	<p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>	
<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>		
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>		
<p>2. Article Number (Transfer from service label) 7012 2210 0000 2822 9004</p>		
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>		

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<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X <i>[Signature]</i></p>	
<p>1. Article Addressed to:</p> <p>William Wade 40 Lakeland Rehab & H.C.C. 800 W. Temple Effingham, IL 62401</p>	<p>B. Received by (Printed Name)</p> <p><i>[Signature]</i></p>	<p>C. Date of Delivery</p> <p>12-24-13</p>
	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>	
<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>		
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>		
<p>2. Article Number (Transfer from service label) 7012 2210 0000 2822 6331</p>		
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X <i>[Signature]</i></p>	
<p>1. Article Addressed to:</p> <p>Karen Hille 40 Lutheran Care Center 702 W. Cumberland Center Altamont, IL 62411</p>	<p>B. Received by (Printed Name)</p> <p><i>[Signature]</i></p>	<p>C. Date of Delivery</p> <p>12/24/13</p>
	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>	
<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>		
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>		
<p>2. Article Number (Transfer from service label) 7012 2210 0000 2822 8854</p>		
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>		

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature x Valerie Miller <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Jade Blalcher Mattoon Rehab & H.C.C. 2121 S. 9th St. Mattoon, IL 61938		B. Received by (Printed Name) Valerie Miller C. Date of Delivery 12-24-13	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6263			
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540			

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature x Donna Wab <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: Karen Kinder 40 Newton Rest Haven 300 S. Scott St. P.O. Box 360 Newton, IL 62448		B. Received by (Printed Name) C. Date of Delivery 12-24-13	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6379			
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540			

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature x David Standerfer <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to: David Standerfer 40 Odd Fellow-Rebekah 201 Lafayette Ave. East Mattoon, IL 61938		B. Received by (Printed Name) C. Date of Delivery 12/24/13	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6270			
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540			

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature <input checked="" type="checkbox"/> Addressee <input type="checkbox"/> Agent	
1. Article Addressed to: Glenna Birch 40 Palm Terrace of Mattoon 1000 Palm Ave. Mattoon, IL 61938		B. Received by (Printed Name) James Wilson	
		C. Date of Delivery	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6287		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
PS Form 3811, February 2004		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature <input checked="" type="checkbox"/> Addressee <input type="checkbox"/> Agent	
1. Article Addressed to: Karen Dailey 40 Shelbyville Manor 1111 W North 12th St. Shelbyville, IL 62565		B. Received by (Printed Name) Karen Dailey	
		C. Date of Delivery 12-26-13	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6386		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
PS Form 3811, February 2004		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature <input checked="" type="checkbox"/> Addressee <input type="checkbox"/> Agent	
1. Article Addressed to: Susan Shaw c/o Shelbyville Rehab & H.C.C. 2116 5th 3rd. & Dacey Drive Shelbyville, IL 62565		B. Received by (Printed Name) SUSAN SHAW	
		C. Date of Delivery 12-24-13	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. Article Number (Transfer from service label) 7012 2210 0000 2822 6393		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
PS Form 3811, February 2004		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Debra R. [Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p><i>Michelle Vaughan c/o Vandalia Rehab & H.C.C. 1500 W. St. Louis Ave Vandalia, IL 62471</i></p>	<p>B. Received by (Printer Name)</p>	<p>C. Date of Delivery <i>12/26/03</i></p>
<p>2. Article Number <small>(Transfer from service label)</small></p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes if YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>PS Form 3811, February 2004</p>	<p>3. Service Type <small>Additional Fee</small></p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>Domestic Return Receipt</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
<p>7012 2210 0000 2622 6362</p>	<p>102595-02-M-1540</p>	

Exhibit _____
 Long Term Care Category of Service Discontinuation
 General Long Term Care Facilities Within 45 Minute Drive Time
 St. Anthony's Memorial Hospital, Effingham, Illinois

Facility	Impact Letter Response Received	Location	Willing to Accept	Distance	Travel Time (Minutes)	Comments
Lakeland Rehabilitation		Effingham, IL		0.24	1	
Evergreen Nursing Home		Effingham, IL		1.19	3	
Lutheran Care Center		Altamont, IL		13.98	18	
Cumberland Rehab and Health		Greenup, IL		25.16	28	
Douglas Nursing and Rehab		Mattoon, IL		29.78	38	
Newton Rest Haven		Newton, IL		24.84	35	
Arcola Health Center		Arcola, IL		44.33	47	
Grand Total						

Source: Analysis of Received Impact Letters; see Exhibit
 Compiled by PRISM Healthcare
 Consulting

From: Lakeland Administrator [mailto:lakeland@tutera.com]
Sent: Thursday, December 19, 2013 12:26 PM
To: O'Dell, Shawna R
Subject: discontinuation of skilled nursing unit

Shawna, I received a letter asking that as the administrator of Lakeland Rehabilitation and Healthcare, I address some issues to you regarding the potential discontinuation of the skilled nursing unit at St. Anthony's hospital.

What, if any, impact the proposed discontinuation of the skilled nursing unit will have on our operations.

I do not anticipate any negative impact on our operations.

If our facility has the available capacity to accommodate a portion or all of St. Anthony's Memorial hospital skilled nursing care unit caseload.

Lakeland can more than handle all of St. Anthony's skilled unit caseload.

Whether our facility operates with any restrictions or limitations that would preclude providing service to residents of the ST. Anthony's Memorial hospital market area.

Lakeland has no restrictions or limitations.

If you need any further information, feel free to contact me at 217-342-2171

William Wade
Administrator

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Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Monday, December 23, 2013 11:25 AM
To: Schnabel, Annette D
Subject: Fwd: Skilled Nursing Unit
Attachments: image002.jpg

Shawna O'Dell

Begin forwarded message:

From: Lola White <lwhite@evergreennursingrehab.com>
Date: December 23, 2013 at 10:48:04 AM CST
To: <Shawna.Odell@hshs.org>
Subject: Skilled Nursing Unit

Dear Shawna: I am writing in regards to the letter I received about St. Anthony's Memorial Hospital Certificate of Need for skilled Nursing.

We at Evergreen Nursing and Rehabilitation Center are a licensed 120 skilled bed facility. We accept Medicare, Medicaid and private insurances.

We will be more than Happy to accommodate any needs your patients may have for skilled nursing and or therapy at Evergreen Nursing and Rehabilitation Center. We have no restrictions that would prohibit us from providing services to the residents of St. Anthony's Memorial Hospital Market area.

We also have an on sight Nurse Practitioner that works very closely with the patients primary physician to make the transition as comfortable as possible.

If you have any questions or would like to meet, please do not hesitate to contact me at the below numbers.

Thank you and Happy Holidays.

Lola White MA, LNHA, Administrator



1115 North Wenthe Drive

Effingham, Illinois 62401

217-347-7121 cell 217-690-0597

Fax: 217-342-5525

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Thursday, December 26, 2013 2:47 PM
To: Schnabel, Annette D
Subject: Fwd: Responses/Comments CON

Shawna O'Dell

Begin forwarded message:

From: Karen Hille <khille@mchsi.com>
Date: December 26, 2013 at 1:30:52 PM CST
To: <Shawna.Odell@hshs.org>
Subject: Responses/Comments CON

Good Afternoon.

Lutheran Care Center, Altamont, IL
Responses/Comments submitted by Karen Hille, Administrator

#1. Lutheran Care Center does not anticipate any negative impact to our skilled care facility. We are dully certified for Medicare and Medicaid. Our facility is located within a reasonable distance from the hospital (10 miles).

#2. Lutheran Care Center does have available beds and generally census levels are less than full capacity; therefore, we are able to accommodate a portion of St. Anthony Memorial Hospital skilled care patients.

#3. Lutheran Care Center currently does not have any restrictions or limitations that would preclude providing service to residents of the St. Anthony Memorial Hospital market area. In the past we have not had any significant issues with transition of residents from St. Anthony acute care to our facility.

If additional information if needed, please contact me at 618-483-6136.
Karen Hille

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Saturday, December 28, 2013 10:04 AM
To: Schnabel, Annette D
Subject: Fwd: Skilled Care Nursing

Sent from my iPad

Begin forwarded message:

From: Katie Hanner <khanner@petersenhealthcare.net>
Date: December 27, 2013, 3:31:08 PM CST
To: <Shawna.Odell@hshs.org>
Subject: Skilled Care Nursing

Shawna,

I received your letter stating that St. Anthony's Skilled Care Unit is discontinuing operations. We are a 54 bed Skilled Nursing Facility located in Greenup. All of our beds are dually certified for Medicare/Medicaid recipients. We would be happy to assist St. Anthony's in placing individuals with post acute skilled care needs. The only exclusion we would have is patients needed mechanical ventilation. If you need any further information please contact me at this email address or the phone number listed below. We look forward to working with you in meeting the needs of your patients.

Thank you,

Katie Hanner, LNHA
Administrator
Cumberland Rehab & Health Care Center
ph. 217-923-3186; fax 217-923-5226
khanner@petersenhealthcare.net

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Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Thursday, December 26, 2013 2:46 PM
To: Schnabel, Annette D
Subject: Fwd: CON

Shawna O'Dell

Begin forwarded message:

From: Cindy Lewton <administrator@douglasrehab.com>
Date: December 26, 2013 at 1:16:36 PM CST
To: <Shawna.Odell@hshs.org>
Subject: CON

There is no impact to the discontinuation of the Skilled Nursing Unit will have on Douglas Nursing and Rehab Center.

Yes we have the available capacity to accommodate a portion or all of the skilled nursing care unit caseload.

There are no restrictions or limitations that would preclude providing service to residents of the St. Anthony's Memorial Hospital market area.

Cindy Lewton, LNHA
Douglas Nursing & Rehabilitation Center
3516 Powell Lane
Mattoon, IL 61938
Ph: (217) 234-6401
Cell: (217) 671-8044
Fx: (217) 258-3300
Web site <http://www.douglasrehab.com>

Newton Rest Haven

Phone 618-783-2309

Nursing Home

KAREN EYMAN KINDER

P.O. BOX 360
300 SOUTH SCOTT STREET
NEWTON, ILLINOIS 62448

December 20, 2013

Shawna O'Dell, Post Acute Care Manager
St. Anthony's memorial Hospital
503 North Maple Street
Effingham, IL 62401

Re: Discontinuation Skilled Nursing Unit

Dear Ms. O'Dell,

In reply to your letter dated 12/17/2013, Newton Rest Haven has the capacity to accommodate any individuals who may need placement due to the closure of your skilled Nursing Unit. We are currently fully certified and abide by all State and Federal regulations governing long term care nursing facilities. We are certified to accept both skilled and intermediate residents. We do have vacancies that would allow immediate admissions once appropriate screening is completed.

Please do not hesitate to contact us should you have residents that need placement. We would be happy to accommodate all those individuals needing our services.

Sincerely,



Karen E. Kinder
Owner/Administrator

Judi Linke

From: O'Dell, Shawna R <Shawna.ODell@hshs.org>
Sent: Tuesday, December 24, 2013 3:16 PM
To: Schnabel, Annette D
Subject: Fwd: skilled beds

Sent from my iPad

Begin forwarded message:

From: Jamie Patton <jpatton@petersenhealthcare.net>
Date: December 24, 2013, 12:01:39 PM CST
To: <shawna.odell@hshs.org>
Subject: skilled beds

Hello Shawna. I received your letter in the mail today regarding the closing of the swing beds. I do not feel that it would have any impact on our community needs due to the distance that we are apart. We definitely have the ability to accept any potential patients that might need placement. We do not have any restrictions or limitations as well.

Thank you and best of luck!

*Jamie Patton, LNHA
Administrator
Arcola Health Care Center
Office: (217) 268-3022
Fax: (217) 268-4180*

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Notes

Trip to:

Casey Health Care Center
100 NE 15th St

Casey, IL 62420

(217) 932-5217

36.42 miles / 39 minutes



St Anthony's Memorial Hospital
 503 N Maple St, Effingham, IL 62401
 (217) 347-1232

Download
Free App

- | | | |
|------|--|--|
| | 1. Start out going north on N Maple St toward W Kentucky Ave. Map | 0.1 Mi
<i>0.1 Mi Total</i> |
| | 2. Turn right onto W Temple Ave. Map
<i>If you reach W Indiana Ave you've gone a little too far</i> | 0.5 Mi
<i>0.6 Mi Total</i> |
|
 | 3. Turn left onto N 3rd St / US-45 N. Map
<i>N 3rd St is just past N 4th St</i>
<i>If you reach N 2nd St you've gone a little too far</i> | 1.2 Mi
<i>1.7 Mi Total</i> |
|
 | 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map
<i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i> | 1.3 Mi
<i>3.0 Mi Total</i> |
|
 | 5. Keep right to take I-70 E toward Indianapolis. Map | 31.1 Mi
<i>34.1 Mi Total</i> |
| | 6. Take the IL-49 S exit, EXIT 129 , toward Casey / Kansas. Map | 0.3 Mi
<i>34.4 Mi Total</i> |
|
 | 7. Merge onto IL-49 S toward Casey. Map | 0.8 Mi
<i>35.2 Mi Total</i> |
|
 | 8. Turn left onto US-40. Map
<i>US-40 is just past E Keach Ave</i>
<i>The Great House of Pizza is on the corner</i>
<i>If you are on N IL-49 and reach Staley Ave you've gone about 0.1 miles too far</i> | 0.6 Mi
<i>35.8 Mi Total</i> |
| | 9. Turn right onto NE 13th St. Map
<i>NE 13th St is 0.3 miles past Northwood Ln</i>
<i>If you reach NE 15th St you've gone about 0.1 miles too far</i> | 0.4 Mi
<i>36.3 Mi Total</i> |
| | 10. Turn left onto E Delaware Ave. Map
<i>E Delaware Ave is 0.2 miles past E Grant Ave</i>
<i>If you reach E Alabama Ave you've gone a little too far</i> | 0.1 Mi
<i>36.4 Mi Total</i> |
| | 11. Turn right onto NE 15th St. Map | 0.05 Mi
<i>36.4 Mi Total</i> |
| | 12. 100 NE 15TH ST is on the left. Map
<i>If you reach E Alabama Ave you've gone a little too far</i> | |



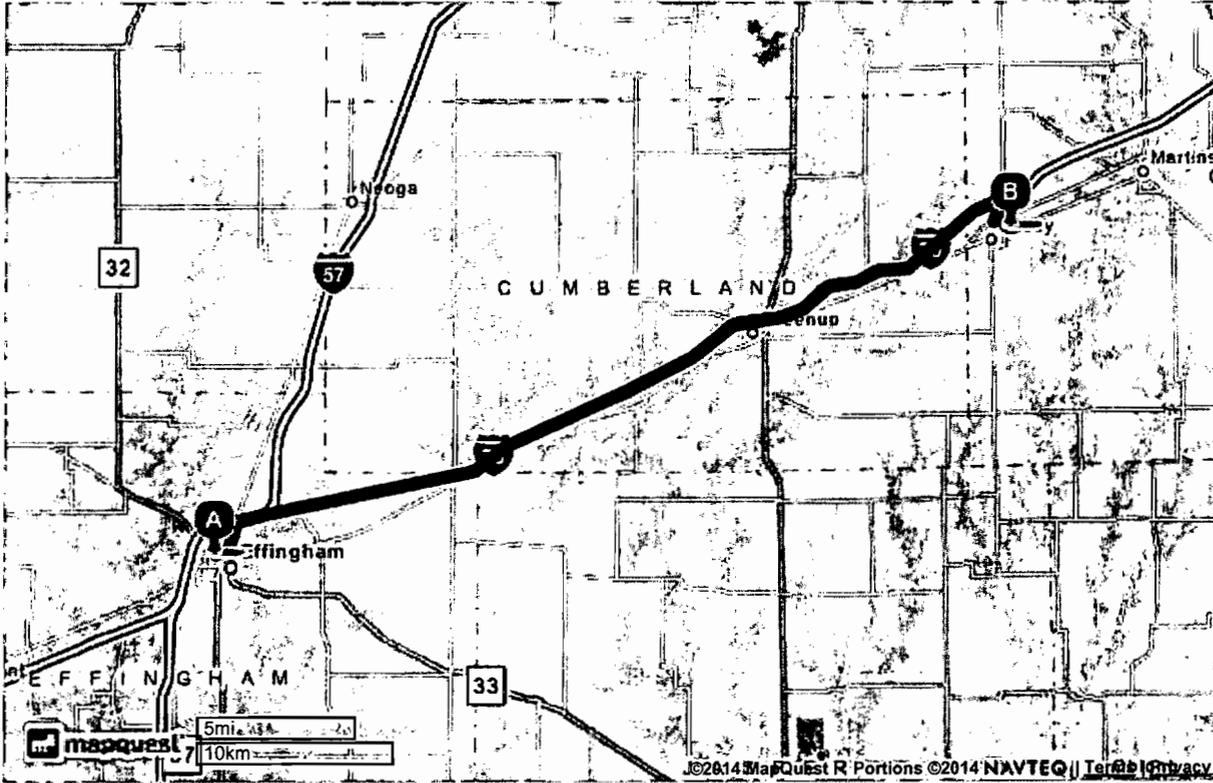
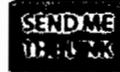
Casey Health Care Center
 100 NE 15th St, Casey, IL 62420
 (217) 932-5217

Total Travel Estimate: **36.42 miles - about 39 minutes**

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Trip to:
Heartland Manor Inc Nursing Center
410 NW 3rd St
 Casey, IL 62420
 (217) 932-4081
 36.01 miles / 39 minutes

Notes

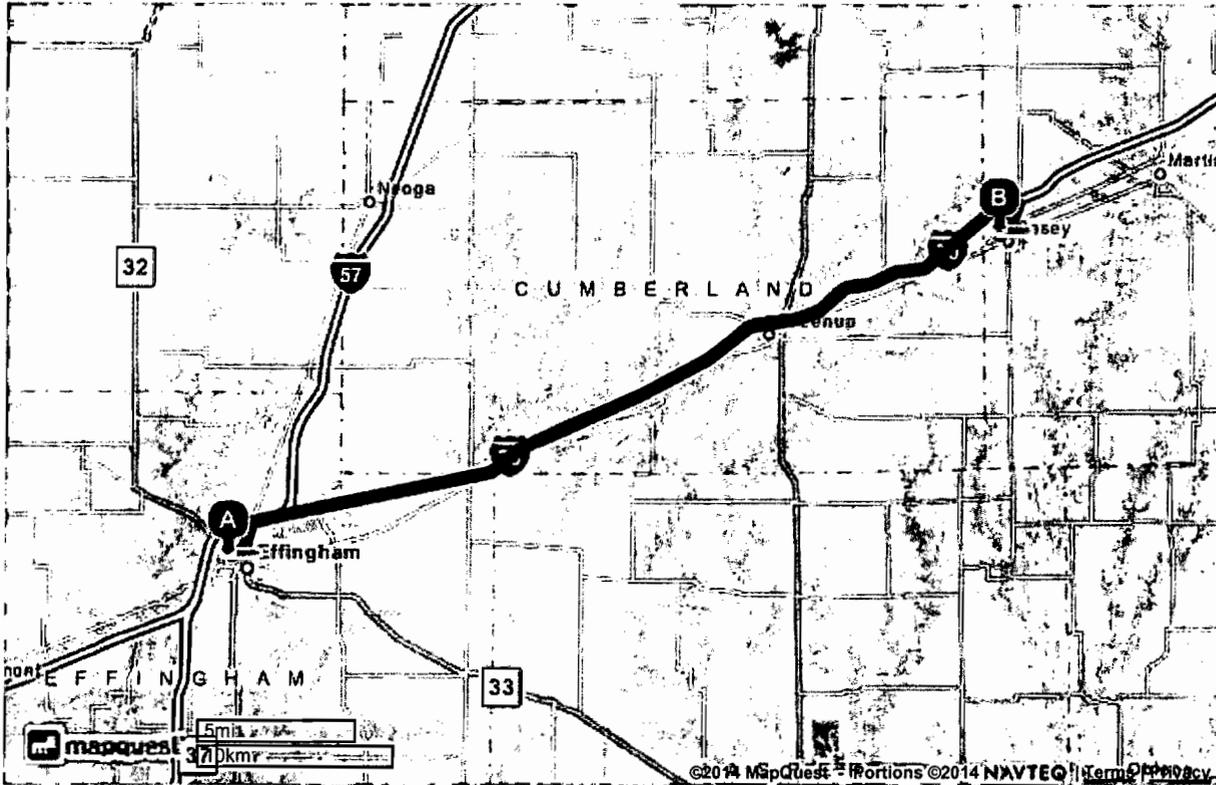
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↘	2. Turn right onto W Temple Ave. Map If you reach W Indiana Ave you've gone a little too far	0.5 Mi 0.6 Mi Total
↙	 3. Turn left onto N 3rd St / US-45 N. Map N 3rd St is just past N 4th St If you reach N 2nd St you've gone a little too far	1.2 Mi 1.7 Mi Total
↗	 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far	1.3 Mi 3.0 Mi Total
↗	 5. Keep right to take I-70 E toward Indianapolis. Map	31.1 Mi 34.1 Mi Total
↓	 6. Take the IL-49 S exit, EXIT 129 , toward Casey / Kansas. Map	0.3 Mi 34.4 Mi Total
↘	 7. Merge onto IL-49 S toward Casey. Map	0.8 Mi 35.2 Mi Total
↘	 8. Turn right onto US-40. Map US-40 is just past E Keach Ave The Great House of Pizza is on the corner If you are on N IL-49 and reach Staley Ave you've gone about 0.1 miles too far	0.5 Mi 35.7 Mi Total
↙	9. Take the 2nd left. Map 0.1 miles past E 1100th Rd If you reach NW 8th St you've gone about 0.4 miles too far	0.2 Mi 35.9 Mi Total
↙	10. Turn left onto W Delaware Ave. Map	0.04 Mi 36.0 Mi Total
↙	11. Take the 1st left onto NW 3rd St. Map If you reach NW 2nd St you've gone a little too far	0.05 Mi 36.0 Mi Total
■	12. 410 NW 3RD ST is on the right. Map If you reach the end of NW 3rd St you've gone a little too far	
B	Heartland Manor Inc Nursing Center 410 NW 3rd St, Casey, IL 62420 (217) 932-4081	

Total Travel Estimate: **36.01 miles - about 39 minutes**

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Trip to:

Flora Gardens
701 Shadwell Ave

Flora, IL 62839

(618) 662-8361

33.67 miles / 46 minutes

Notes

<p>\$33.00 BID NOW</p> <p>Dyson DC26 Vacuum</p> <p>UP TO 92% OFF</p> 	<p>\$21.38 BID NOW</p> <p>iPad mini 64GB</p> <p>UP TO 96% OFF</p> 
<p>\$18.95 BID NOW</p> <p>KitchenAid Mixer</p> <p>UP TO 95% OFF</p> 	<p>\$40.33 BID NOW</p> <p>Breville Espresso Machine</p> <p>UP TO 91% OFF</p> 

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St Anthony's Memorial Hospital
 503 N Maple St, Effingham, IL 62401
 (217) 347-1232

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- 1. Start out going **south** on **N Maple St** toward **W Virginia Ave**. [Map](#) **0.4 Mi**
0.4 Mi Total
- ↩  2. Turn **left** onto **W Fayette Ave / US-40 / IL-33**. [Map](#) **0.2 Mi**
0.6 Mi Total
*W Fayette Ave is just past Shelby Ave
 Calvary Baptist Ch is on the corner
 If you reach Edgar Ave you've gone a little too far*
- ↘  3. Take the 3rd **right** onto **S Banker St / US-45**. Continue to follow **US-45**. [Map](#) **31.2 Mi**
31.9 Mi Total
*US-45 is just past S Merchant St
 If you reach Rinehart St you've gone a little too far*
- ↩  4. Turn **left** onto **US-45 S / US-50 E / 510 N**. [Map](#) **1.5 Mi**
33.4 Mi Total
*US-45 S is 0.4 miles past 550 N
 If you are on 1000 E and reach 500 N you've gone about 0.1 miles too far*
- ↘ 5. Turn **right** onto **N Olive St**. [Map](#) **0.2 Mi**
33.6 Mi Total
*N Olive St is 0.5 miles past 1100 E
 If you reach N Stanford Rd you've gone about 0.5 miles too far*
- ↩ 6. Turn **left** onto **Shadwell Ln**. [Map](#) **0.09 Mi**
33.7 Mi Total
*Shadwell Ln is just past E 10th St
 Calvary Baptist Church is on the corner
 If you reach Birchwood St you've gone a little too far*
- 7. **701 SHADWELL AVE**. [Map](#)
*Your destination is just past Price St
 If you reach Sylvia St you've gone about 0.1 miles too far*



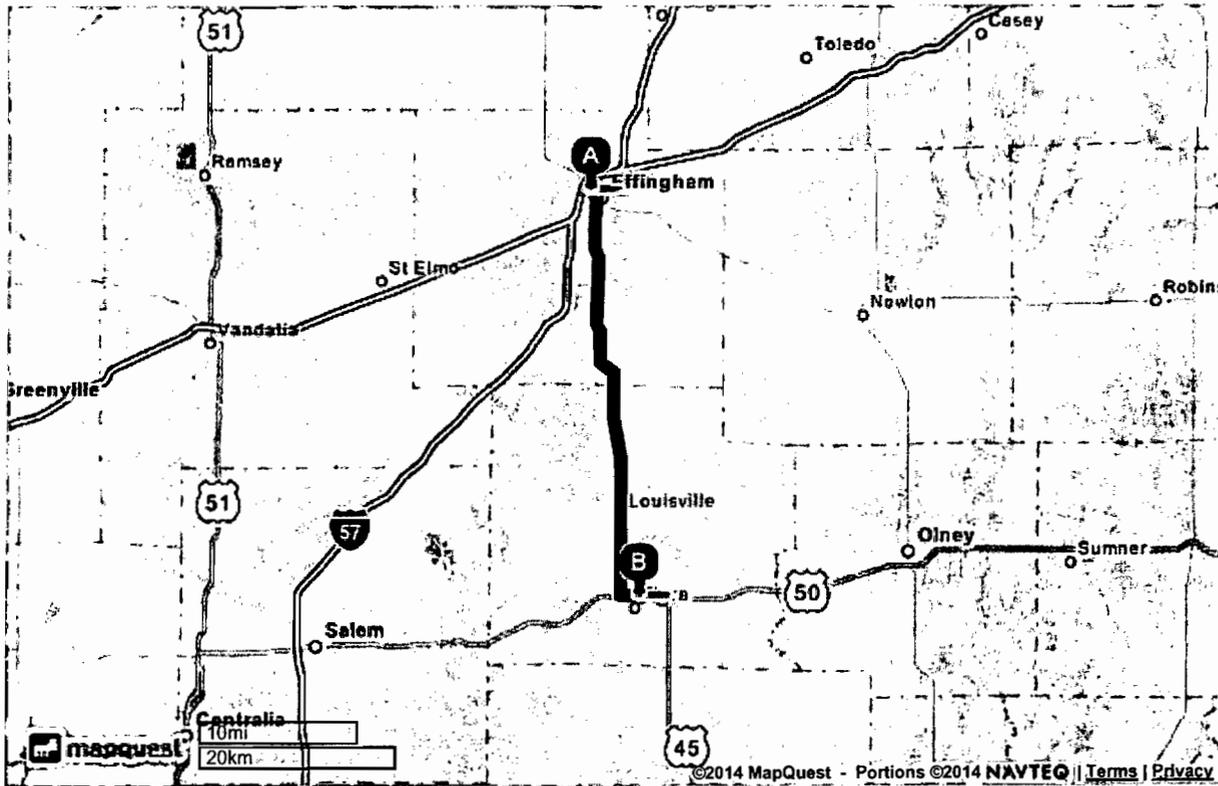
Flora Gardens
 701 Shadwell Ave, Flora, IL 62839
 (618) 662-8361

Total Travel Estimate: **33.67 miles - about 46 minutes**

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Notes

Trip to:

Flora Rehab & Health Care Center
232 Given Dr

Flora, IL 62839

(618) 662-8381

32.97 miles / 45 minutes

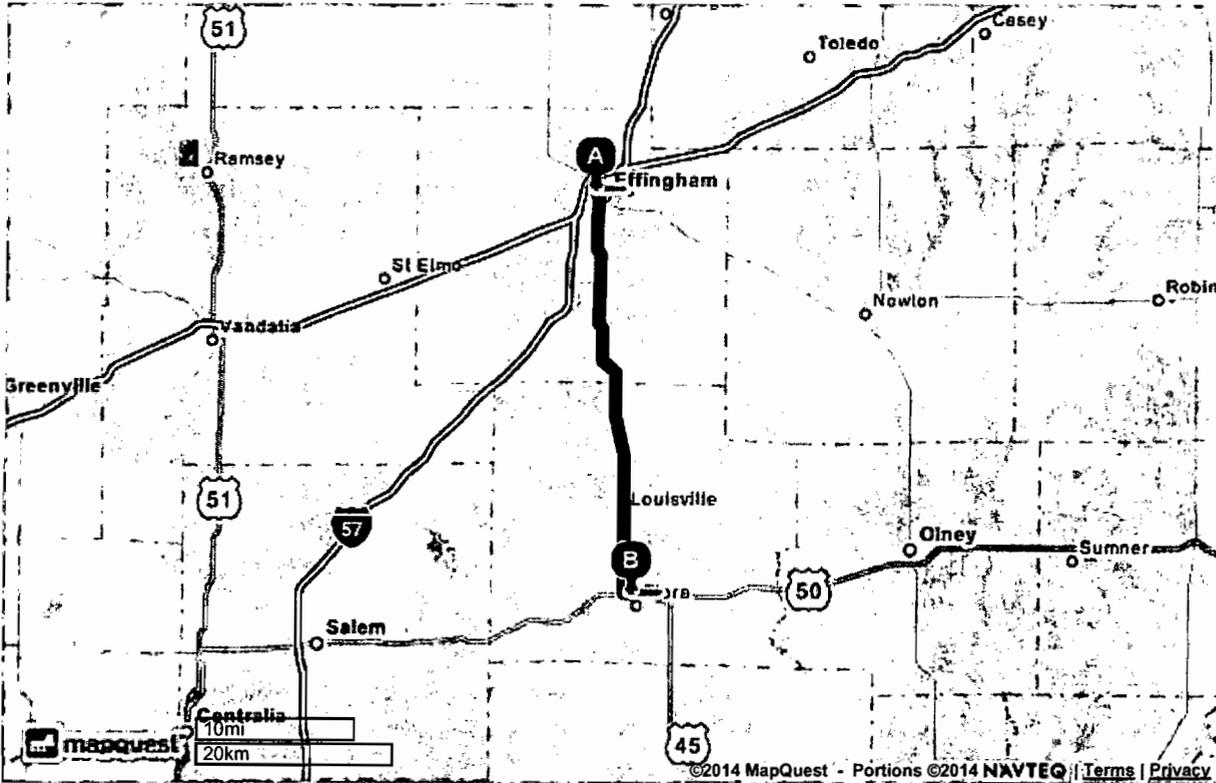
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going south on N Maple St toward W Virginia Ave. Map	0.4 Mi 0.4 Mi Total
↩	2. Turn left onto W Fayette Ave / US-40 / IL-33. Map <i>W Fayette Ave is just past Shelby Ave Calvary Baptist Ch is on the corner If you reach Edgar Ave you've gone a little too far</i>	0.2 Mi 0.6 Mi Total
↘	3. Take the 3rd right onto S Banker St / US-45. Continue to follow US-45. Map <i>US-45 is just past S Merchant St If you reach Rinehart St you've gone a little too far</i>	31.2 Mi 31.9 Mi Total
↩	4. Turn left onto US-45 S / US-50 E / 510 N. Map <i>US-45 S is 0.4 miles past 550 N If you are on 1000 E and reach 500 N you've gone about 0.1 miles too far</i>	1.0 Mi 32.9 Mi Total
↘	5. Turn right onto 1100 E. Map <i>1100 E is 0.4 miles past N Worthey St Burger King is on the corner If you reach US-45 N you've gone about 0.1 miles too far</i>	0.04 Mi 32.9 Mi Total
↑	6. 1100 E becomes CR-1. Map	0.03 Mi 32.9 Mi Total
↘	7. Turn right onto Given Dr. Map <i>Subway is on the corner If you reach W 12th St you've gone a little too far</i>	0.04 Mi 33.0 Mi Total
■	8. 232 GIVEN DR is on the left. Map <i>If you reach the end of Given Dr you've gone about 0.1 miles too far</i>	
B	Flora Rehab & Health Care Center 232 Given Dr, Flora, IL 62839 (618) 662-8381	

Total Travel Estimate: **32.97 miles - about 45 minutes**

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Notes

Trip to:

Charleston Rehabilitation & Health Care Center
716 18th St

Charleston, IL 61920

(217) 345-7054

38.33 miles / 44 minutes



St Anthony's Memorial Hospital
 503 N Maple St, Effingham, IL 62401
 (217) 347-1232

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Free App



1. Start out going **north** on **N Maple St** toward **W Kentucky Ave.** [Map](#)

0.1 Mi
0.1 Mi Total



2. Turn **right** onto **W Temple Ave.** [Map](#)
 If you reach **W Indiana Ave** you've gone a little too far

0.5 Mi
0.6 Mi Total



3. Turn **left** onto **N 3rd St / US-45 N.** [Map](#)
 N 3rd St is just past N 4th St
 If you reach **N 2nd St** you've gone a little too far

1.2 Mi
1.7 Mi Total



4. Merge onto **I-70 E / I-57 N** toward **Champaign / Terre Haute.** [Map](#)
 If you are on **N 3rd St** and reach **E Rickelman Ave** you've gone about 0.3 miles too far

1.3 Mi
3.0 Mi Total



5. Keep **left** to take **I-57 N** toward **Chicago.** [Map](#)

26.1 Mi
29.1 Mi Total



6. Merge onto **IL-16 E** via **EXIT 190A** toward **Charleston.** [Map](#)

8.7 Mi
37.7 Mi Total



7. Turn **left** onto **IL-130.** [Map](#)
 IL-130 is 0.2 miles past 14th St
 If you reach **20th St** you've gone about 0.1 miles too far

0.6 Mi
38.3 Mi Total



8. **716 18TH ST.** [Map](#)
 Your destination is 0.1 miles past Harrison Ave
 If you reach **Van Buren Ave** you've gone a little too far



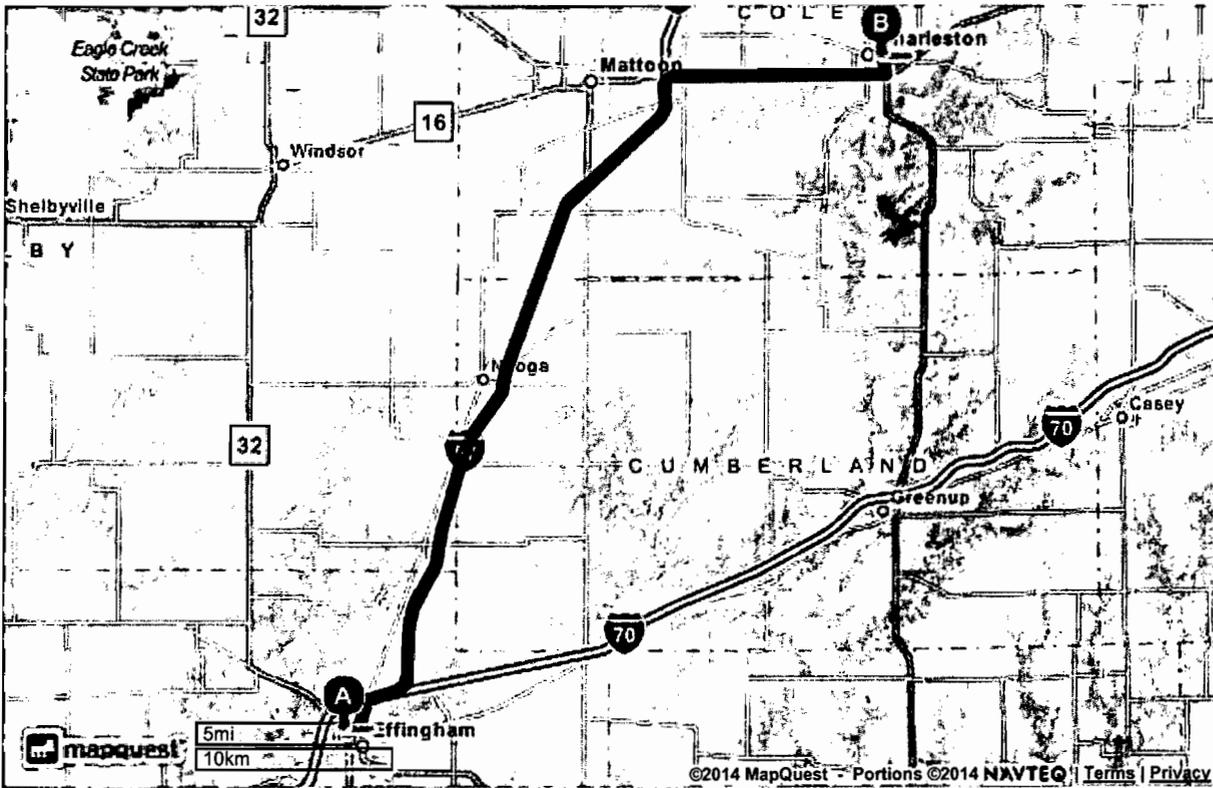
Charleston Rehabilitation & Health Care Center
 716 18th St, Charleston, IL 61920
 (217) 345-7054

Total Travel Estimate: **38.33 miles - about 44 minutes**

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Notes

Trip to:

Hilltop Skilled Nursing & Rehabilitation Center

910 W Polk Ave

Charleston, IL 61920

(217) 345-7066

36.28 miles / 40 minutes

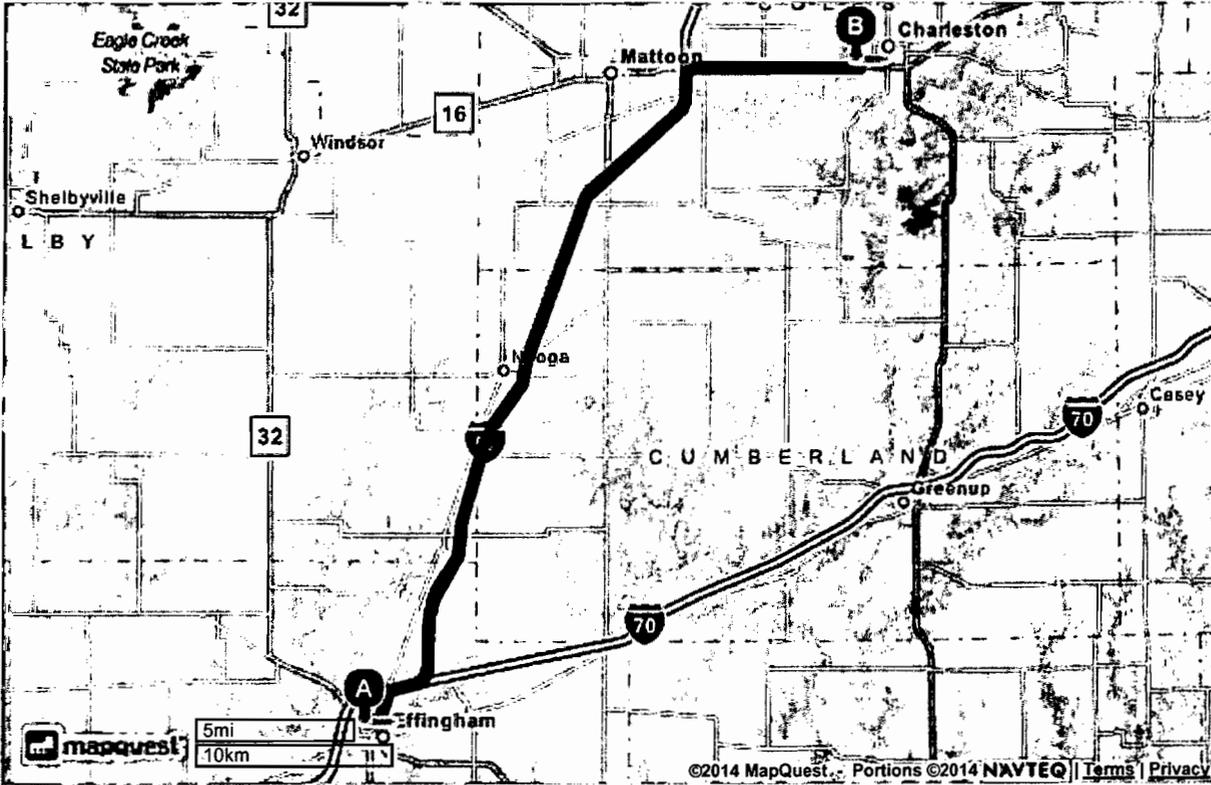
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↗	2. Turn right onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi 0.6 Mi Total
↖	 3. Turn left onto N 3rd St / US-45 N. Map <i>N 3rd St is just past N 4th St</i> <i>If you reach N 2nd St you've gone a little too far</i>	1.2 Mi 1.7 Mi Total
↗	 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map <i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i>	1.3 Mi 3.0 Mi Total
↖	 5. Keep left to take I-57 N toward Chicago. Map	26.1 Mi 29.1 Mi Total
↗	  6. Merge onto IL-16 E via EXIT 190A toward Charleston. Map	6.9 Mi 36.0 Mi Total
↖	7. Turn left onto Douglas Dr. Map <i>Douglas Dr is 0.9 miles past W Polk Ave</i> <i>If you reach Davis St you've gone about 0.1 miles too far</i>	0.3 Mi 36.2 Mi Total
↖	8. Turn left onto W Polk Ave. Map	0.05 Mi 36.3 Mi Total
■	9. 910 W POLK AVE is on the left. Map <i>If you reach Oakcrest Dr you've gone a little too far</i>	
B	Hilltop Skilled Nursing & Rehabilitation Center 910 W Polk Ave, Charleston, IL 61920 (217) 345-7066	

Total Travel Estimate: **36.28 miles - about 40 minutes**

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Notes

Trip to:

Douglas Rehabilitation & Care Center

3516 W Powell Ln

Mattoon, IL 61938

(217) 234-6401

29.78 miles / 38 minutes

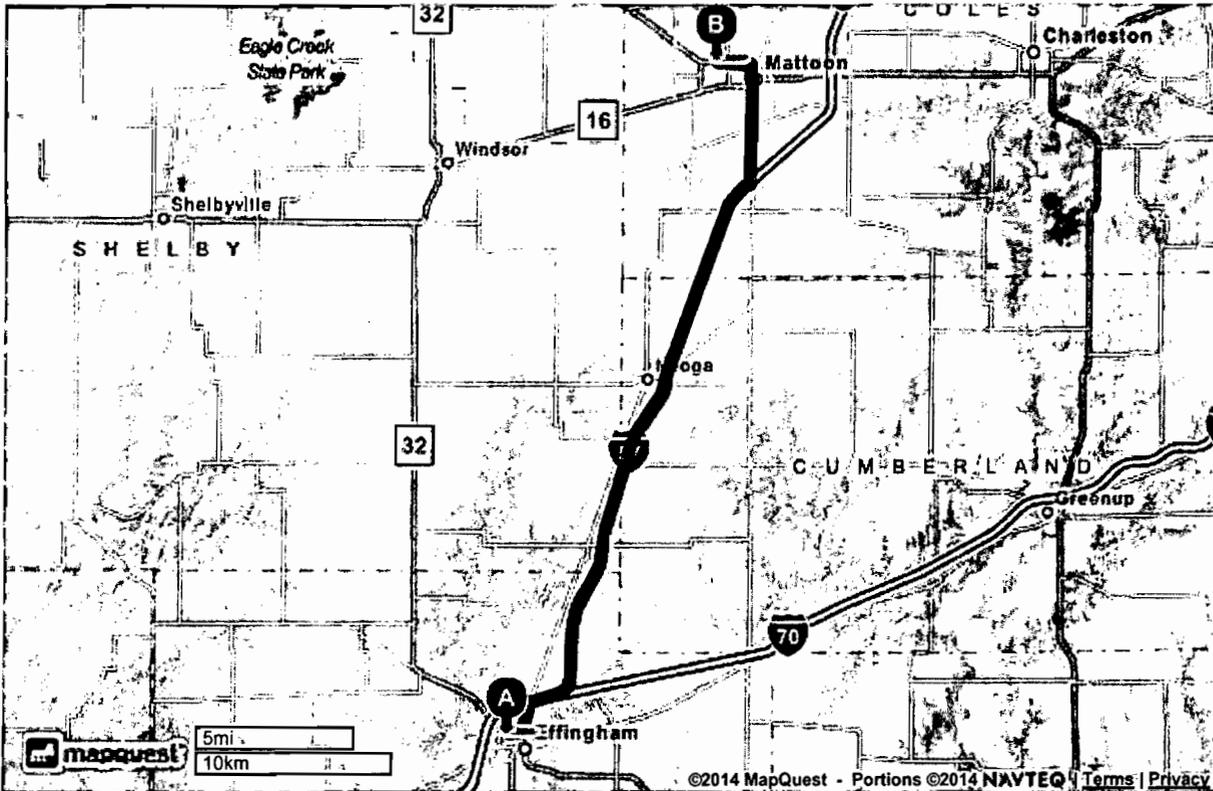
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↘	2. Turn right onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi 0.6 Mi Total
↙	 3. Turn left onto N 3rd St / US-45 N. Map <i>N 3rd St is just past N 4th St</i> <i>If you reach N 2nd St you've gone a little too far</i>	1.2 Mi 1.7 Mi Total
↗	 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map <i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i>	1.3 Mi 3.0 Mi Total
↙	 5. Keep left to take I-57 N toward Chicago. Map	20.7 Mi 23.7 Mi Total
EXIT	6. Take the US-45 / IL-121 exit, EXIT 184 , toward Mattoon. Map	0.3 Mi 23.9 Mi Total
↙	 7. Turn left onto US-45 N / Lake Land Blvd / IL-121 N. Continue to follow US-45 N / IL-121 N. Map	4.0 Mi 27.9 Mi Total
↙	 8. Turn left onto US-45 / IL-121 / IL-16. Map <i>Little Mexico is on the corner</i>	0.07 Mi 28.0 Mi Total
↘	 9. Take the 1st right onto US-45 / IL-121. Map <i>If you are on IL-16 and reach S 19th St you've gone a little too far</i>	0.5 Mi 28.5 Mi Total
↙	 10. Turn left onto IL-121. Map <i>IL-121 is just past Moultrie Ave</i> <i>If you reach Piatt Ave you've gone a little too far</i>	1.3 Mi 29.7 Mi Total
↘	11. Turn right onto W Powell Ln. Map <i>W Powell Ln is 0.1 miles past N 34th St</i> <i>If you reach N County Road 300E you've gone about 0.7 miles too far</i>	0.03 Mi 29.8 Mi Total
■	12. 3516 W POWELL LN is on the left. Map <i>If you reach N 34th St you've gone about 0.1 miles too far</i>	
B	Douglas Rehabilitation & Care Center 3516 W Powell Ln, Mattoon, IL 61938 (217) 234-6401	

Total Travel Estimate: **29.78 miles - about 38 minutes**

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Notes

Trip to:

Mattoon Health Care Center
2121 S 9th St

Mattoon, IL 61938

(217) 235-7138

27.03 miles / 30 minutes

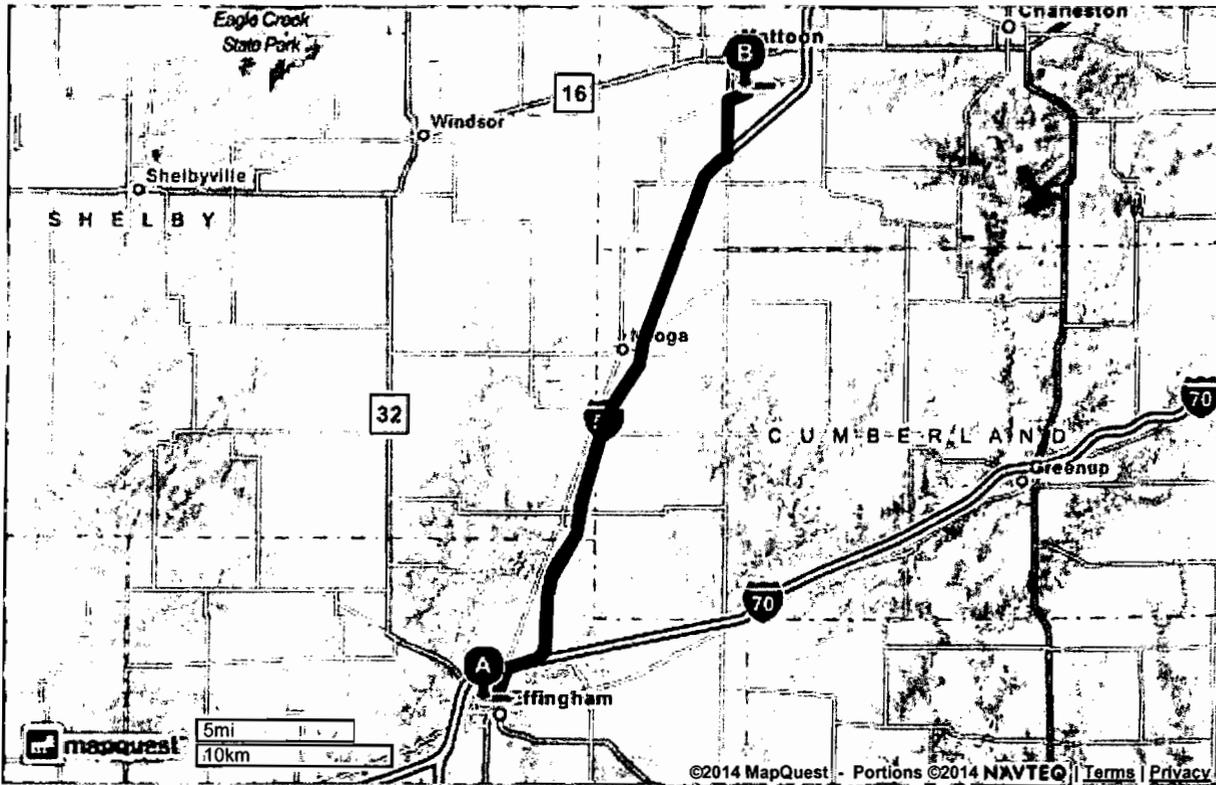
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↘	2. Turn right onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi 0.6 Mi Total
↙	 3. Turn left onto N 3rd St / US-45 N. Map <i>N 3rd St is just past N 4th St</i> <i>If you reach N 2nd St you've gone a little too far</i>	1.2 Mi 1.7 Mi Total
↗	 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map <i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i>	1.3 Mi 3.0 Mi Total
↙	 5. Keep left to take I-57 N toward Chicago. Map	20.7 Mi 23.7 Mi Total
	6. Take the US-45 / IL-121 exit, EXIT 184 , toward Mattoon. Map	0.3 Mi 23.9 Mi Total
↙	 7. Turn left onto US-45 N / Lake Land Blvd / IL-121 N. Continue to follow US-45 N / IL-121 N. Map	2.1 Mi 26.1 Mi Total
↘	8. Turn right onto County Road 7. Map <i>If you are on US-45 N and reach S 19th St you've gone about 0.1 miles too far</i>	0.8 Mi 26.9 Mi Total
↙	9. Turn left onto County Road 25. Map <i>County Road 25 is 0.4 miles past S 14th St</i> <i>If you reach Frostwood Ln you've gone about 0.4 miles too far</i>	0.2 Mi 27.0 Mi Total
■	10. 2121 S 9TH ST. Map <i>If you reach Stinson Ave you've gone about 0.2 miles too far</i>	
B	Mattoon Health Care Center 2121 S 9th St, Mattoon, IL 61938 (217) 235-7138	

Total Travel Estimate: **27.03 miles - about 30 minutes**

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Notes

Trip to:

Odd Fellow-Rebekah Home
201 Lafayette Ave E

Mattoon, IL 61938

(217) 235-5449

31.45 miles / 34 minutes

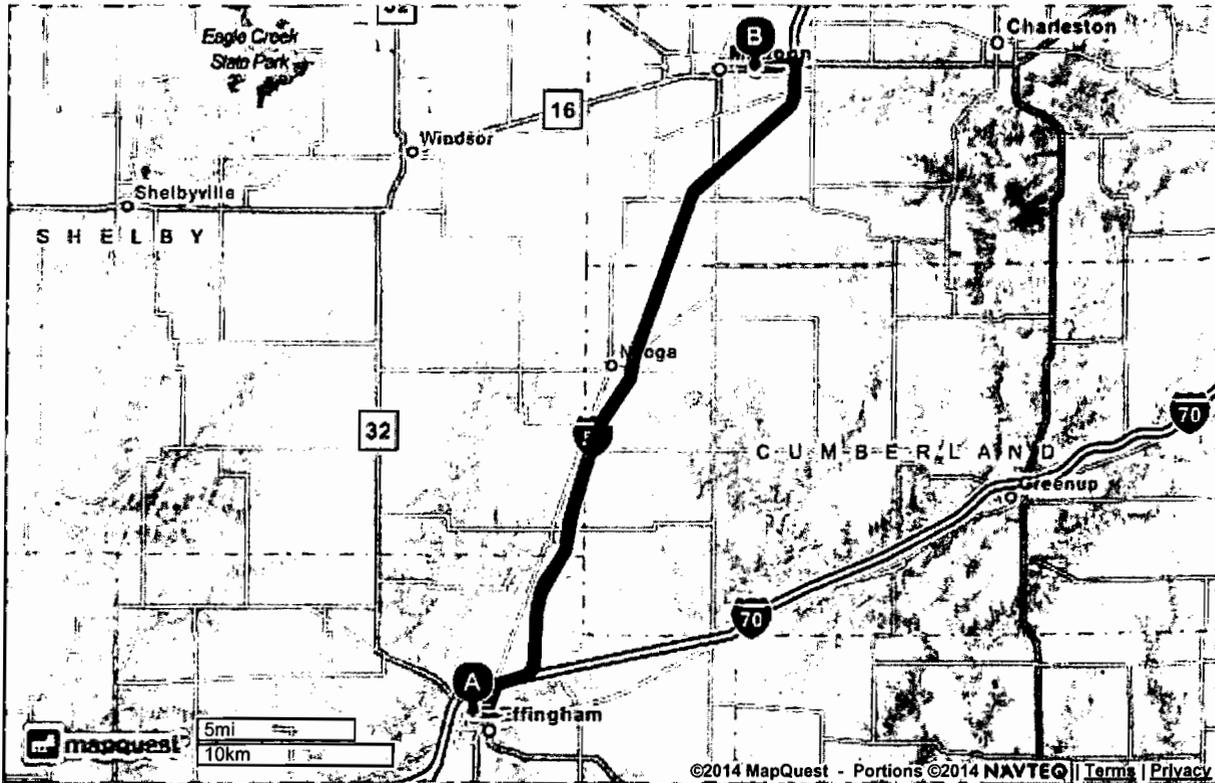
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↘	2. Turn right onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi 0.6 Mi Total
↙	 3. Turn left onto N 3rd St / US-45 N. Map <i>N 3rd St is just past N 4th St</i> <i>If you reach N 2nd St you've gone a little too far</i>	1.2 Mi 1.7 Mi Total
↗	 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map <i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i>	1.3 Mi 3.0 Mi Total
↙	 5. Keep left to take I-57 N toward Chicago. Map	26.4 Mi 29.4 Mi Total
↘	 6. Merge onto IL-16 W via EXIT 190B toward Mattoon. Map	1.8 Mi 31.3 Mi Total
↙	7. Turn left onto S Logan St. Map <i>S Logan St is 0.3 miles past Crestview Ave</i> <i>First Presbyterian Church is on the corner</i> <i>If you reach 1st St you've gone about 0.1 miles too far</i>	0.1 Mi 31.4 Mi Total
↙	8. Turn left onto Lafayette Ave E. Map	0.08 Mi 31.4 Mi Total
■	9. 201 LAFAYETTE AVE E is on the right. Map <i>If you reach Crestview Dr you've gone about 0.1 miles too far</i>	
B	Odd Fellow-Rebekah Home 201 Lafayette Ave E, Mattoon, IL 61938 (217) 235-5449	

Total Travel Estimate: **31.45 miles - about 34 minutes**

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Notes

Trip to:

Palm Terrace of Mattoon
1000 Palm Ave

Mattoon, IL 61938

(217) 234-7557

27.34 miles / 32 minutes

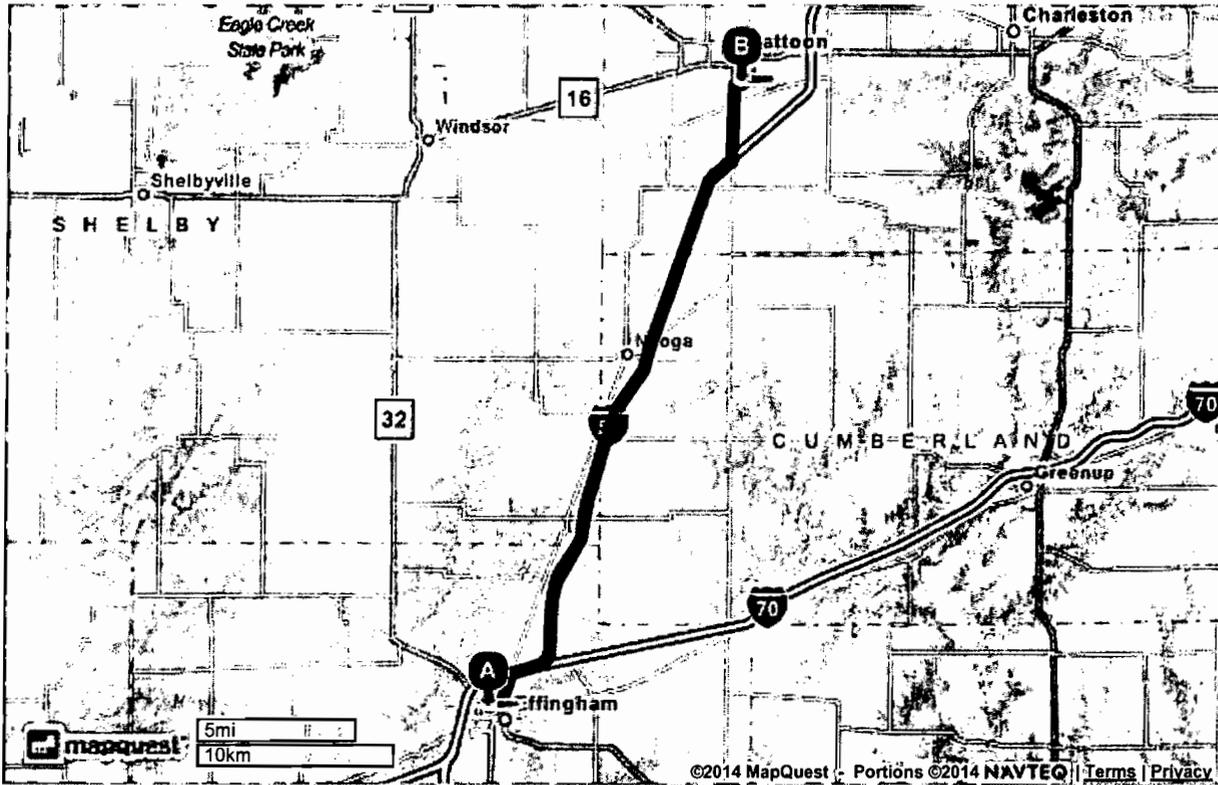
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↘	2. Turn right onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi 0.6 Mi Total
↙	 3. Turn left onto N 3rd St / US-45 N. Map <i>N 3rd St is just past N 4th St</i> <i>If you reach N 2nd St you've gone a little too far</i>	1.2 Mi 1.7 Mi Total
↗	 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map <i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i>	1.3 Mi 3.0 Mi Total
↙	 5. Keep left to take I-57 N toward Chicago. Map	20.7 Mi 23.7 Mi Total
EXIT	6. Take the US-45 / IL-121 exit, EXIT 184 , toward Mattoon. Map	0.3 Mi 23.9 Mi Total
↙	 7. Turn left onto US-45 N / Lake Land Blvd / IL-121 N. Continue to follow US-45 N / IL-121 N. Map	3.0 Mi 26.9 Mi Total
↘	8. Turn right onto Rudy Ave. Map <i>Rudy Ave is 0.2 miles past Wright Ave</i> <i>SUBWAY is on the corner</i> <i>If you reach Olive Ave you've gone a little too far</i>	0.3 Mi 27.2 Mi Total
↙	9. Take the 1st left onto S 14th St. Map <i>S 14th St is 0.2 miles past S 17th St</i> <i>If you reach S 12th St you've gone about 0.1 miles too far</i>	0.06 Mi 27.3 Mi Total
↘	10. Take the 1st right onto Palm Ave. Map <i>If you reach Olive Ave you've gone a little too far</i>	0.05 Mi 27.3 Mi Total
■	11. 1000 PALM AVE is on the left. Map <i>If you reach S 14th St you've gone about 0.2 miles too far</i>	
B	Palm Terrace of Mattoon 1000 Palm Ave, Mattoon, IL 61938 (217) 234-7557	

Total Travel Estimate: **27.34 miles - about 32 minutes**

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Trip to:
Greenup, IL 62428
 25.16 miles / 28 minutes

Notes

Cumberland Rehab and Health Care Center

A **St Anthony's Memorial Hospital**
 503 N Maple St, Effingham, IL 62401
 (217) 347-1232

Download
Free App

- 1. Start out going **north** on **N Maple St** toward **W Kentucky Ave.** [Map](#)

0.1 Mi
0.1 Mi Total
- 2. Turn **right** onto **W Temple Ave.** [Map](#)
If you reach W Indiana Ave you've gone a little too far

0.5 Mi
0.6 Mi Total
- 3. Turn **left** onto **N 3rd St / US-45 N.** [Map](#)
N 3rd St is just past N 4th St
If you reach N 2nd St you've gone a little too far

1.2 Mi
1.7 Mi Total
- 4. Merge onto **I-70 E / I-57 N** toward **Champaign / Terre Haute.** [Map](#)
If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far

1.3 Mi
3.0 Mi Total
- 5. Keep **right** to take **I-70 E** toward **Indianapolis.** [Map](#)

20.7 Mi
23.7 Mi Total
- 6. Take the **IL-130** exit, **EXIT 119**, toward **Greenup / Charleston.** [Map](#)

0.3 Mi
24.0 Mi Total
- 7. Turn **right** onto **N Haughton Hwy / IL-130 S.** [Map](#)
If you reach I-70 E you've gone about 0.2 miles too far

0.4 Mi
24.4 Mi Total
- 8. Turn **left** onto **US-40.** [Map](#)
US-40 is just past E Illinois St
If you reach E York Rd you've gone about 0.2 miles too far

0.8 Mi
25.2 Mi Total
- 9. Welcome to **GREENUP, IL 62428.** [Map](#)
Your destination is 0.2 miles past N 1750 East Rd
If you reach N 1850 East Rd you've gone about 0.7 miles too far

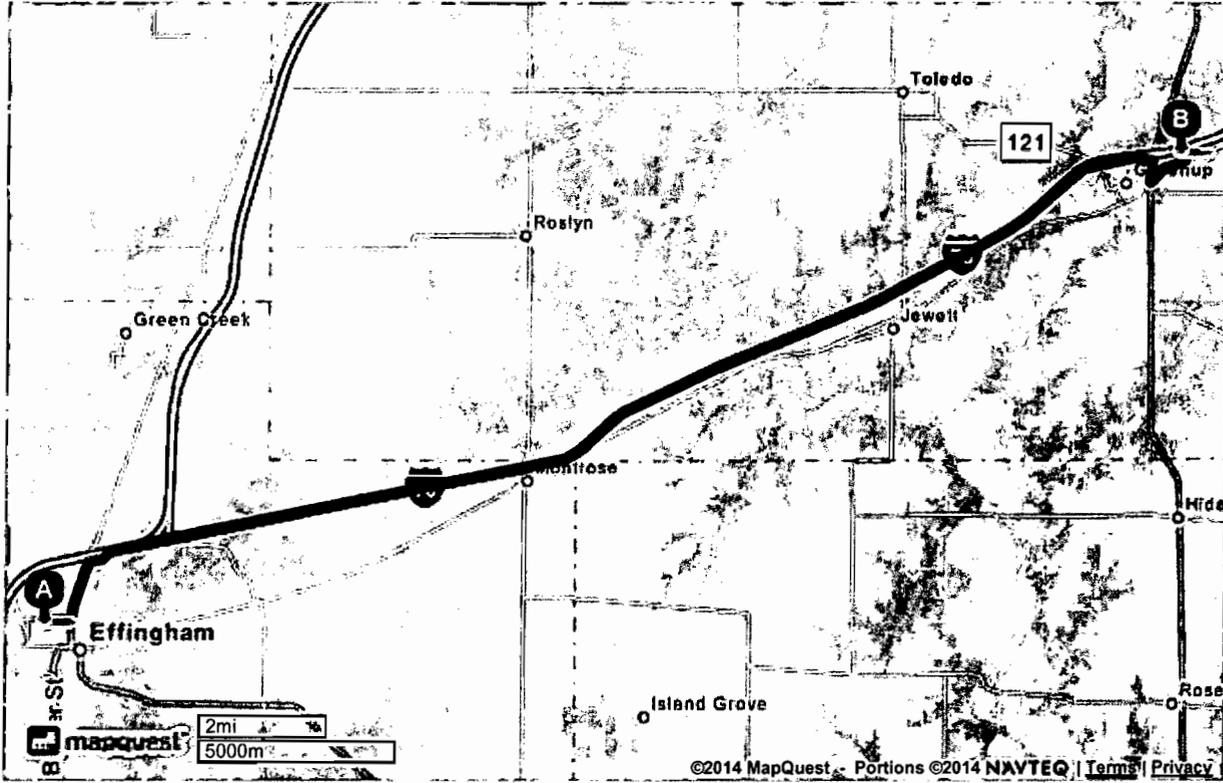
B **Greenup, IL 62428**

Total Travel Estimate: **25.16 miles - about 28 minutes**

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Notes

Trip to:

Heartland Christian Village
101 Trowbridge Rd

Neoga, IL 62447

(217) 895-2665

18.48 miles / 22 minutes

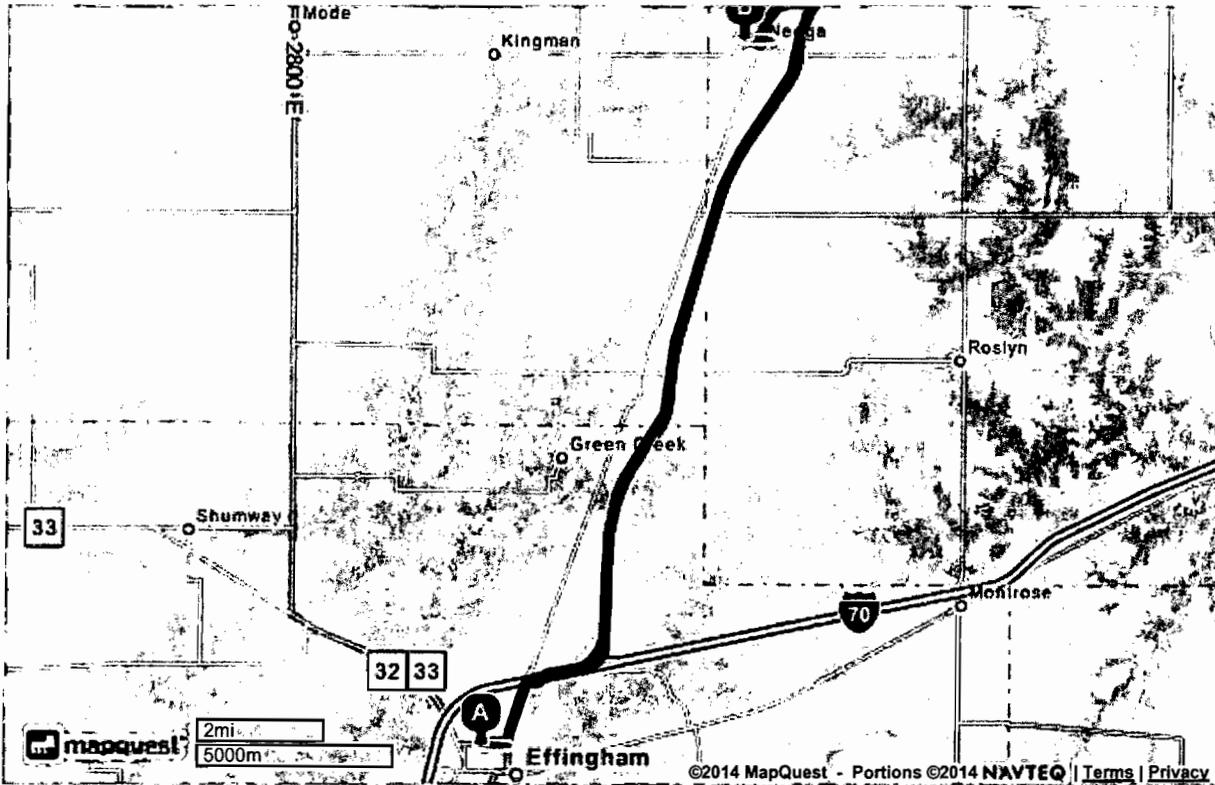
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↘	2. Turn right onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi 0.6 Mi Total
↙	3. Turn left onto N 3rd St / US-45 N. Map <i>N 3rd St is just past N 4th St</i> <i>If you reach N 2nd St you've gone a little too far</i>	1.2 Mi 1.7 Mi Total
↗	4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map <i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i>	1.3 Mi 3.0 Mi Total
↙	5. Keep left to take I-57 N toward Chicago. Map	13.4 Mi 16.4 Mi Total
EXIT	6. Take the US-45 exit, EXIT 177 , toward Neoga. Map	0.3 Mi 16.7 Mi Total
↙	7. Turn left onto US-45. Map <i>If you reach I-57 N you've gone about 0.2 miles too far</i>	1.6 Mi 18.3 Mi Total
↘	8. Turn right onto CR-1 / W 6th St. Map <i>CR-1 is just past E 7th St</i> <i>Town and Country Restaurant is on the corner</i> <i>If you reach E 5th St you've gone a little too far</i>	0.2 Mi 18.5 Mi Total
↙	9. Turn slight left onto Trowbridge Rd / CR-1. Map <i>Trowbridge Rd is just past Walnut Ave</i>	0.02 Mi 18.5 Mi Total
■	10. 101 TROWBRIDGE RD is on the left. Map <i>If you reach Cedar Ave you've gone a little too far</i>	
B	Heartland Christian Village 101 Trowbridge Rd, Neoga, IL 62447 (217) 895-2665	

Total Travel Estimate: **18.48 miles - about 22 minutes**

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Notes

Trip to:

Lutheran Care Center
702 W Cumberland Rd

Altamont, IL 62411

(618) 483-6136

13.98 miles / 18 minutes

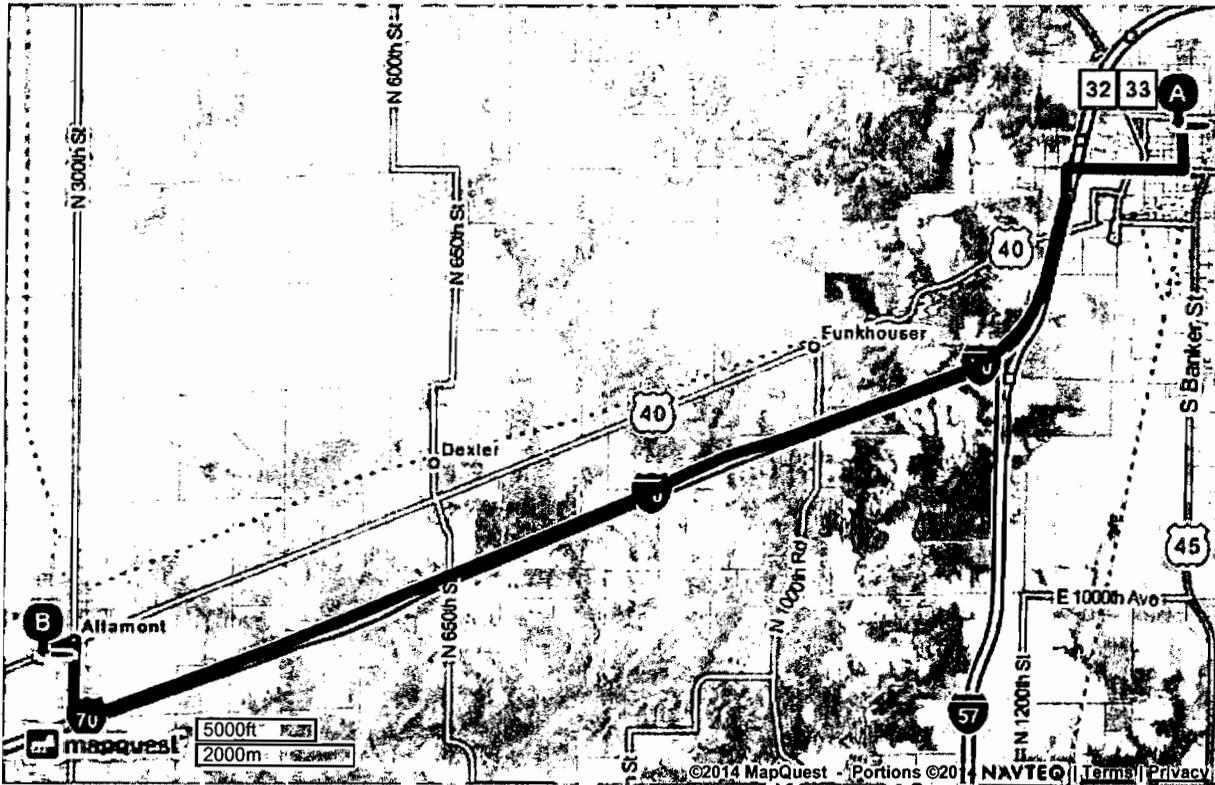
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going south on N Maple St toward W Virginia Ave. Map	0.4 Mi 0.4 Mi Total
↗	2. Turn right onto W Fayette Ave / US-40 / IL-33. Continue to follow W Fayette Ave. Map <i>W Fayette Ave is just past Shelby Ave Calvary Baptist Ch is on the right If you reach Edgar Ave you've gone a little too far</i>	1.1 Mi 1.5 Mi Total
↗	 3. Merge onto I-70 W / I-57 S via the ramp on the left toward Mt. Vernon / East St. Louis. Map <i>If you reach N Calico Rd you've gone about 0.1 miles too far</i>	1.6 Mi 3.2 Mi Total
↗	 4. Keep right to take I-70 W toward St Louis. Map	9.6 Mi 12.7 Mi Total
	5. Take the IL-128 N exit, EXIT 82 , toward Altamont. Map	0.3 Mi 13.1 Mi Total
↗	 6. Turn right onto S Main St / IL-128. Map	0.6 Mi 13.7 Mi Total
↖	 7. Turn left onto W Cumberland Rd / US-40 / IL-128. Map <i>W Cumberland Rd is just past Ash St People's United Bank is on the right If you reach W Hayes Ave you've gone a little too far</i>	0.3 Mi 14.0 Mi Total
■	8. 702 W CUMBERLAND RD is on the left. Map <i>Your destination is just past W Hoffmeister Dr If you reach S 8th St you've gone a little too far</i>	
B	Lutheran Care Center 702 W Cumberland Rd, Altamont, IL 62411 (618) 483-6136	

Total Travel Estimate: **13.98 miles - about 18 minutes**

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Notes

Trip to:

Effingham Rehabilitation & Health Care Center

1610 N Lakewood Dr

Effingham, IL 62401

(217) 347-7781

1.52 miles / 4 minutes



St Anthony's Memorial Hospital
503 N Maple St, Effingham, IL 62401
(217) 347-1232

Download
Free App



1. Start out going **north** on **N Maple St** toward **W Kentucky Ave.** [Map](#)

0.1 Mi
0.1 Mi Total



2. Turn **left** onto **W Temple Ave.** [Map](#)
If you reach W Indiana Ave you've gone a little too far

0.5 Mi
0.6 Mi Total



32

3. Turn **left** onto **N Keller Dr / IL-32 / IL-33.** [Map](#)

0.3 Mi
0.9 Mi Total



4. Take the 2nd **right** onto **Rollin Hills Blvd.** [Map](#)
Rollin Hills Blvd is 0.1 miles past Midtowne Blvd
Daylight Donuts is on the corner
If you reach Saint Anthony Ave you've gone a little too far

0.09 Mi
1.0 Mi Total



5. Turn **right** onto **S Lakewood Dr.** [Map](#)

0.6 Mi
1.5 Mi Total



6. **1610 N LAKEWOOD DR.** [Map](#)
Your destination is 0.2 miles past Jack Ct
Your destination is at the end of N Lakewood Dr



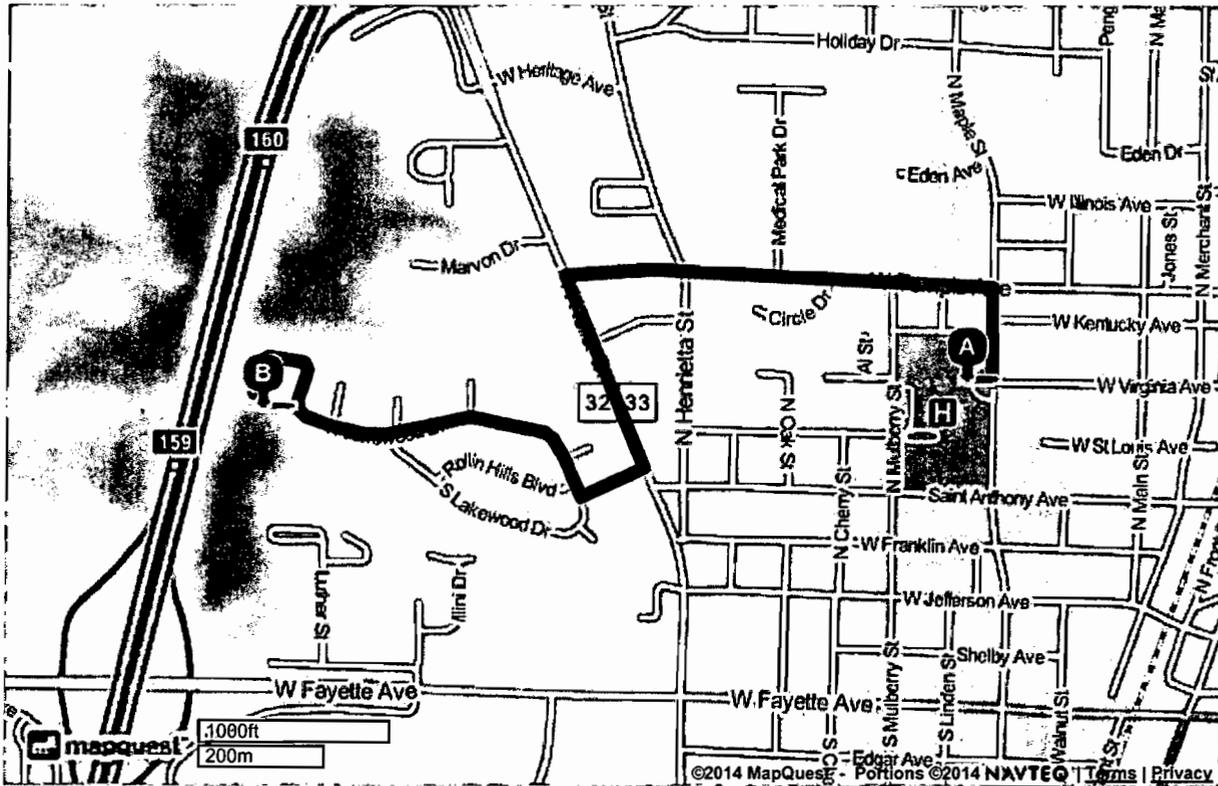
Effingham Rehabilitation & Health Care Center
1610 N Lakewood Dr, Effingham, IL 62401
(217) 347-7781

Total Travel Estimate: **1.52 miles - about 4 minutes**

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Notes

Trip to:
Evergreen Nursing & Rehabilitation Center
1115 N Wenthe Dr
 Effingham, IL 62401
 (217) 347-7121
 1.19 miles / 3 minutes

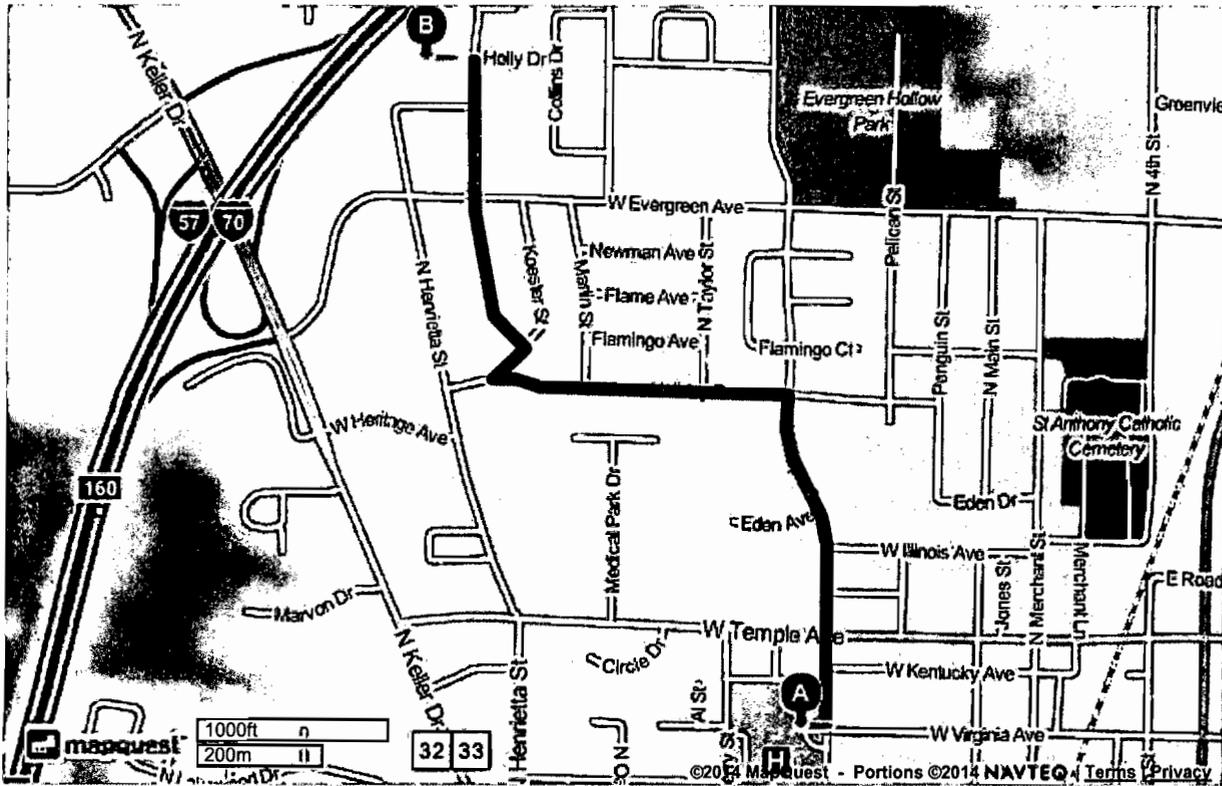
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.4 Mi 0.4 Mi Total
↶	2. Turn left onto Holiday Dr. Map <i>Holiday Dr is 0.1 miles past Eden Ave</i> <i>If you reach Flamingo Ct you've gone a little too far</i>	0.4 Mi 0.8 Mi Total
↷	3. Turn sharp right onto Koester St. Map <i>Koester St is 0.1 miles past Martin St</i> <i>If you reach N Henrietta St you've gone a little too far</i>	0.06 Mi 0.8 Mi Total
↶	4. Take the 1st left onto Wenthe Dr. Map <i>If you are on Koester St and reach W Evergreen Ave you've gone about 0.1 miles too far</i>	0.4 Mi 1.2 Mi Total
■	5. 1115 N WENTHE DR is on the left. Map <i>Your destination is just past Jenner Ave</i> <i>If you reach Holly Dr you've gone a little too far</i>	
B	Evergreen Nursing & Rehabilitation Center 1115 N Wenthe Dr, Effingham, IL 62401 (217) 347-7121	

Total Travel Estimate: **1.19 miles - about 3 minutes**

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Notes

Trip to:

Lakeland Rehabilitation & Health Care Center

800 W Temple Ave

Effingham, IL 62401

(217) 342-2171

0.24 miles /



St Anthony's Memorial Hospital
503 N Maple St, Effingham, IL 62401
(217) 347-1232

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1. Start out going **north** on **N Maple St** toward **W Kentucky Ave.** [Map](#)

0.1 Mi

0.1 Mi Total



2. Turn **left** onto **W Temple Ave.** [Map](#)
If you reach W Indiana Ave you've gone a little too far

0.1 Mi

0.2 Mi Total



3. **800 W TEMPLE AVE** is on the **right.** [Map](#)
Your destination is just past N Linden St
If you reach Circle Dr you've gone a little too far



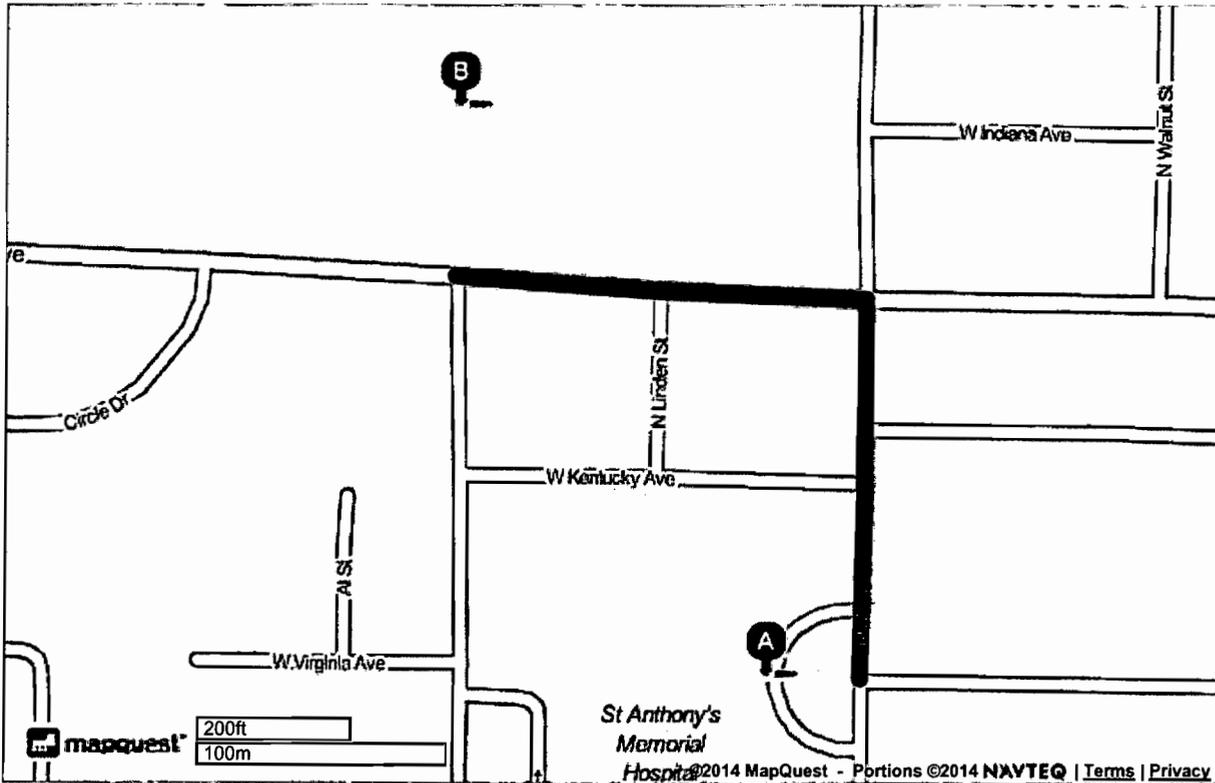
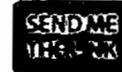
Lakeland Rehabilitation & Health Care Center
800 W Temple Ave, Effingham, IL 62401
(217) 342-2171

Total Travel Estimate: **0.24 miles - about**

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Notes

Trip to:

Friendship Manor
221 E Cumberland Rd

Saint Elmo, IL 62458

(618) 829-5581

20.52 miles / 24 minutes



St Anthony's Memorial Hospital
 503 N Maple St, Effingham, IL 62401
 (217) 347-1232

Download
 Free App

1. Start out going **south** on **N Maple St** toward **W Virginia Ave.** [Map](#)

0.4 Mi
0.4 Mi Total
2. Turn **right** onto **W Fayette Ave / US-40 / IL-33.** Continue to follow **W Fayette Ave.**
[Map](#)
*W Fayette Ave is just past Shelby Ave
 Calvary Baptist Ch is on the right
 If you reach Edgar Ave you've gone a little too far*

1.1 Mi
1.5 Mi Total
3. Merge onto **I-70 W / I-57 S** via the ramp on the **left** toward **Mt. Vernon / East St. Louis.** [Map](#)
If you reach N Calico Rd you've gone about 0.1 miles too far

1.6 Mi
3.2 Mi Total
4. Keep **right** to take **I-70 W** toward **St Louis.** [Map](#)

15.9 Mi
19.1 Mi Total
5. Take **EXIT 76** toward **St Elmo / US-40.** [Map](#)

0.3 Mi
19.3 Mi Total
6. Turn **right** onto **CR-7.** [Map](#)

0.5 Mi
19.9 Mi Total
7. Turn **right** onto **US-40 / St Elmo St.** [Map](#)

0.6 Mi
20.5 Mi Total
8. **221 E CUMBERLAND RD.** [Map](#)
*Your destination is just past E 1st St
 If you reach N Spring St you've gone a little too far*



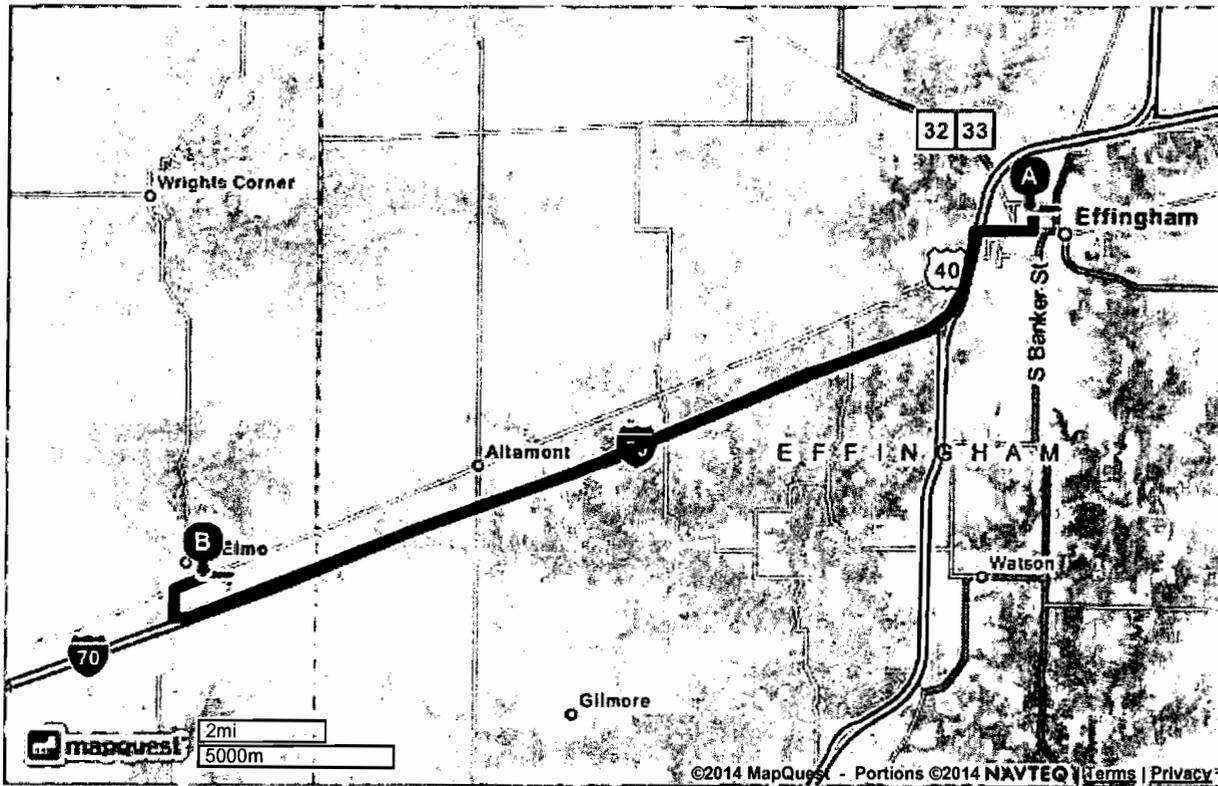
Friendship Manor
 221 E Cumberland Rd, Saint Elmo, IL 62458
 (618) 829-5581

Total Travel Estimate: **20.52 miles - about 24 minutes**

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Notes

Trip to:

Fayette County Hospital
650 W Taylor St

Vandalia, IL 62471

(618) 283-1231

33.85 miles / 37 minutes

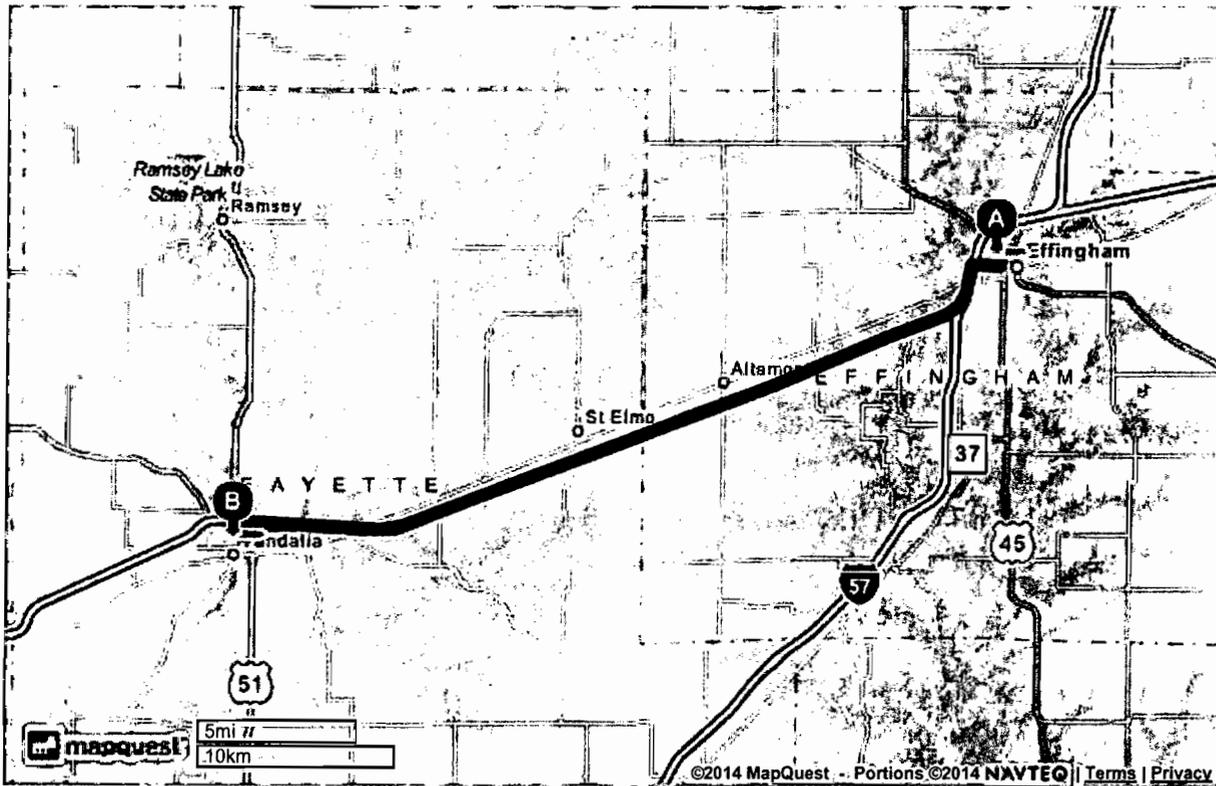
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going south on N Maple St toward W Virginia Ave. Map	0.4 Mi 0.4 Mi Total
↘	2. Turn right onto W Fayette Ave / US-40 / IL-33. Continue to follow W Fayette Ave. Map <i>W Fayette Ave is just past Shelby Ave Calvary Baptist Ch is on the right If you reach Edgar Ave you've gone a little too far</i>	1.1 Mi 1.5 Mi Total
↗	 3. Merge onto I-70 W / I-57 S via the ramp on the left toward Mt. Vernon / East St. Map <i>If you reach N Calico Rd you've gone about 0.1 miles too far</i>	1.6 Mi 3.2 Mi Total
↗	 4. Keep right to take I-70 W toward St Louis. Map	29.3 Mi 32.4 Mi Total
EXIT 63	5. Take the US-51 exit, EXIT 63 , toward Vandalia / Pana. Map	0.4 Mi 32.8 Mi Total
RAMP	6. Keep left to take the ramp toward Vandalia. Map	0.01 Mi 32.8 Mi Total
↙	 7. Turn left onto US-51 S. Map	0.7 Mi 33.5 Mi Total
↘	8. Turn right onto W Taylor St. Map <i>W Taylor St is just past W Fillmore St If you reach W Grandview Dr you've gone a little too far</i>	0.3 Mi 33.8 Mi Total
■	9. 650 W TAYLOR ST is on the left. Map <i>Your destination is just past N 6th St If you reach N 7th St you've gone a little too far</i>	
B	Fayette County Hospital 650 W Taylor St, Vandalia, IL 62471 (618) 283-1231	

Total Travel Estimate: **33.85 miles - about 37 minutes**

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Trip to:
Rehab Care Group
1500 W Saint Louis Ave
 Vandalia, IL 62471
 (618) 283-4491
 35.42 miles / 41 minutes

Notes

Vandalia Rehab and Health Care Center

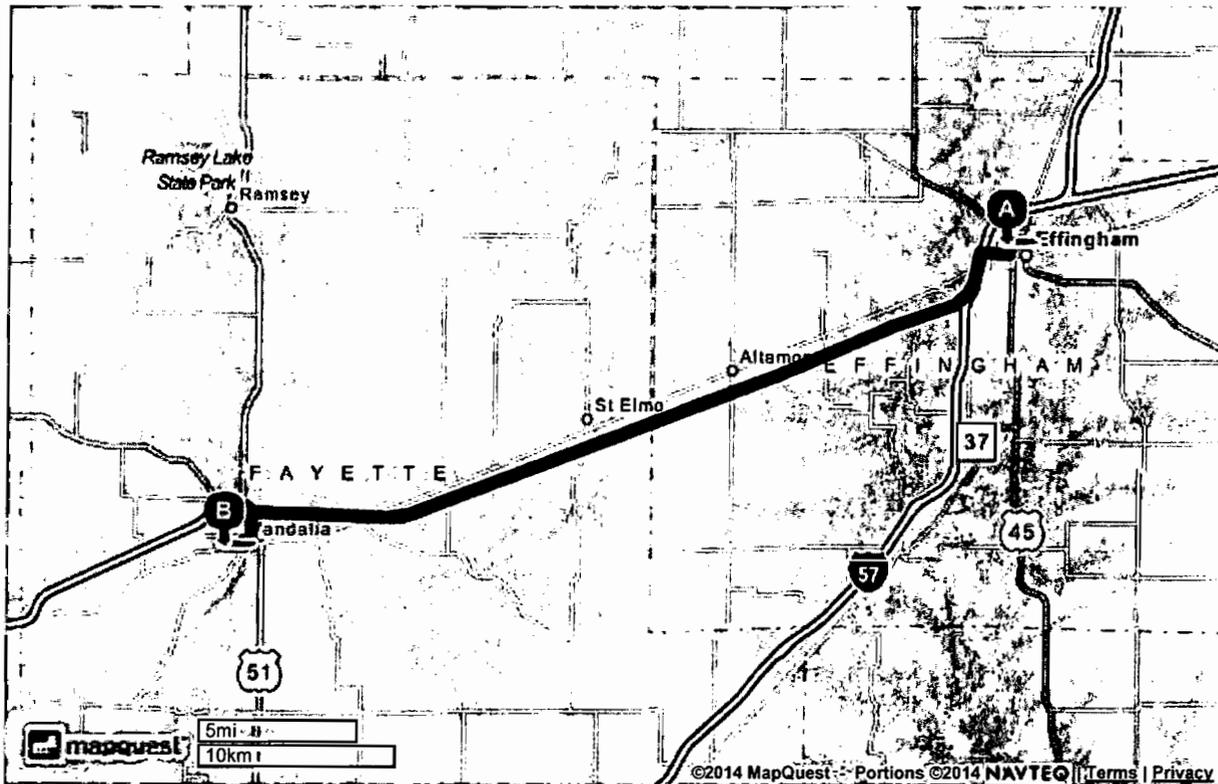
	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
	1. Start out going south on N Maple St toward W Virginia Ave. Map	0.4 Mi 0.4 Mi Total
	2. Turn right onto W Fayette Ave / US-40 / IL-33. Continue to follow W Fayette Ave. Map <i>W Fayette Ave is just past Shelby Ave Calvary Baptist Ch is on the right If you reach Edgar Ave you've gone a little too far</i>	1.1 Mi 1.5 Mi Total
	3. Merge onto I-70 W / I-57 S via the ramp on the left toward Mt. Vernon / East St. Louis. Map <i>If you reach N Calico Rd you've gone about 0.1 miles too far</i>	1.6 Mi 3.2 Mi Total
	4. Keep right to take I-70 W toward St Louis. Map	29.3 Mi 32.4 Mi Total
	5. Take the US-51 exit, EXIT 63 , toward Vandalia / Pana. Map	0.4 Mi 32.8 Mi Total
	6. Keep left to take the ramp toward Vandalia. Map	0.01 Mi 32.8 Mi Total
	7. Turn left onto US-51 S. Map	1.4 Mi 34.2 Mi Total
	8. Turn right onto IL-140. Map <i>IL-140 is just past W Main St Cages is on the corner If you are on S 3rd St and reach W Johnson St you've gone a little too far</i>	0.3 Mi 34.5 Mi Total
	9. Turn left to stay on IL-140. Map <i>Police Department is on the corner</i>	0.2 Mi 34.8 Mi Total
	10. Turn right to stay on IL-140. Map <i>IL-140 is just past W Edwards St If you are on S 7th St and reach W Tower St you've gone a little too far</i>	0.7 Mi 35.4 Mi Total
	11. 1500 W SAINT LOUIS AVE. Map <i>Your destination is just past Mangner St If you reach S Coles St you've gone a little too far</i>	
	Rehab Care Group 1500 W Saint Louis Ave, Vandalia, IL 62471 (618) 283-4491	

Total Travel Estimate: **35.42 miles - about 41 minutes**

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Notes

Trip to:
Newton Rest Haven
300 S Scott Ave
 Newton, IL 62448
 (618) 783-2309
 24.84 miles / 35 minutes

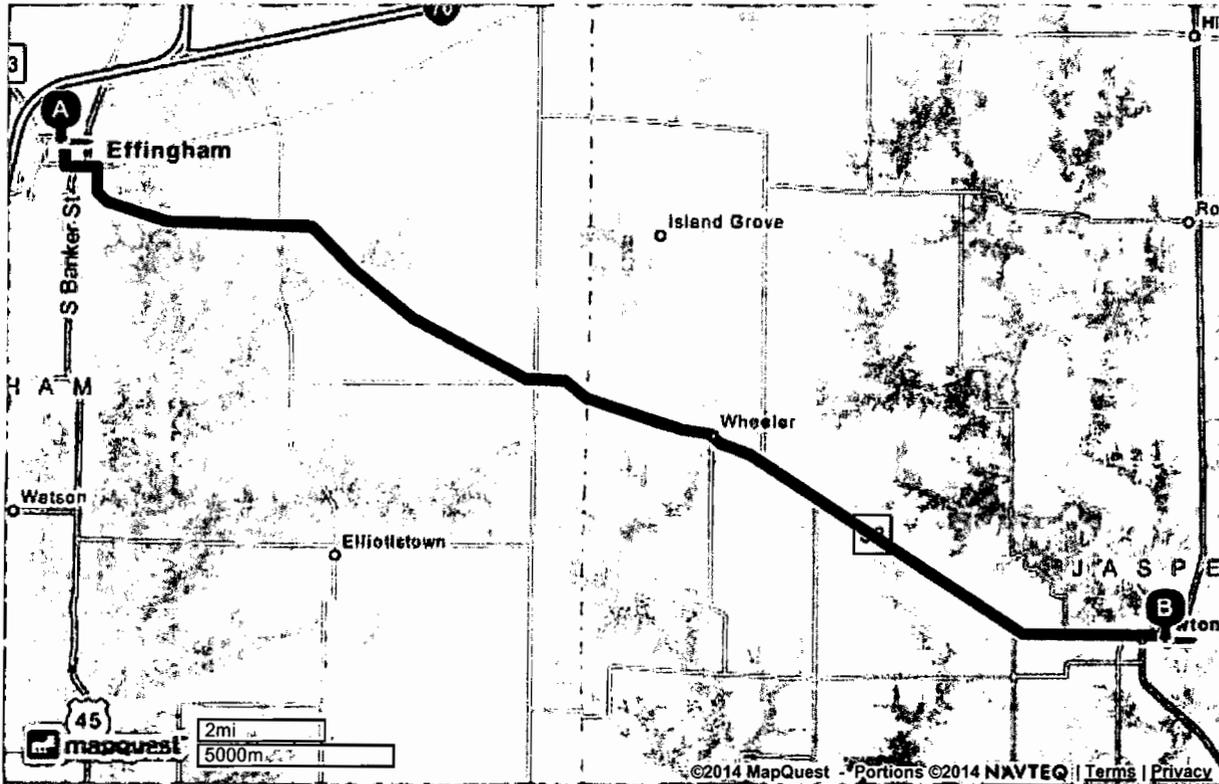
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going south on N Maple St toward W Virginia Ave . Map	0.4 Mi 0.4 Mi Total
↶	2. Turn left onto W Fayette Ave / US-40 / IL-33 . Map <i>W Fayette Ave is just past Shelby Ave Calvary Baptist Ch is on the corner If you reach Edgar Ave you've gone a little too far</i>	0.6 Mi 1.0 Mi Total
↷	3. Turn right onto S Willow St / IL-33 . Continue to follow IL-33 . Map <i>IL-33 is just past S 1st St Farmers Insurance is on the left If you reach S Cleveland St you've gone a little too far</i>	23.7 Mi 24.7 Mi Total
↷	4. Turn right onto S Scott Ave . Map <i>S Scott Ave is 0.2 miles past 3rd Ave If you are on IL-130 and reach N Scott Ave you've gone a little too far</i>	0.1 Mi 24.8 Mi Total
■	5. 300 S SCOTT AVE is on the left . Map <i>Your destination is just past Hillcrest Dr If you reach E Reynolds St you've gone about 0.1 miles too far</i>	
B	Newton Rest Haven 300 S Scott Ave, Newton, IL 62448 (618) 783-2309	

Total Travel Estimate: **24.84 miles - about 35 minutes**

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Trip to:
Shelbyville
 Shelbyville, IL 62565
 30.59 miles / 39 minutes

Notes

Shelbyville Manor 1111 West. North 12th Street
 (MapQuest could not find exact location)



St Anthony's Memorial Hospital
 503 N Maple St, Effingham, IL 62401
 (217) 347-1232

Download
 Free App

- 1. Start out going **north** on **N Maple St** toward **W Kentucky Ave.** [Map](#)

0.1 Mi
0.1 Mi Total
- 2. Turn **left** onto **W Temple Ave.** [Map](#)
If you reach W Indiana Ave you've gone a little too far

0.5 Mi
0.6 Mi Total
- NORTH
32

3. Turn **right** onto **N Keller Dr / IL-32 N / IL-33 W.** Continue to follow **IL-32 N / IL-33 W.** [Map](#)

4.1 Mi
4.7 Mi Total
- 4. Turn **slight right.** [Map](#)
0.1 miles past N 1000th St

0.2 Mi
4.9 Mi Total
- WEST
32

5. Turn **slight right** onto **IL-32.** [Map](#)

16.6 Mi
21.5 Mi Total
- WEST
16

6. Turn **left** onto **IL-16 W / 1300 N.** [Map](#)
If you are on 2800 E and reach 1350 N you've gone about 0.5 miles too far

9.1 Mi
30.6 Mi Total
- 7. Welcome to **SHELBYVILLE, IL 62565.** [Map](#)
Your destination is 0.2 miles past 1920 E
If you reach N Morgan St you've gone about 0.1 miles too far



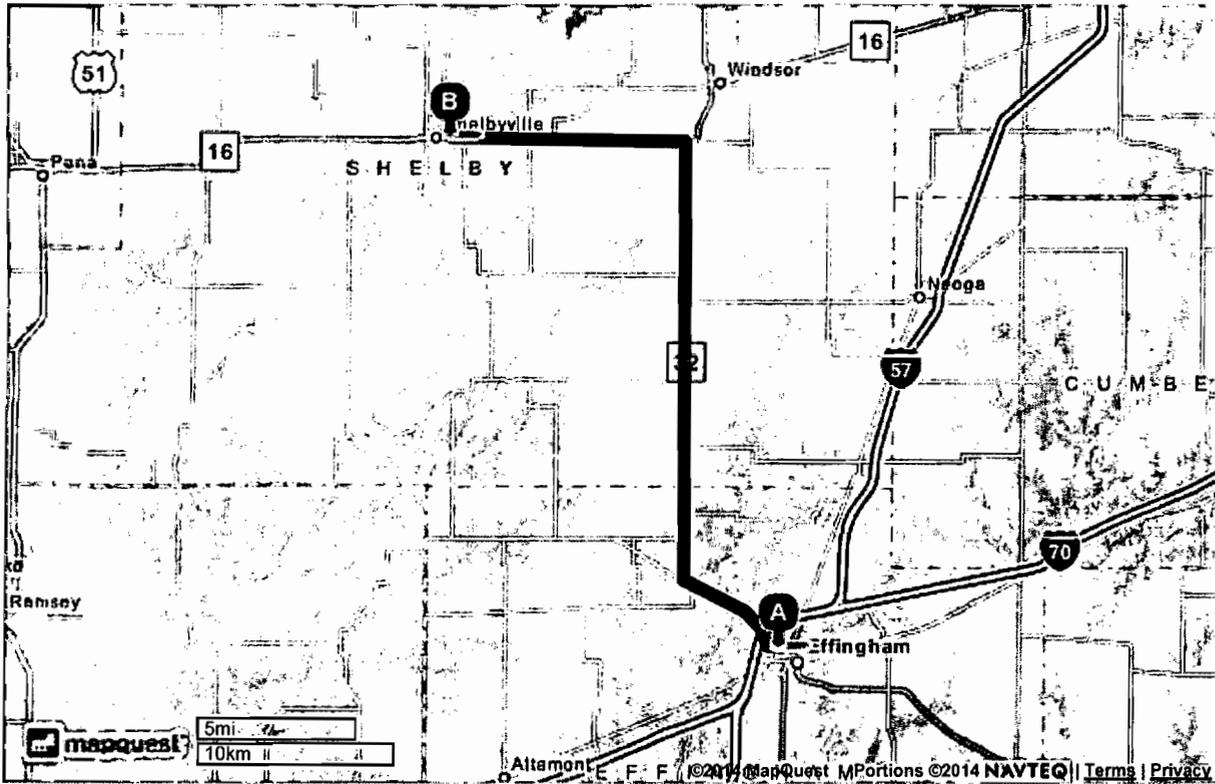
Shelbyville
 Shelbyville, IL 62565

Total Travel Estimate: **30.59 miles - about 39 minutes**

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Notes

Trip to:

Shelbyville Rehabilitatn & Health Care Center

2116 W South 3rd St

Shelbyville, IL 62565

(217) 774-2128

32.31 miles / 45 minutes

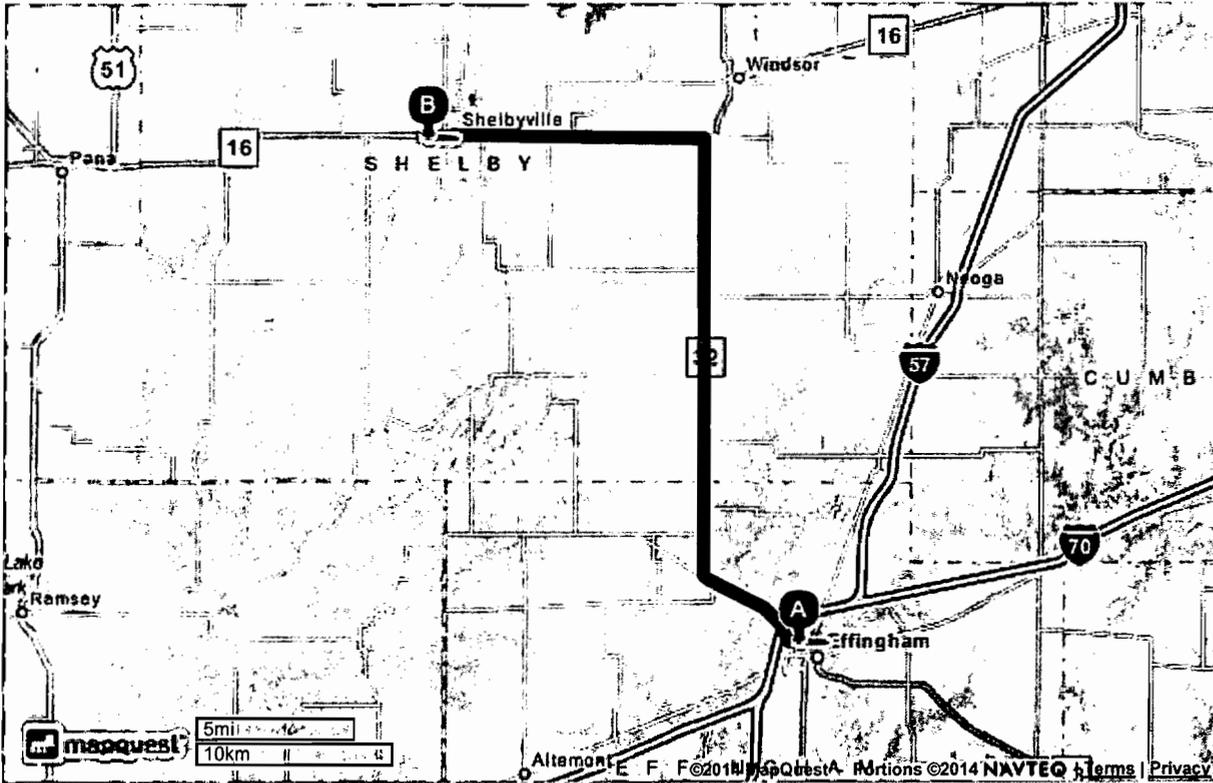
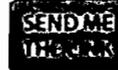
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi 0.1 Mi Total
↩	2. Turn left onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi 0.6 Mi Total
➔	 3. Turn right onto N Keller Dr / IL-32 N / IL-33 W. Continue to follow IL-32 N / IL-33 W. Map	4.1 Mi 4.7 Mi Total
↗	4. Turn slight right. Map <i>0.1 miles past N 1000th St</i>	0.2 Mi 4.9 Mi Total
↗	 5. Turn slight right onto IL-32. Map	16.6 Mi 21.5 Mi Total
↩	 6. Turn left onto IL-16 W / 1300 N. Map <i>If you are on 2800 E and reach 1350 N you've gone about 0.5 miles too far</i>	10.6 Mi 32.2 Mi Total
↩	7. Turn left onto Dacey Dr. Map <i>Dacey Dr is 0.1 miles past S Heinlein Dr If you reach Doarman Est you've gone about 0.5 miles too far</i>	0.1 Mi 32.3 Mi Total
↩	8. Take the 1st left onto W South 3rd St. Map <i>W South 3rd St is just past S 2nd St If you reach the end of Dacey Dr you've gone a little too far</i>	0.02 Mi 32.3 Mi Total
■	9. 2116 W SOUTH 3RD ST is on the right. Map <i>If you reach Kaskaskia Ter you've gone a little too far</i>	
B	Shelbyville Rehabilitatn & Health Care Center 2116 W South 3rd St, Shelbyville, IL 62565 (217) 774-2128	

Total Travel Estimate: **32.31 miles - about 45 minutes**

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Notes

Trip to:

Arcola Health Care Center
422 E 4th St S

Arcola, IL 61910

(217) 268-3022

44.33 miles / 47 minutes

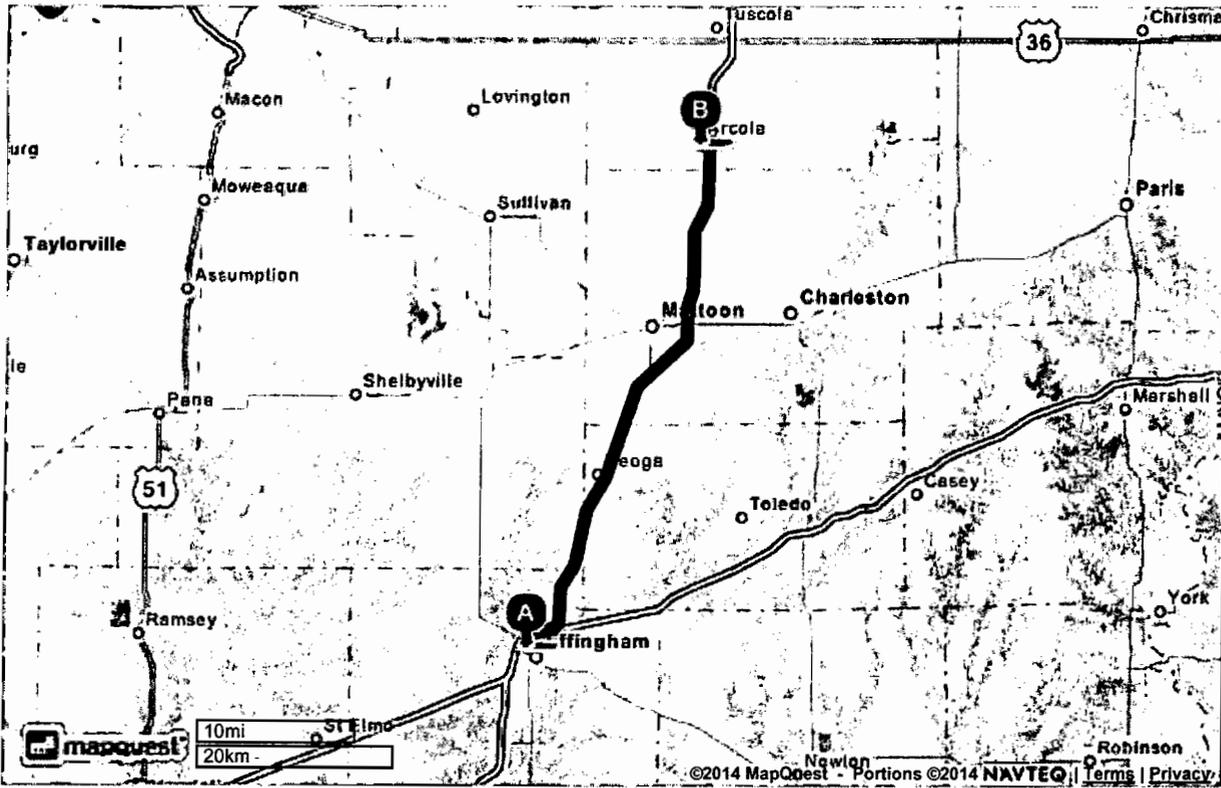
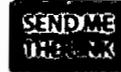
A	St Anthony's Memorial Hospital 503 N Maple St, Effingham, IL 62401 (217) 347-1232	Download Free App
●	1. Start out going north on N Maple St toward W Kentucky Ave. Map	0.1 Mi <i>0.1 Mi Total</i>
↘	2. Turn right onto W Temple Ave. Map <i>If you reach W Indiana Ave you've gone a little too far</i>	0.5 Mi <i>0.6 Mi Total</i>
↙	 3. Turn left onto N 3rd St / US-45 N. Map <i>N 3rd St is just past N 4th St</i> <i>If you reach N 2nd St you've gone a little too far</i>	1.2 Mi <i>1.7 Mi Total</i>
↗	 4. Merge onto I-70 E / I-57 N toward Champaign / Terre Haute. Map <i>If you are on N 3rd St and reach E Rickelman Ave you've gone about 0.3 miles too far</i>	1.3 Mi <i>3.0 Mi Total</i>
↖	 5. Keep left to take I-57 N toward Chicago. Map	39.9 Mi <i>42.9 Mi Total</i>
EXIT	6. Take the IL-133 exit, EXIT 203 , toward Arcola / Paris. Map	0.4 Mi <i>43.3 Mi Total</i>
RAMP	7. Keep left to take the ramp toward Arcola / Arthur. Map	0.02 Mi <i>43.3 Mi Total</i>
↙	 8. Turn left onto IL-133 W / E 200 Rd N. Continue to follow IL-133 W. Map	0.7 Mi <i>44.0 Mi Total</i>
↙	9. Turn left onto Ash St. Map <i>If you reach S Ridge St you've gone a little too far</i>	0.3 Mi <i>44.3 Mi Total</i>
↘	10. Turn right onto E 4th St S. Map	0.04 Mi <i>44.3 Mi Total</i>
■	11. 422 E 4TH ST S is on the left. Map <i>If you reach S Ridge St you've gone a little too far</i>	
B	Arcola Health Care Center 422 E 4th St S, Arcola, IL 61910 (217) 268-3022	

Total Travel Estimate: **44.33 miles - about 47 minutes**

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HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES
Springfield, Illinois

Consolidated Financial Statements and Supplementary Information

June 30, 2013 and 2012

(With Independent Auditors' Report Thereon)



KPMG LLP
Aon Center
Suite 5500
200 East Randolph Drive
Chicago, IL 60601-6436

Independent Auditors' Report

The Board of Directors
Hospital Sisters Health System:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Hospital Sisters Health System and Subsidiaries (HSHS), which comprise the consolidated balance sheets as of June 30, 2013 and 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hospital Sisters Health System as of June 30, 2013 and 2012, and the results of its operations, the changes in its net assets, and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.



Emphasis of Matter

As described in note 2(n) to the consolidated financial statements, HSHS adopted the provisions of Financial Accounting Standards Board Accounting Standards Update No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Healthcare Entities*, for the year ended June 30, 2012. As a result of this adoption, HSHS has presented on a separate line the provision for uncollectible accounts as a deduction from net patient service revenue (net of contractual allowances and discounts) and included enhanced disclosures about the entity's policies for recognizing revenue and assessing bad debts. Our opinion is not modified with respect to the matter emphasized.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in schedules 1 through 6 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

October 28, 2013

HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES
Springfield, Illinois

Consolidated Balance Sheets

June 30, 2013 and 2012

(Dollars in thousands)

Assets	<u>2013</u>	<u>2012</u>
Current assets:		
Cash and cash equivalents	\$ 81,110	90,514
Receivables:		
Patients' accounts, less allowance for uncollectible accounts of \$129,300 in 2013 and \$107,196 in 2012	294,578	307,814
Due from third-party reimbursement programs	2,813	4,497
Other	23,635	22,088
Total receivables	<u>321,026</u>	<u>334,399</u>
Current portion of assets whose use is limited or restricted	284,142	201,738
Inventories	40,051	40,230
Prepaid expenses	20,305	16,376
Total current assets	<u>746,634</u>	<u>683,257</u>
Assets whose use is limited or restricted, net of current portion	1,523,707	1,446,720
Property, plant, and equipment, net	1,257,517	1,152,063
Other assets	68,208	73,657
Total assets	<u>\$ 3,596,066</u>	<u>3,355,697</u>
Liabilities and Net Assets		
Current liabilities:		
Current installments of long-term debt	\$ 17,909	28,517
Long-term debt subject to short-term remarketing agreements	169,508	158,047
Accounts payable	114,093	100,336
Accrued liabilities	133,937	125,848
Estimated payables under third-party reimbursement programs	43,637	41,554
Total current liabilities	<u>479,084</u>	<u>454,302</u>
Long-term debt, excluding current installments	430,669	379,378
Estimated self-insurance liabilities	94,173	81,124
Derivative instruments	41,831	64,437
Accrued benefit liability	251,894	410,039
Other noncurrent liabilities	46,906	47,194
Total liabilities	<u>1,344,557</u>	<u>1,436,474</u>
Net assets:		
Unrestricted	2,202,951	1,875,690
Temporarily restricted	25,487	20,783
Permanently restricted	23,071	22,750
Total net assets	<u>2,251,509</u>	<u>1,919,223</u>
Total liabilities and net assets	<u>\$ 3,596,066</u>	<u>3,355,697</u>

See accompanying notes to consolidated financial statements.

HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES

Springfield, Illinois

Consolidated Statements of Operations

Years ended June 30, 2013 and 2012

(Dollars in thousands)

	<u>2013</u>	<u>2012</u>
Net patient service revenues	\$ 2,012,108	1,981,070
Provision for uncollectible accounts	<u>(107,131)</u>	<u>(111,142)</u>
Net patient service revenue less provision for uncollectible accounts	1,904,977	1,869,928
Other revenues:		
Investment income	2,751	786
Net assets released from restrictions used for operations	1,513	1,702
Other	<u>98,325</u>	<u>57,458</u>
Total revenues	<u>2,007,566</u>	<u>1,929,874</u>
Expenses:		
Sisters' services	1,275	1,155
Salaries and wages	740,688	722,856
Employee benefits	242,056	205,171
Professional fees	113,362	114,690
Supplies	275,961	275,291
Depreciation and amortization	135,871	143,523
Interest	7,247	6,313
Other	<u>469,542</u>	<u>460,584</u>
Total expenses	<u>1,986,002</u>	<u>1,929,583</u>
Income from operations	21,564	291
Nonoperating gains (losses):		
Investment income	128,782	23,565
Change in fair value of interest rate swaps	22,606	(35,799)
Loss on conversion and early extinguishment of debt	<u>(5,073)</u>	<u>—</u>
Revenues and gains (losses) in excess (deficient) of expenses	167,879	(11,943)
Other changes in unrestricted net assets:		
Net assets released from restrictions used for the purchase of property, plant, and equipment	1,237	7,369
Reversal (recognition) of change in pension funded status	<u>158,145</u>	<u>(160,928)</u>
Change in unrestricted net assets	<u>\$ 327,261</u>	<u>(165,502)</u>

See accompanying notes to consolidated financial statements.

HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES
Springfield, Illinois

Consolidated Statements of Changes in Net Assets

Years ended June 30, 2013 and 2012

(Dollars in thousands)

	2013	2012
Unrestricted net assets:		
Revenues and gains (losses) in excess (deficient) of expenses	\$ 167,879	(11,943)
Other changes in unrestricted net assets:		
Net assets released from restrictions used for the purchase of property, plant, and equipment	1,237	7,369
Reversal (recognition) of change in pension funded status	158,145	(160,928)
Change in unrestricted net assets	327,261	(165,502)
Temporarily restricted net assets:		
Investment income	1,182	308
Contributions	6,272	8,630
Net assets released from restrictions	(2,750)	(9,071)
Change in temporarily restricted net assets	4,704	(133)
Permanently restricted net assets:		
Investment income (loss)	(9)	28
Contributions	330	393
Change in permanently restricted net assets	321	421
Change in net assets	332,286	(165,214)
Net assets at beginning of year	1,919,223	2,084,437
Net assets at end of year	\$ 2,251,509	1,919,223

See accompanying notes to consolidated financial statements.

HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES
Springfield, Illinois

Consolidated Statements of Cash Flows

Years ended June 30, 2013 and 2012

(Dollars in thousands)

	2013	2012
Cash flows from operating activities:		
Change in net assets	\$ 332,286	(165,214)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loss on conversion and early extinguishment of debt	5,073	—
Recognition (reversal) of change in pension funded status	(158,145)	160,928
Income from equity basis investments	(4,158)	(5,241)
Cash received from equity basis investments, net	4,230	3,944
Net assets released from restrictions and used for operations	1,513	1,702
Restricted contributions and investment return	(7,775)	(9,359)
Amortization of bond issuance costs, included in interest expense	244	197
Depreciation and amortization	135,871	143,523
Provision for uncollectible accounts	107,131	111,142
Change in net unrealized gain and losses on investments	(69,286)	63,563
Net realized gains on sale of investments	(40,538)	(58,743)
Change in the fair value of derivative instruments	(22,606)	35,799
Changes in assets and liabilities:		
Patients' accounts receivable	(93,895)	(141,257)
Other receivables	(1,547)	4,488
Inventories	179	(179)
Prepaid expenses	(3,929)	1,642
Net amounts due to third-party reimbursement programs	3,767	6,328
Accounts payable and accrued liabilities	21,846	18,424
Estimated self-insurance liabilities and other noncurrent liabilities	12,761	6,291
Net cash provided by operating activities	223,022	177,978
Cash flows from investing activities:		
Acquisition of property, plant, and equipment	(242,210)	(192,020)
Gross purchases of investments	(1,917,036)	(1,828,882)
Gross proceeds from sale or maturity of investments	1,867,469	1,874,143
Change in other assets	5,133	2,908
Net cash used in investing activities	(286,644)	(143,851)
Cash flows from financing activities:		
Repayment of long-term debt	(468,900)	(22,130)
Proceeds from issuance of debt	520,720	10,000
Payment of bond issuance cost	(3,864)	—
Net assets released from restrictions and used for operations	(1,513)	(1,702)
Restricted contributions and investment return	7,775	9,359
Net cash provided by (used in) financing activities	54,218	(4,473)
Change in cash and cash equivalents	(9,404)	29,654
Cash and cash equivalents at beginning of year	90,514	60,860
Cash and cash equivalents at end of year	\$ 81,110	90,514
Supplemental disclosure of cash flow information:		
Cash paid for interest, net of amounts capitalized	\$ 7,085	4,137
Supplemental disclosure of noncash transactions:		
Assets acquired under capital lease	\$ 885	24,332

See accompanying notes to consolidated financial statements.

HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES

Springfield, Illinois

Notes to Consolidated Financial Statements

June 30, 2013 and 2012

(Dollars in thousands)

(1) Organization and Purpose

Hospital Sisters Health System (HSHS), an Illinois not-for-profit corporation, considers all wholly owned or controlled entities as subsidiaries for consolidated financial statement purposes. The accompanying consolidated financial statements include the accounts of HSHS and its subsidiaries. HSHS is the parent corporation for several subsidiary corporations and exerts control through various reserved powers. The subsidiary corporations and controlled entities presented in the accompanying consolidated financial statements include Hospital Sisters Services, Inc. (HSSI), HSHS System Services Center (the SSC), Hospital Sisters of St. Francis Foundation, Inc. (the Foundation), and Kiara, Inc.

HSSI, an Illinois not-for-profit holding company, is the sole member of 13 hospitals in Illinois and Wisconsin (collectively referred to as the Obligated Group), Hospital Sisters Healthcare – West, Inc. (HCW), HSHS Medical Group, Inc., and HSHS Wisconsin Medical Group, Inc. (collectively referred to as the Medical Group), Unity Limited Partnership, Kiara Clinical Integration Network (KCIN), and Renaissance Quality Insurance, Ltd. (RQIL). HSSI and the 13 hospitals have formed an Obligated Group for debt financing purposes through the use of a Master Trust Indenture (MTI) (note 11). The hospitals are organized for the purpose of providing inpatient and outpatient healthcare services. HSSI formed the Medical Group for the purpose of affiliating with physicians. RQIL is a captive insurance company incorporated in the Cayman Islands to provide professional and general liability insurance coverage to HSSI and affiliates. HCW, the Medical Group, Unity Limited Partnership, KCIN, and RQIL are not members of the Obligated Group.

The 13 hospitals who are members of the Obligated Group, along with HSSI, are as follows:

<u>Hospital</u>	<u>Location</u>
	Illinois:
St. Elizabeth's Hospital	Belleville
St. Joseph's Hospital	Breese
St. Mary's Hospital	Decatur
St. Anthony's Memorial Hospital	Effingham
St. Joseph's Hospital	Highland
St. Francis Hospital	Litchfield
St. John's Hospital	Springfield
St. Mary's Hospital	Streator
	Wisconsin:
St. Joseph's Hospital	Chippewa Falls
Sacred Heart Hospital	Eau Claire
St. Mary's Hospital Medical Center	Green Bay
St. Vincent Hospital	Green Bay
St. Nicholas Hospital	Sheboygan

The SSC administers the Workers Compensation Fund, Health Care Trust Fund, and Flex Plan. The SSC is supported by annual fees paid by the HSHS affiliated hospitals and certain other HSHS controlled entities

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to the SSC. The SSC utilizes these funds to provide centralized management and information services to the 13 affiliated hospitals, workers' compensation, and employee health administration. In addition, the SSC administers a centralized investment program and defined contribution pension plan on behalf of all HSHS entities.

The Foundation, an Illinois not-for-profit corporation, is an entity whose purpose is to solicit and administer philanthropic funds. The Foundation is structured into 14 separate divisions to administer restricted and unrestricted gifts and bequests at each of the respective hospital locations and the SSC.

Kiara, Inc., an Illinois for-profit corporation, provides a vehicle for joint ventures with physicians and an entry into those health related services, which do not qualify as tax-exempt services, such as pharmacy, durable medical equipment, nonaffiliate electronic health records (EHR) implementations, and real estate holdings. Kiara, Inc. is the holding company of three subsidiary corporations in which it is the sole stockholder, LaSante, Inc., LaSante Wisconsin, Inc., and Prairie Cardiovascular Consultants, Inc. (PCC). The operations of these three wholly owned subsidiaries are consolidated into the financial statements of Kiara, Inc. In connection with the acquisition of PCC, \$3,372 and \$5,059 is still payable at June 30, 2013 and 2012, respectively, and is a component of other noncurrent liabilities in the accompanying consolidated balance sheets.

All significant intercompany transactions have been eliminated in consolidation.

(2) Summary of Significant Accounting Policies

The significant accounting policies of HSHS are as follows:

(a) Presentation

For purposes of display, transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported as revenues and expenses. Peripheral or incidental transactions are reported as nonoperating gains or losses. Nonoperating gains or losses include investment income, other than that which is associated with self-insurance programs, or funds held by trustee under indenture agreements, settlements on derivative instruments, loss on conversion and early extinguishment of debt, and the change in fair value of the interest rate swap agreements.

(b) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Significant estimates include allowances for contractual allowances and bad debts, third-party payor settlements, valuation of investments, recoverability of property, plant, and equipment, self-insurance liabilities, derivative instruments, accrued benefit liability, and other liabilities. Actual results could differ from those estimates.

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(c) Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less when purchased, excluding those amounts included as assets whose use is limited or restricted.

(d) Assets Whose Use is Limited or Restricted

Assets whose use is limited or restricted include assets set aside by the board of directors for future capital improvements, over which the board of directors retains control and may at its discretion subsequently use for other purposes; assets held by third-party trustees under indenture agreements; and funds temporarily or permanently restricted by donors. Management classifies the current portion of assets whose use is limited or restricted based on the approximate amount of the current portion of long-term debt.

Investments in equity securities with readily determinable values and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets. Investment income on assets associated with self-insurance programs or assets deposited in funds held by trustee under indenture agreements is reported as other revenues. Investment income from all other investments is reported as nonoperating gains – investment income, unless the income or loss is restricted by donor or law. Changes in net unrealized gains and losses on investments are included in revenues and gains (losses) in excess (deficient) of expenses and losses as all investments are considered to be trading securities.

(e) Inventories

Inventories are stated at the lower of cost or market. Cost is determined on a first-in, first-out basis.

(f) Property, Plant, and Equipment

Property, plant, and equipment additions are stated at cost or fair value at the date of acquisition or donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method of accounting. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Capitalized interest is reduced by the amount of investment income earned on unexpended proceeds from project specific borrowings.

(g) Long-Lived Assets

Long-lived assets (including property, plant, and equipment) are periodically assessed for recoverability based on the occurrence of a significant adverse event or change in the environment in which HSHS operates or if the expected future cash flows (undiscounted and without interest) would become less than the carrying amount of the asset. An impairment loss would be recorded in the period such determination is made based on the fair value of the related entity. No impairments were recorded for the years ended June 30, 2013 and 2012.

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(h) Other Assets – Joint Ventures

HSHS invests in various organizations that are not wholly owned or controlled by HSHS. Investments in affiliates in which HSHS has significant influence but does not control are reported on the equity method of accounting, which represents HSHS' equity in the underlying net book value. The equity method of accounting is discontinued when the investment is reduced to zero unless HSHS has guaranteed the obligations of the organization or is committed to provide additional capital support. There were no existing guarantees at June 30, 2013 or 2012.

(i) Loss Reserves

HSHS is self-insured for professional and general liability, workers' compensation, and employee health claims. The provisions for loss reserves include the ultimate cost for both reported losses and losses incurred, but not reported as of the respective consolidated balance sheet dates.

The liability for loss reserves represents an estimate of the ultimate net cost of all such amounts that are unpaid at the consolidated balance sheet dates. The liability is based on projections and the historical claim experience of HSHS and gives effect to estimates of trends. Although management believes that the estimate of the liability for claims is reasonable, it is possible that HSHS' actual incurred claims will not conform to the assumptions' inherent variability with respect to the significant assumptions utilized. Accordingly, the ultimate settlement of claims may vary from the liability for unpaid claims included in the accompanying consolidated financial statements.

(j) Derivative Instruments

HSHS accounts for derivatives and hedging activities in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC) Subtopic 815-10, *Accounting for Derivative Instruments and Hedging Activities*, which requires that an entity recognize all derivatives as either assets or liabilities in the consolidated balance sheet and measure those instruments at fair value. HSHS is involved in various interest rate swaps. The fair value of the interest rate swap programs is included as derivative instruments in the accompanying consolidated balance sheets. For HSHS, the derivatives are not designated as hedge instruments, and therefore, settlements on derivative instruments and the change in fair values of the interest rate swap agreements are recognized in the consolidated statements of operations as a component of nonoperating gains (losses).

(k) Asbestos Removal Costs

HSHS accounts for asbestos removal costs in accordance with ASC Subtopic 410-20, *Accounting for Conditional Asset Retirement Obligations*. ASC Subtopic 410-20 requires the current recognition of a liability when a legal obligation exists to perform an asset retirement obligation (ARO) in which the timing or method of settlement is conditional on a future event that may or may not be under the control of the entity. ASC Subtopic 410-20 requires an ARO liability be recorded at its net present value with recognition of a related long-lived asset in a corresponding amount. The ARO liability is accreted through periodic charges to depreciation expense. The initially capitalized ARO long-lived

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asset is depreciated over the corresponding long-lived asset's remaining useful life. HSHS is legally liable to remove asbestos from existing buildings prior to future remodeling or demolishing of the existing hospital buildings. The estimated asbestos removal cost at June 30, 2013 and 2012 is \$28,957 and \$28,786, respectively, and is included within other noncurrent liabilities in the accompanying consolidated balance sheets. The net book value of the ARO long-lived asset at June 30, 2013 and 2012 is \$553 and \$742, respectively, and is included within other assets in the accompanying consolidated balance sheets.

(l) Donor-Restricted Net Assets

Net assets and activities are classified into three classes based on the existence or absence of donor-imposed restrictions: unrestricted, temporarily restricted, and permanently restricted. Temporarily restricted net assets represent those net assets whose use by HSHS has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by HSHS in perpetuity.

HSHS classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment, the original value of subsequent gifts to the permanent endowment, and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument. Investment returns in excess of spending are classified as increases in temporarily restricted net assets until appropriated for expenditure by HSHS.

HSHS has established a spending policy, which is evaluated and approved by the Foundation board every year. The approved spending rate for fiscal year 2013 and 2012 was 2.30% and 3.45%, respectively. In establishing this policy, the long-term expected return on the endowment is considered. This is consistent with HSHS' objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term.

Endowment funds are commingled with the pooled investment fund administered by HSHS. HSHS relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). HSHS targets a diversified asset allocation of 40.5% fixed income, 44.5% equities, and 15% custom hedge funds to achieve its long-term return objectives within prudent risk constraints.

(m) Gifts, Bequests, and Grants

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are recorded as unrestricted contributions. Unrestricted contributions are included in other revenues.

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Gifts of long-lived assets such as property, plant, and equipment are reported as unrestricted gifts and bequests and are excluded from revenues and gains (losses) in excess (deficient) of expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted contributions. In the absence of explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

(n) Net Patient Service Revenues

Net patient service revenues are reported at the estimated net realizable amounts due from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and amounts received under the Medicaid assessment tax programs. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Effective July 1, 2012, HSHS adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. ASU 2011-07 requires that entities that recognize significant amounts of patient service revenue at the time the services are rendered even though they do not assess the patient's ability to pay must present the provision for bad debts related to patient service revenue as a deduction from patient service revenue (net of contractual allowances and discounts) on their statement of operations. The provision for uncollectible accounts on the accompanying consolidated statements of operations for the years ended June 30, 2013 and 2012 has been presented on a separate line as a deduction from net patient service revenue.

(o) Charity Care

HSHS provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Amounts determined to qualify as charity care are not reported as net patient service revenues, since HSHS does not pursue collection of such amounts.

(p) Revenues and Gains (Losses) in Excess (Deficient) of Expenses

The consolidated statements of operations include revenues and gains (losses) in excess (deficient) of expenses. Changes in unrestricted net assets that are excluded from revenues and gains (losses) in excess (deficient) of expenses, consistent with industry practice, include: contributions of property, plant, and equipment (including assets acquired using contributions that by donor restrictions or grants were to be used for the purpose of acquiring such assets); nonreciprocal transfer to affiliate for other than goods and services; and (recognition) reversal of change in pension funded status.

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(q) Income Taxes

HSHS and the Foundation are Illinois not-for-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Kiara, Inc. is an Illinois for-profit corporation that recognizes income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax basis and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

HSHS has adopted ASC Subtopic 740-10, *Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109*. ASC Subtopic 740-10 addresses the determination of how tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under ASC Subtopic 740-10, HSHS must recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. ASC Subtopic 740-10 also provides guidance on derecognition, classification, interest and penalties on income taxes, and accounting in interim periods and requires increased disclosures. As of June 30, 2013 and 2012, HSHS does not have an asset or liability for unrecognized tax benefits.

(r) Fair Value

HSHS has adopted the provisions of ASC Topic 820, *Fair Value Measurements*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. ASC Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

In conjunction with the adoption of ASC Topic 820, HSHS adopted the measurement provisions of ASU 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, to certain investments in funds that do not have readily determinable fair values including private investments, hedge funds, real estate, and other funds. This guidance amends ASC Topic 820 and allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value (NAV) per share or its equivalent.

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(s) EHR Incentive Program

The EHR Incentive Program (the Program) provides incentive payments to eligible hospitals and professionals as they adopt, implement, upgrade, or demonstrate meaningful use of certified EHR technology in their first year of participation and demonstrate meaningful use for up to five remaining participation years. HSHS accounts for the Program using the grant model. HSHS applies the “ratable recognition” approach, which states that the grant income can be recognized ratably over the entire EHR reporting period once a “reasonable assurance” income recognition threshold is met. For the years ended June 30, 2013 and 2012, HSHS recognized \$31,800 and \$4,181, respectively, as other revenue related to EHR incentives, which have been received or are expected to be received based on certifications prepared by management under the appropriate guidelines for year 1 and year 2 payments.

(3) Community Benefit

Consistent with its mission, HSHS provides medical care to all patients regardless of their ability to pay. In addition, HSHS provides services intended to benefit the poor and underserved, including those persons who cannot afford health insurance because of inadequate resources and/or are uninsured or underinsured, and to enhance the health status of the communities in which it operates.

The following summary has been prepared in accordance with the Catholic Health Association of the United States’ (CHA) policy document, *A Guide for Planning and Reporting Community Benefit*, released in May 2006. HSHS uses a cost-to-charge ratio to calculate the cost of charity care and the unpaid cost of Medicaid. The amounts in the following table reflect the quantifiable costs of HSHS’ community benefit for the years ended June 30, 2013 and 2012:

	2013	2012
Benefits for the poor:		
Charity care at cost	\$ 45,974	43,076
Unpaid cost of Medicaid and other public programs	104,232	97,878
Community health services	1,657	1,322
Other	1,798	766
	153,661	143,042
Benefits for the broader community:		
Community health services	4,451	4,443
Health professions education	15,558	15,895
Other	13,083	10,772
	33,092	31,110
Total community benefit	\$ 186,753	174,152

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Benefits for the poor represent the cost of services provided to persons who cannot afford healthcare because of inadequate resources and who are uninsured or underinsured.

Benefits for the broader community represent the cost of services provided to other needy populations that may not qualify as poor, but that need special services and support. It also includes the cost of services for the general benefit of the communities in which HSHS operates. Many programs are targeted toward populations that may be poor, but also include those areas that may need special health services and support. These programs are not financially self-supporting.

Charity care at cost represents the cost of services provided to patients who cannot afford healthcare services due to inadequate resources. All or a portion of a patient's services may be considered charity care for which no payment is anticipated in accordance with HSHS' established policies.

Unpaid cost of Medicaid and other public programs represents the cost of providing services to beneficiaries of public programs, including state Medicaid and indigent care programs, in excess of payments for those services. (See note 4 for an explanation of changes to the Medicaid reimbursement from the State of Illinois and the State of Wisconsin.)

Community health services are activities and services for which no patient bill exist although there may be nominal patient fees. These services are not expected to be financially self-supporting although some may be partially supported by outside grants or funding.

Health professions education includes the unreimbursed cost of training health professionals, such as medical residents, nursing students, technicians, and students, in allied health professions.

Other benefits include subsidized health services, in-kind donations, and other benefits.

In addition to the amounts reported above, HSHS committed significant resources in serving the Medicare population. The cost (determined using a cost-to-charge ratio) of providing services to primarily elderly beneficiaries of the Medicare program, in excess of governmental and managed care contract payments, was \$152,293 and \$160,570 for the years ended June 30, 2013 and 2012, respectively.

A related organization, the Foundation, funded \$5,885 and \$15,948 for charity care or other operating expenses on behalf of the hospitals during the years ended June 30, 2013 and 2012, respectively. The community benefits reported above are net of the contributions from the Foundation for such benefits.

HSHS also provides a significant amount of uncompensated care for patients, which is not included above, but is reported in the consolidated statements of operations as a provision for uncollectible accounts. Many of those patients are uninsured or underinsured, but did not apply for, or qualify for, charity care.

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(4) Net Patient Service Revenues

HSHS has agreements with third-party payors that provide for payment at amounts different from their established rates. A summary of the payment arrangements with major third-party payors is as follows:

Medicare – Inpatient acute care services rendered to Medicare program beneficiaries are generally paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient nonacute services and certain outpatient services related to Medicare beneficiaries are paid based upon a cost reimbursement method, prospectively determined rates, established fee screens, or a combination thereof. The hospitals are reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the hospitals and audits by the Medicare fiscal intermediary. Certain outpatient services performed by the hospitals are reimbursed at a prospectively determined rate per service based upon their ambulatory payment classification. Home health services performed by the hospitals are reimbursed at a prospectively determined rate per episodic treatment.

As of June 30, 2013, Medicare cost reports have been audited and final settled through June 30, 2009.

Medicaid – Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates per discharge. Outpatient services rendered to Medicaid program beneficiaries are reimbursed based upon per visit rates. Medicaid payment methodologies and rates for services are based on the amount of funding available to state Medicaid programs. As of June 30, 2013 and 2012, Medicaid receivables aggregate to \$24,764 and \$59,271, respectively, and are valued using historical collection percentages of enacted rates.

HSHS participates in the State of Illinois (the State) provider assessment program that assists in the financing of its Medicaid program. The program has been renewed by the State since its inception in 2004 and was renewed again on December 4, 2008 for the State's fiscal years ending June 30, 2009 through June 30, 2013. Renewal for the period July 1, 2013 to December 31, 2014 has been approved by the State. Pursuant to this program, hospitals within the State are required to remit payment to the State Medicaid program under an assessment formula approved by the Centers for Medicare and Medicaid Services (CMS).

The hospitals have included their related prorated assessments of \$26,772 and \$26,823 in 2013 and 2012, respectively, within other expenses in the accompanying consolidated statements of operations. The assessment program also provides hospitals within the State with additional Medicaid reimbursement based on funding formulas also approved by CMS. The hospitals have included their additional related prorated reimbursement of \$45,564 and \$47,108 in 2013 and 2012, respectively, within net patient service revenues in the accompanying consolidated statements of operations.

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During 2009, the State of Wisconsin enacted an assessment tax on the gross revenues of all Wisconsin hospitals retroactive to July 1, 2008, which is used to increase reimbursements made under its Medicaid program. During the years ended June 30, 2013 and 2012, the HSHS Wisconsin hospitals were assessed \$21,118 and \$20,210, respectively, related to this tax, which is included as a component of other expenses in the accompanying consolidated statements of operations, and received \$24,198 and \$26,513, respectively, in supplemental Medicaid reimbursement, which is included as a component of net patient service revenues in the accompanying consolidated statements of operations.

Other – HSHS has also entered into payment agreements with Blue Cross, certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined per diem rates.

A summary of gross and net patient service revenues for the years ended June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Inpatient revenues	\$ 2,400,777	2,296,455
Outpatient revenues	2,940,995	2,791,571
Less provisions for estimated contractual adjustments under third-party reimbursement programs	<u>3,329,664</u>	<u>3,106,956</u>
Net patient service revenues	<u>\$ 2,012,108</u>	<u>1,981,070</u>

Net patient service revenues for the years ended June 30, 2013 and 2012 include \$8,591 and \$995, respectively, of favorable retrospectively determined prior year settlements with third-party payors. In addition, net patient service revenues include \$15,547 for the year ended June 30, 2012, from Medicare for fiscal years 2007–2011 as settlement of the Rural Floor Budget Neutrality Adjustment Appeal. Additionally, professional fees expense includes \$3,997 for the year ended June 30, 2012, of settlement fees paid as part of the Rural Floor Budget Neutrality Adjustment Appeal.

A summary of Medicare, Medicaid, and managed care/contracted payor utilization percentages, based upon gross patient service revenues, is as follows:

	<u>2013</u>	<u>2012</u>
Medicare	47%	46%
Medicaid	14	14
Managed care/contracted payor	32	32
Self-pay	4	5
Other	3	3

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Patients' accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patients' accounts receivable, HSHS analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, HSHS analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (e.g., for expected uncollectible deductibles and co-payments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and co-payment balances due for which third-party coverage exists for part of the bill), HSHS records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

HSHS' allowance for uncollectible accounts for self-pay patients increased from 81.0% of self-pay accounts receivable at June 30, 2012, to 81.7% of self-pay accounts receivable at June 30, 2013. In addition, HSHS' self-pay write-offs decreased \$13,604 from \$98,642 for fiscal year 2012 to \$85,038 for fiscal year 2013. Both changes were the result of current trends experienced in the collection of amounts from self-pay patients in fiscal year 2013. HSHS has not substantially changed its charity care or uninsured discount policies during fiscal years 2012 or 2013. HSHS does not maintain a material allowance for uncollectible accounts from third-party payors, nor did it have significant write-offs from third-party payors.

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HSHS recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, HSHS recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of HSHS' uninsured patients will be unable or unwilling to pay for the services provided. Thus, HSHS records a significant provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (before the provision for bad debts), is recognized in the period from these major payor sources, as follows:

	<u>2013</u>	<u>2012</u>
Medicare	\$ 709,095	693,335
Medicaid	205,618	213,011
Managed care/contracted payor	935,800	893,712
Self-pay	104,459	111,130
Other	<u>57,136</u>	<u>69,882</u>
Net patient service revenues	<u>\$ 2,012,108</u>	<u>1,981,070</u>

(5) Concentration of Credit Risk

HSHS provides healthcare services through their inpatient and outpatient facilities located in Illinois and Wisconsin. HSHS grants credit to patients, substantially all of whom are local residents. HSHS does not require collateral or other security in extending credit to patients; however, they routinely obtain assignment of (or are otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans, or policies (e.g., Medicare, Medicaid, Blue Cross, health maintenance organizations, and commercial insurance policies).

The mix of net receivables from patients and third-party payors as of June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Medicare	26%	22%
Medicaid	8	19
Managed care/contracted payor	48	42
Self-pay	10	8
Other	8	8

(6) Investment Composition and Fair Value Measurements

(a) Overall Investment Objective

The overall investment objective of HSHS is to invest its assets in a prudent manner that will achieve an expected rate of return, manage risk exposure, and focus on downside protection. HSHS' invested

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assets will maintain sufficient liquidity to fund a portion of HSHS' annual operating activities and structure the invested assets to maintain a high percentage of available liquidity. HSHS diversifies its investments among various asset classes incorporating multiple strategies and managers. The HSHS board approves the investment policy statement. The Investment Subcommittee oversees the investment program in accordance with investment policy statement.

(b) Allocation of Investment Strategies

To manage risk, HSHS invests in fixed income, domestic equities, international equities, and custom hedge funds. HSHS engages outside portfolio managers as follows: 5 fixed income managers, 15 domestic equity managers, 5 international managers, and 2 custom hedge fund portfolio managers. Because of the inherent uncertainties for valuation of some holdings, the estimated fair values may differ from values that would have been used had a ready market existed.

(c) Basis of Reporting

Assets whose use is limited or restricted are reported at estimated fair value. If an investment is held directly by HSHS and an active market with quoted prices exists, the market price of an identical security is used as reported fair value. Reported fair values for shares in common and preferred stock and fixed income are based on share prices reported by the funds as of the last business day of the fiscal year. HSHS' interests in alternative investment funds are generally reported at the NAV reported by the fund managers, which is used as a practical expedient to estimate the fair value of the HSHS' interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2013, HSHS had no plans or intentions to sell investments at amounts different from NAV.

(d) Fair Value of Financial Instruments

The following methods and assumptions were used by HSHS in estimating the fair value of its financial instruments:

- The carrying amount reported in the consolidated balance sheets for the following approximates fair value because of the short maturities of these instruments: cash and cash equivalents, receivables, accounts payable, accrued liabilities, and estimated payables under third-party reimbursement programs.
- Fair values of HSHS' investments held as assets whose use is limited or restricted are estimated based on prices provided by its investment managers and its custodian bank except for the carrying value of pledges receivable and other, which equals fair value. Fair value for cash and cash equivalents, corporate and preferred stocks, foreign securities, U.S. government securities, corporate bonds, municipal bonds, and commingled mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. The carrying value equals fair value.
- HSHS has two hedge fund investments for which quoted market prices are not available. The two hedge fund investments are K2 multistrategy fund and Mesirov multistrategy fund. The

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estimated fair value of these hedge fund investments includes estimates, appraisals, assumptions, and methods provided by external financial advisers and reviewed by HSHS.

The investment objective of the K2 multistrategy fund is to achieve equity type returns with reduced volatility and risk. This is achieved through a diversified portfolio targeting allocations of long strategies and low volatility strategies.

The investment objective of the Mesirow multistrategy fund is to achieve positive returns with low volatility and risk. This is achieved through a multimanager, multistrategy, and diversified investment approach.

- Fair value of fixed rate long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to HSHS for debt of the same remaining maturities. For variable rate debt, carrying amounts approximate fair value. Fair value was estimated using quoted market prices based upon HSHS' current borrowing rates for similar types of long-term debt securities.
- Fair value of interest rate swaps is determined using pricing models developed based on the LIBOR swap rate and other observable market data by financial advisers. The value was determined after considering the potential impact of collateralization and netting agreements, adjusted to reflect nonperformance risk of both the counterparty and HSHS. The carrying value equals fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although HSHS believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the carrying amounts and estimated fair values of HSHS' financial instruments not carried at fair value at June 30, 2013:

	<u>2013</u>		<u>2012</u>	
	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
Long-term debt	\$ 618,086	615,920	565,942	571,456

(e) Fair Value Hierarchy

HSHS has adopted ASC Topic 820 for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or

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liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that HSHS has the ability to access at the measurement date.
- Level 2 are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 inputs are unobservable inputs for the asset or liability.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. There were no transfers between Level 1, Level 2, or Level 3 for the fiscal years ended June 30, 2013 and 2012.

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The following table summarizes HSHS' cash and cash equivalents and assets whose use is limited or restricted by major category in the fair value hierarchy as of June 30, 2013, as well as related strategy, liquidity, and funding commitments:

	June 30, 2013			Total	Redemption or liquidation	Days' notice
	Level 1	Level 2	Level 3			
Cash and cash equivalents	\$ 81,110	—	—	81,110	Daily	One
Assets whose use is limited or restricted excluding accrued interest and other of \$4,491 and pledges receivable and other of \$28,248:						
Cash and cash equivalents	\$ 93,530	—	—	93,530	Daily	One
Common stocks	525,568	—	—	525,568	Daily	Three
U.S. government securities	—	162,032	—	162,032	Daily	One
Municipal bonds	—	33,890	—	33,890	Daily	Two
Corporate bonds	—	269,256	—	269,256	Daily	Two
Foreign securities	259,087	25,276	—	284,363	Daily	Three
Commingled mutual funds	—	154,378	—	154,378	Daily	Three
Hedge funds:						
K2 multistrategy fund	—	—	196,551	196,551	Monthly	Thirty
Mesirow multifund	—	—	55,542	55,542	Monthly	Thirty
Total financial assets	\$ 878,185	644,832	252,093	1,775,110		
Liabilities:						
Derivative instruments	\$ —	41,831	—	41,831		

The table below sets forth a summary of changes in the fair value of the HSHS' Level 3 assets for the year ended June 30, 2013:

	Level 3 assets, year ended June 30, 2013		
	K2 fund	Mesirow fund	Total funds
Balance, beginning of year	\$ 165,890	43,413	209,303
Purchases	11,607	7,738	19,345
Sales	—	—	—
Total net gains	19,054	4,391	23,445
Balance, end of year	\$ 196,551	55,542	252,093

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The following table summarizes HSHS' cash and cash equivalents and assets whose use is limited or restricted by major category in the fair value hierarchy as of June 30, 2012, as well as related strategy, liquidity, and funding commitments:

	June 30, 2012			Total	Redemption or liquidation	Days' notice
	Level 1	Level 2	Level 3			
Cash and cash equivalents	\$ 90,514	—	—	90,514	Daily	One
Assets whose use is limited or restricted excluding accrued interest and other of \$8,666 and pledges receivable and other of \$22,127:						
Cash and cash equivalents	\$ 114,831	—	—	114,831	Daily	One
Common stocks	443,162	—	—	443,162	Daily	Three
U.S. government securities	—	296,522	—	296,522	Daily	One
Municipal bonds	—	33,879	—	33,879	Daily	Two
Corporate bonds	—	121,931	—	121,931	Daily	Two
Foreign securities	217,740	27,460	—	245,200	Daily	Three
Commingled mutual funds	—	152,837	—	152,837	Daily	Three
Hedge funds:						
K2 multistrategy fund	—	—	165,890	165,890	Monthly	Thirty
Mesirow multifund	—	—	43,413	43,413	Monthly	Thirty
Total financial assets	\$ 775,733	632,629	209,303	1,617,665		
Liabilities:						
Derivative instruments	\$ —	64,437	—	64,437		

The table below sets forth a summary of changes in the fair value of the HSHS' Level 3 assets for the year ended June 30, 2012:

	Level 3 assets, year ended June 30, 2012		
	K2 fund	Mesirow fund	Total funds
Balance, beginning of year	\$ —	—	—
Purchases	166,400	41,600	208,000
Total net gains (losses)	(510)	1,813	1,303
Sales	—	—	—
Balance, end of year	\$ 165,890	43,413	209,303

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A summary of assets whose use is limited or restricted as of June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Assets whose use is limited or restricted:		
By the board for capital improvements	\$ 1,547,405	1,375,077
Funds held by trustee under indenture agreements	—	34,723
Funds held by trustee for self-insurance	90,251	83,710
Funds held by RQIL	73,541	64,051
Funds temporarily restricted by donors	463	425
Investments held at the Foundation	96,189	90,472
	<u>1,807,849</u>	<u>1,648,458</u>
Total assets whose use is limited or restricted	<u>\$ 1,807,849</u>	<u>1,648,458</u>

The composition of investment return for the years ended June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Investment return:		
Interest and dividend income	\$ 22,883	29,548
Net realized gains on sale of investments	40,538	58,743
Change in net unrealized gains and losses	69,286	(63,563)
	<u>132,707</u>	<u>24,728</u>
Total investment return	<u>\$ 132,707</u>	<u>24,728</u>

Investment returns are included in the accompanying consolidated statements of operations and changes in net assets for the years ended June 30, 2013 and 2012 as follows:

	<u>2013</u>	<u>2012</u>
Other revenues – investment income	\$ 2,751	786
Nonoperating gains – investment income	128,782	23,565
Temporarily restricted net assets – investment income	1,182	308
Permanently restricted net assets – investment income (loss)	(9)	28
Interest income capitalized as part of construction in progress	1	41
	<u>132,707</u>	<u>24,728</u>
Total investment return	<u>\$ 132,707</u>	<u>24,728</u>

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(7) Derivative Instruments

HSHS has interest-rate related derivative instruments to manage its exposure on its debt instruments. HSHS does not enter into derivative instruments for any purpose other than cash flow hedging purposes, and HSHS does not speculate using derivative instruments.

By using derivative financial instruments to hedge exposures to changes in interest rates, HSHS exposes itself to credit risk, tax risk, and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counterparty owes HSHS, which creates credit risk for HSHS. When the fair value of a derivative contract is negative, HSHS owes the counterparty, and therefore, it does not possess credit risk. HSHS minimizes the credit risk in derivative instruments by entering into transactions with high-quality counterparties.

Tax risk is the adverse effect that HSHS takes on to the extent tax law changes impact the rates paid to a variable rate bondholder (either positively or negatively) that would affect the variable rate received from the counterparty under a LIBOR-based swap that may not match the tax-exempt equivalent rate being paid. HSHS minimizes the tax risk in derivative instruments by maintaining sufficient cash reserves to handle potential tax law changes.

Market risk is the adverse effect on the value of the derivative instrument that results from a change in interest rates. The market risk associated with interest rate contracts is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

HSHS is exposed to credit loss in the event of nonperformance by the counterparty to the interest rate swap agreements; however, this is not anticipated. During the years ended June 30, 2013 and 2012, HSHS was not required to post collateral.

HSHS maintains interest rate swap agreements, which effectively change the interest rate exposure on a portion of its variable rate bonds to a fixed rate. HSHS receives the SIFMA Index variable rate and pays a fixed rate of 4.02% and 3.47%. The interest rate swap agreements have notional amounts of \$218,475 at both June 30, 2013 and 2012, which will amortize through March 2036.

HSHS also entered into a fixed spread basis swap in fiscal year 2008 that removes the tax risk from the bondholders and transfers the risk to HSHS. The premium that HSHS receives for taking on this risk is 67.00% of the one-month LIBOR plus a fixed spread of 48 basis points less the SIFMA Index rate. The fixed spread basis swap has a notional amount of \$150,000 with a final maturity in May 2033.

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The following is a summary of the swaps as of June 30, 2013:

<u>Type of interest swap</u>	<u>Notional amount</u>	<u>Settlement value</u>	<u>Fair value</u>
Fixed payor	\$ 76,750	(13,409)	(12,627)
Fixed spread basis	150,000	(4,705)	(3,633)
Fixed payor	41,300	(8,011)	(7,448)
Fixed payor	100,425	(19,495)	(18,123)
		<u>\$ (45,620)</u>	<u>(41,831)</u>

The following is a summary of the swaps as of June 30, 2012:

<u>Type of interest swap</u>	<u>Notional amount</u>	<u>Settlement value</u>	<u>Fair value</u>
Fixed payor	\$ 76,750	(25,211)	(22,536)
Fixed spread basis	150,000	(3,781)	(2,302)
Fixed payor	41,300	(13,145)	(11,533)
Fixed payor	100,425	(31,996)	(28,066)
		<u>\$ (74,133)</u>	<u>(64,437)</u>

(8) Property, Plant, and Equipment

A summary of property, plant, and equipment at June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Land	\$ 49,952	47,294
Land improvements	38,184	37,113
Buildings and permanent fixtures	1,296,440	1,246,834
Equipment and furnishings	1,193,187	1,142,086
	<u>2,577,763</u>	<u>2,473,327</u>
Less accumulated depreciation	1,509,277	1,433,133
	1,068,486	1,040,194
Construction in progress	189,031	111,869
	<u>\$ 1,257,517</u>	<u>1,152,063</u>

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As of June 30, 2013, construction in progress represents various building and remodeling projects. These projects, which have remaining contracted costs at June 30, 2013 of approximately \$84,973, will be financed with board-designated assets or from operations.

A reconciliation of total interest costs, as reported in the accompanying consolidated statements of operations for 2013 and 2012, is as follows:

	2013	2012
Interest cost capitalized	\$ 3,238	3,997
Interest cost charged to expense	7,247	6,316
Total interest cost	\$ 10,485	10,313
Interest income capitalized	\$ 1	41

(9) Self-Insurance

(a) Professional and General Liability

Under the System's professional and general liability self-insurance program through RQIL, claims are reflected based upon actuarial estimation, including both reported and incurred but not reported claims, taking into consideration the severity of incidents and the expected timing of claim payments. At June 30, 2013 and 2012, funds held by RQIL were \$73,541 and \$64,051, respectively. The related estimated self-insurance liabilities for June 30, 2013 and 2012 were \$66,881 and \$51,488, respectively. At June 30, 2013 and 2012, RQIL's estimated self-insurance liability for all future claims payments reflects the actuarially determined outstanding losses at the undiscounted/expected level. The amount included in expenses for professional and general liability insurance by RQIL for 2013 and 2012 was \$19,099 and \$14,267, respectively, and is included in other expense in the consolidated statements of operations. These calculations take into consideration any liability that may be covered under an extended reporting endorsement and considered "tail" liability.

HSHS is involved in litigation arising in the ordinary course of business. Reported claims are in various stages of litigation. Additional claims may be asserted against HSHS arising from services through June 30, 2013. It is the opinion of management that the estimated malpractice liabilities accrued at June 30, 2013 are adequate to provide for potential losses resulting from pending or threatened litigation.

(b) Workers' Compensation and Employee Health

The HSHS self-insurance program provides workers' compensation insurance and health insurance for employees. An independent actuary has been retained to assist management in determining funding requirements for workers' compensation insurance. For health insurance claims, HSHS has developed internal techniques for estimating the ultimate costs. The amounts funded for each program have been placed in separate accounts that are administered by the trustee.

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At June 30, 2013 and 2012, funds held by the trustee and critical access hospitals for workers' compensation liability self-insurance are \$28,790 and \$25,237, respectively, and related estimated self-insurance liabilities are \$15,274 and \$13,005, respectively. The discount rate used to compute the estimated self-insurance liability at June 30, 2013 and 2012 was 4%, for all future claim payments. The amount included in employee benefits for 2013 and 2012 was \$8,256 and \$5,599, respectively, and is included in other expense in the consolidated statements of operations. Subsequently, in July 2013, the estimated workers' compensation liability of \$15,274 was transferred to RQIL to begin to administer this risk program.

At June 30, 2013 and 2012, funds held by the trustee for health insurance liability for employees' self-insurance are \$61,461 and \$58,473, respectively, and are included in assets whose use is limited or restricted. At June 30, 2013 and 2012, related estimated self-insurance liabilities are \$12,018 and \$10,518, respectively.

(10) Pension

HSHS employees participate in The Hospitals Sisters Health System Employees Pension Plan (the Plan). This noncontributory defined benefit pension plan covers substantially all employees of the System who have completed 1,000 hours of employment during any calendar year subsequent to the commencement of employment. The Plan recognizes and funds the costs related to employee service using the projected unit credit actuarial cost method. The information below represents the aggregation of HSHS' pension financial status, which is determined by the consulting actuaries on a member-specific basis.

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The following table sets forth the Plan's funded status, amounts recognized in HSHS' consolidated financial statements, and assumptions at June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 1,293,236	1,057,227
Service cost	49,622	40,998
Interest cost	60,884	58,154
Actuarial loss (gain)	(6,623)	161,114
Expected expenses	(102,258)	(6,061)
Benefits paid	(23,091)	(18,196)
Benefit obligation at end of year	<u>\$ 1,271,770</u>	<u>1,293,236</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 883,197	808,116
Actual gain on plan assets	92,864	52,814
Employer contributions	66,906	40,463
Benefits paid	(23,091)	(18,196)
Fair value of plan assets at end of year	<u>\$ 1,019,876</u>	<u>883,197</u>
Reconciliation of funded status:		
Funded status	\$ (251,894)	(410,039)
Amounts recognized in the accompanying consolidated balance sheets:		
Accrued benefit liability	(251,894)	(410,039)
Amounts not yet reflected in net periodic benefit cost and included as an accumulated charge to unrestricted net assets:		
Prior service cost	\$ (2,495)	(3,070)
Actuarial loss	(249,399)	(406,969)
	<u>\$ (251,894)</u>	<u>(410,039)</u>

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	2013	2012
Changes recognized in unrestricted net assets:		
Net loss (gain) arising during the period	\$ (128,269)	170,762
Amortization of prior service credit	(575)	303
Amortization or settlement recognition of net loss	(29,301)	(10,137)
Total recognized in unrestricted net assets	\$ (158,145)	160,928
Total recognized in net periodic pension cost and unrestricted net assets	\$ (91,239)	201,392
Estimated amounts that will be amortized from unrestricted net assets over the next fiscal year:		
Prior service credit	(575)	(575)
Net loss	(16,866)	(28,876)
Accumulated benefit obligation	1,169,337	1,172,307
Components of net periodic benefit cost:		
Service cost	\$ 49,622	40,998
Interest cost	60,884	58,154
Expected return on plan assets	(73,476)	(68,522)
Amortization of prior service cost	575	(303)
Amortization of net loss	29,301	10,137
Net periodic benefit cost	\$ 66,906	40,464
	2013	2012
Weighted average assumptions used to determine benefit obligations at June 30:		
Discount rate	5.24%	4.75%
Average rate of compensation increase	3.00	3.00
Measurement date	6/30/2013	6/30/2012
Weighted average assumptions used to determine net periodic benefit cost for the year ended June 30:		
Discount rate	4.75%	5.69%
Expected long-term return on plan assets	8.25	8.25
Average rate of compensation increase	3.00	3.00
Measurement date	6/30/2012	6/30/2011

The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual assets categories. The return is based exclusively on historical returns, without adjustments.

As of June 30, 2013 and 2012, the Mercer Bond Model was used to determine the discount rate used to measure liabilities of the Plan. HSHS concluded the Mercer Bond Model provided the best estimate of the

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interest rates at which the pension benefits could be effectively settled in accordance with ASC Section 715-30-55-25. The Mercer Bond Model discounts the Plan's cash flow and calculates the Plan's appropriate equivalent single discount rate for the given cash flow based on a hypothetical bond portfolio whose cash flows from coupons and maturities match year-by-year the projected liability benefit payments from the Plan.

HSHS expects to contribute to its pension plan for the 2014 fiscal year the following amount

	\$	49,908
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The following benefit payments that reflect expected future service, as appropriate, are expected to be paid:

2014	\$	30,401
2015		36,236
2016		42,432
2017		49,385
2018		56,541
2019–2023		384,527

The expected benefits are based on the same assumptions used to measure HSHS' benefit obligation at June 30, 2013 and include estimated future employee service.

The Plan has developed a Pension Plan Investment Policy Statement (the IPS), which is reviewed and approved by the HSHS board of directors. The IPS established goals and objectives of the fund, asset allocations, allowable and prohibited investments, socially responsible guidelines, and asset classifications, as well as specific investment manager guidelines. The IPS dictates that assets should be rebalanced back to target allocation on a quarterly basis. Investments are managed by independent advisers. Management monitors the performance of these managers on a monthly basis.

The table below lists the target asset allocation and acceptable ranges and actual asset allocations as of June 30, 2013 and 2012:

Asset	Target allocation	Acceptable range	Actual allocation at June 30	
			2013	2012
Equities	57%	30%–70%	58%	55%
Debt securities	30	20–70	26	29
Alternative investments	13	0–15	13	12
Cash and cash equivalents	—	0–6	3	4

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(a) Overall Investment Objective

The overall investment objective of the Plan is to invest the Plan's assets in a prudent manner to best serve the participants of the Plan. Plan investment assets are to produce investment results that achieve the Plan's actuarial assumed rate of return, protect the integrity of the Plan, assist HSHS in meeting the obligations to the Plan's participants, manage risk exposures, focus on downside protection, and to maintain enough liquidity in the portfolio to ensure timely cash outflows and beneficiary payments. The Plans' investments are diversified among various asset classes incorporating multiple strategies and managers to exceed a weighted benchmark return based upon policy asset allocation targets and standard index returns. Major investment decisions are authorized by the Board's Retirement Committee, which oversees the Plan's investment program in accordance with established guidelines.

(b) Allocation of Investment Strategies

The Plan maintains a percent of assets in domestic and international equity stocks to achieve the expected rate of return. To manage risk exposure, up to 30% of the Plans' assets are invested in a liability driven investment strategy.

(c) Basis of Reporting

Investments are reported at estimated fair value. If an investment is held directly by HSHS and an active market with quoted prices exists, the market price of an identical security is used as reported fair value. Reported fair values for shares in mutual funds registered with them are based on share prices reported by the funds as of the last business day of the fiscal year. The Plan's interests in alternative investment funds are generally reported at the net asset value reported by the fund managers, which is used as a practical expedient to estimate the fair value of the Plan's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from net asset value. As of June 30, 2013, the Plan had no plans or intentions to sell investments at amounts different from net asset value.

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The fair values of HSHS' pension plan assets at June 30, 2013, by asset category class, are as follows:

	June 30, 2013			Total	Redemption or liquidation	Days' notice
	Level 1	Level 2	Level 3			
Pension plan assets excluding accrued interest of \$2,084:						
Cash and cash equivalents \$	56,421	—	—	56,421	Daily	One
Common stocks	409,767	—	—	409,767	Daily	Three
U.S. government securities	—	105,915	—	105,915	Daily	One
Commingled mutual funds	—	143,194	—	143,194	Daily	One
Municipal bonds	—	2,688	—	2,688	Daily	Two
Corporate bonds, notes, and debentures	—	5,794	—	5,794	Daily	Two
Foreign securities	154,366	5,092	—	159,458	Daily	Three
Hedge funds:						
K2 multistrategy fund	—	—	29,679	29,679	Monthly	Thirty
Mesirow multistrategy fund	—	—	104,876	104,876	Monthly	Thirty
Total assets at fair value	\$ 620,554	262,683	134,555	1,017,792		

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended June 30, 2013:

	Level 3 assets, year ended June 30, 2013		
	K2 fund	Escrow fund	Total funds
Balance, beginning of year	\$ 20,537	86,305	106,842
Purchases	6,657	9,986	16,643
Total net gains	2,485	8,585	11,070
Sales	—	—	—
Balance, end of year	\$ 29,679	104,876	134,555

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The fair values of the HSHS' pension plan assets at June 30, 2012, by asset category class, are as follows:

	June 30, 2012			Total	Redemption or liquidation	Days' notice
	Level 1	Level 2	Level 3			
Pension plan assets excluding accrued interest of \$2,017:						
Cash and cash equivalents \$	31,627	—	—	31,627	Daily	One
Common stocks	342,927	—	—	342,927	Daily	Three
U.S. government securities	—	108,654	—	108,654	Daily	One
Commingled mutual funds	—	142,355	—	142,355	Daily	One
Municipal bonds	—	2,917	—	2,917	Daily	Two
Corporate bonds, notes, and debentures	—	11,893	—	11,893	Daily	Two
Foreign securities	129,130	4,835	—	133,965	Daily	Three
Hedge funds:						
K2 multistrategy fund	—	—	20,537	20,537	Monthly	Thirty
Mesirow multistrategy fund	—	—	86,305	86,305	Monthly	Thirty
Total assets at fair value	\$ 503,684	270,654	106,842	881,180		

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended June 30, 2012:

	Level 3 assets, year ended June 30, 2012		
	K2 fund	Mesirow fund	Total funds
Balance, beginning of year	\$ —	—	—
Purchases	20,600	82,700	103,300
Total net gains (losses)	(63)	3,605	3,542
Sales	—	—	—
Balance, end of year	\$ 20,537	86,305	106,842

(d) Fair Value of Financial Instruments

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2013 and 2012.

- Cash and cash equivalents: Valued at the carrying amount that approximates fair value because of the short-term maturity of these investments.
- Common and preferred stocks, U.S. government securities, commingled mutual funds, and foreign securities: Valued at the closing price reported on the active market on which the individual securities are traded.

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- Municipal bonds, corporate bonds, notes, and debentures: Certain corporate bonds are valued at the closing price reported in the active market in which the bond is traded. Other corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity.

The Plan has certain hedge fund investments for which quoted market prices are not available. The estimated fair value of these hedge fund investments includes estimates, appraisals, assumptions, and methods provided by external financial advisers and reviewed by HSHS.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

(e) Fair Value Hierarchy

The Plan has adopted ASC Subtopic 715-20-50, *Compensation – Retirement Benefits: Defined Benefit Plans – General: Disclosures*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. ASC Subtopic 715-20-50 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

(11) Long-Term Debt

HSSI and its 13 hospital affiliates are included in the HSSI Obligated Group. Under the terms of the Obligated Group MTI, each member of the Obligated Group is jointly and severally liable for all obligations issued thereunder. Bonds issued are unsecured general obligations, but carry covenants regarding withdrawals from the Obligated Group, issuance of additional debt, and creations of liens on property. Obligations outstanding under the Obligated Group MTI are issued through state health facility authorities and comprise both serial and term bonds with varying maturities.

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As of June 30, 2013, long-term debt consisted of the following:

<u>Series</u>	<u>Interest rates</u>	<u>Final maturity dates</u>	<u>2013</u>
Fixed interest rate issues:			
2007A	5.00%	March 15, 2028	\$ 72,035
2012B	2.00% to 5.00%	August 15, 2021	76,880
2012C	2.00% to 5.00%	August 15, 2021	68,785
Variable interest rate issues:			
2012A	Variable 0.88% at June 30, 2013	June 30, 2041	20,300
2012D	Variable 0.05% at June 30, 2013	August 1, 2040	61,050
2012E	Variable 0.05% at June 30, 2013	August 1, 2040	41,550
2012F	Variable 0.07% at June 30, 2013	August 1, 2040	31,645
2012G	Variable 0.07% at June 30, 2013	August 1, 2040	31,645
2012H	Variable 0.15% and 0.16% at June 30, 2013	August 1, 2040	65,885
2012I	Variable 0.13% to 0.17% at June 30, 2013	August 1, 2040	89,460
2012J	Variable 0.16% at June 30, 2013	August 1, 2040	14,160
Total fixed and variable interest debt			<u>573,395</u>
Other long-term debt			23,974
Plus unamortized bond issue premiums			<u>20,717</u>
Total debt			618,086
Less current installments			17,909
Less long-term debt subject to short-term remarketing agreements			<u>169,508</u>
Total long-term debt, excluding current installments			<u>\$ 430,669</u>

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(Dollars in thousands)

As of June 30, 2012, long-term debt consisted of the following:

<u>Series</u>	<u>Interest rates</u>	<u>Final maturity dates</u>	<u>2012</u>
Fixed interest rate issues:			
2007A	5.00%	March 15, 2028	\$ 72,035
Variable interest rate issues:			
2003A	Variable 0.50% at June 30, 2012	December 1, 2023	65,550
2003B	Variable 0.25% to 0.37% at June 30, 2012	December 1, 2023	69,850
2007B-1	Variable 0.35% at June 30, 2012	March 15, 2036	76,750
2007B-2	Variable 0.50% at June 30, 2012	March 15, 2036	41,300
2007C	Variable 0.50% at June 30, 2012	March 15, 2036	100,425
2008A	Variable 0.15% to 0.19% at June 30, 2012	June 1, 2029	89,005
2008B	Variable 0.17% to 0.18% at June 30, 2012	June 1, 2029	14,090
			<u>529,005</u>
Other long-term debt			<u>34,318</u>
			563,323
Plus unamortized bond issue premiums			<u>2,619</u>
Total debt			565,942
Less current installments			28,517
Less long-term debt subject to short-term remarketing agreements			<u>158,047</u>
Total long-term debt, excluding current installments			<u>\$ 379,378</u>

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The Obligated Group's effective interest rates for variable debt for the years ended June 30, 2013 and 2012 are as follows:

	2013
Variable interest rate issues:	
2012A	0.06%
2012D	0.05
2012E	0.05
2012F	0.07
2012G	0.07
2012H	0.16
2012I	0.15
2012J	0.16

	2012
Variable interest rate issues:	
2003A	0.26%
2003B	0.32
2007B-1	0.19
2007B-2	0.26
2007C	0.27
2008A	0.16
2008B	0.15

Bond issue premiums and costs are amortized over the term of the related bonds using the bonds outstanding method. Bond issuance costs, net of amortization, are reported as other assets in the accompanying consolidated balance sheets.

HSSI has variable rate bonds, a portion of which have a put option available to the creditor. If the put option is exercised, the bonds are presented to the bank, which in turn draws on the underlying direct pay letter of credit, if available. Self-liquidity bonds are backed by the financial assets of HSSI. The bond series and the underlying credit facility terms are described as follows as of June 30, 2013:

Series	Term
Series 2012 D, E, F, and G	Equal quarterly installments on the first business day of each January, April, July, or October whichever occurs first on or following the 367th day after the purchase date and paid in full no later than the third anniversary of the purchase date
Series 2012 H, I, and J	Self-liquidity – 270 days

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On October 1, 2012, HSSI issued \$601,475 of Series 2012 bonds of which \$100,115 remain held as bank bonds as of June 30, 2013. HSSI received a bond premium of \$19,360 related to this issuance as part of the proceeds. The proceeds of \$520,720 were used to refund prior outstanding bonds and issue new bonds. As part of this issuance, \$160,415 was issued as new bonds of which \$100,115 remain held as bank bonds. The remaining part of the issuance of \$441,060 was issued as bonds refunding prior outstanding bonds. As a result of this issuance, HSSI incurred a non-cash loss of \$5,073 for previously unamortized bond issue costs.

Scheduled principal repayments on long-term debt based on the variable rate demand notes being put back to HSHS and a corresponding draw being made on the underlying credit facility, if available, are as follows:

Year ending June 30:		
2014	\$	187,417
2015		72,872
2016		71,769
2017		71,649
2018		16,919
Thereafter		<u>176,743</u>
	\$	<u><u>597,369</u></u>

Scheduled principal repayments on the long-term debt based on the scheduled redemptions according to the Obligated Group MTI are as follows:

Year ending June 30:		
2014	\$	17,909
2015		17,575
2016		16,473
2017		16,353
2018		16,919
Thereafter		<u>512,140</u>
	\$	<u><u>597,369</u></u>

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(12) Capital Leases

HSHS leases certain equipment under capital leases. Included with property, plant, and equipment are \$25,184 of assets held under capital leases and \$8,317 of related accumulated amortization at June 30, 2013. A summary of future minimum lease payments and the present value of future minimum lease payments related to capital leases at June 30, 2013 is as follows:

	Amount
Year:	
2014	\$ 4,606
2015	3,805
2016	2,251
2017	1,381
2018	1,189
Thereafter	9,882
Total future minimum lease payments	23,114
Less amount representing interest at rates ranging from 5.0% to 6.5%	5,535
Present value of future minimum lease payments	17,579
Less current portion of obligations under capital leases included in current installments of long-term debt	3,684
Obligations under capital leases, excluding current portion included in long-term debt, excluding current installments	\$ 13,895

(13) Functional Expenses

HSHS provides general healthcare services to residents within its respective geographic regions. Expenses related to providing these services for the years ended June 30, 2013 and 2012 are as follows:

	2013	2012
Healthcare services	\$ 1,545,042	1,506,246
General and administrative services	440,960	423,337
	\$ 1,986,002	1,929,583

(14) Prevea

St. Vincent Hospital (St. Vincent) and St. Mary's Hospital Medical Center (St. Mary's) (collectively referred to as the Green Bay Hospitals), two members of the Obligated Group located in Green Bay, Wisconsin, each have a 25% interest in Prevea Health Systems, Inc. (Prevea). The Green Bay Hospitals held \$21,989 (21,989 shares), at June 30, 2013 and 2012, of Prevea preferred stock. Prevea has

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9,000 shares of authorized stock consisting of 900 shares of Class P voting common stock, 3,600 shares of Class P nonvoting, and 4,500 shares of Class H common stock.

With respect to all matters upon which shareholders are entitled to vote or give consent, the outstanding shares of Class P voting common stock constitute one voting group and the holders of outstanding shares of Class H common stock constitute a separate voting group. Each voting group gets 50% of the total voting privileges (with each entitled to elect one-half of the total authorized number of directors of the corporation). Based on Prevea numbers as of June 30, there are 100 voting shares for the Hospitals (Class H), 146 voting shares for Physicians (Class P). There are 457 nonvoting shares. The preferred stockholders of Prevea have liquidation preferences to common stockholders, as defined in the Articles of Incorporation of Prevea. The preferred stock entitles the Green Bay Hospitals to receive dividends equal to 7% of the face value of the preferred stock. Additionally, preferred stock dividends are cumulative. The Green Bay Hospitals' policy is to recognize preferred stock dividends when the dividends are declared. Dividends were declared and paid by Prevea totaling \$0 in 2013 and \$500 in 2012. The investment in Prevea is accounted for using the equity method. The carrying value of the Green Bay Hospitals' investment in Prevea, inclusive of preferred stock holdings, is reported as other assets in the accompanying consolidated balance sheets.

Prevea formed a wholly owned subsidiary, Prevea Clinic, Inc. (the Clinic). The Clinic started operations in 1995. The Clinic consists of several medical clinic locations throughout the Green Bay and Sheboygan area with approximately 296 physicians and midlevel providers.

Prevea formed Prevea Regional Services, Inc. (Prevea Regional) in 1997 to develop a regional clinic system throughout the outlying areas of Green Bay. Prevea held all of the voting common stock of Prevea Regional on June 30, 2009. The Green Bay Hospitals held \$5,550 (1,110 shares) at June 30, 2009 of nonvoting preferred stock in Prevea Regional. In August 2009, Prevea Regional was merged into the Clinic by Prevea. Also in August 2009, the Green Bay Hospitals' preferred stock shares of \$5,550 (1,110 shares) in Prevea Regional were exchanged for preferred shares of equal value in Prevea Health Services, Inc.

In September 2009, the Clinic entered into several transactions with St. Vincent. They are summarized as follows:

- Certain assets of the Clinic were sold, transferred, and assigned in the amount of \$31,370 in exchange for the redemption of the appropriate number of shares of preferred stock owned by St. Vincent having the same value.
- Lease arrangements – St. Vincent leased all real property, equipment, furnishings, and other personal property and intellectual property from the Clinic for use in the operations of the Clinic.
- Physician services agreement – St. Vincent entered into physician services agreement with the Clinic whereby the Clinic provides certain professional medical services in connection with the operations of the clinic.
- Managed and staff services agreement – St. Vincent entered into a management and nonphysician staff services agreement with the Clinic in connection with the operations of the clinics whereby the

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Clinic provides certain management and nonphysician staff services in connection with the operations of the Clinic.

Since September 2009, St. Vincent, with the completion of these transactions, has assumed operations of the Clinic's medical clinic locations, and it is now operating these sites as St. Vincent doing business as Prevea Health receiving all of the Clinic's patient revenues and responsible for all of the operating expenses. The expenses directly related to Prevea Health, mainly for the leasing of all employees and doctors, for the years ended June 30, 2013 and 2012 are \$184,806 and \$178,214, respectively, included in other expenses in the consolidated statements of operations.

During the years ended June 30, 2013 and 2012, the Green Bay Hospitals have \$906 and \$930, respectively, of notes receivable for cash advances to Prevea.

The following are Prevea's condensed unaudited financial statement data as of and for the years ended June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Total assets	\$ 86,283	83,914
Total liabilities	50,347	50,458
Total equity	35,935	33,456
Total net revenue	198,779	182,007
Net income	2,682	2,220

The Green Bay Hospitals' equity portion in Prevea at June 30, 2013 and 2012 increased by \$774 and \$1,595, respectively, and is included in other operating income in the accompanying consolidated statements of operations.

During fiscal year 2010, the Obligated Group replaced the St. Vincent guarantee whereby the Obligated Group agrees to guarantee the lesser of \$10,500, or 39.92%, of the outstanding notes. The Obligated Group will be paid 1.25% of the lesser of 39.92% of the average outstanding principal amount of \$10,500 the outstanding notes. Included in the guarantee executed in December 2009 are \$2,920 taxable variable rate demand notes of PHP Insurance Plan, Inc. (PHP). PHP, a former health maintenance organization, sold its insurance license, changed its corporate structure, and became Prevea Ventures, LLC (PV). Prevea is the sole corporate member of PV. At June 30, 2013 and 2012, the Clinic has notes outstanding with balances of \$21,291 and \$22,555, respectively. At June 30, 2013 and 2012, PV has notes outstanding of \$2,364 and \$2,505, respectively.

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(15) Joint Ventures

Joint ventures are accounted for using the equity method of accounting and represent \$14,925 and \$18,002 of other long-term assets in the accompanying consolidated balance sheets at June 30, 2013 and 2012, respectively. The most significant of these investments, excluding Prevea (note 14), include:

- Protestant Memorial Medical Center and St. Elizabeth's Healthcare Services, LLP (held by St. Elizabeth's Hospital) – 50% ownership interest
- Northeast Wisconsin Radiation Therapy Services, LLC (held by St. Vincent and St. Mary's, Green Bay) – each hospital has a 25% ownership interest
- Pain Center of Wisconsin (held by St. Vincent) – 50% ownership interest
- Surgery Center of Sheboygan, LLC (held by St. Nicholas Hospital) – 50% ownership interest
- Orange Cross Ambulance, Inc. (held by St. Nicholas Hospital) – 50% ownership interest
- Holy Family (held by St. Vincent) – 50% ownership interest
- Wisconsin Upper Peninsula Oncology Management Services, Inc. (held by St. Vincent) – 50% ownership interest
- Community Memorial Hospital – (held by St. Vincent (70%) and St. Mary's, Green Bay (30%)) – 24% ownership interest overall, beginning May 17, 2011.

For the years ended June 30, 2013 and 2012, HSHS recognized income of \$3,384 and \$4,131, respectively, in investments in affiliated companies. This activity is included as a component of other revenue in the accompanying consolidated statements of operations. During 2013 and 2012, HSHS received cash distributions of \$4,230 and \$4,039, respectively, from the joint ventures. During 2012, HSHS also contributed cash of \$95 to the joint ventures.

The following table summarizes the unaudited aggregated financial information of unconsolidated affiliated companies of HSHS as of June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Total assets	\$ 51,504	52,613
Total liabilities	17,143	18,411
Total equity	34,361	34,202
Total net revenue	33,489	35,030
Net income	6,590	7,886

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(16) Pledges Receivable

Pledges, net of a present value discount rate, determined in the year the pledge is made, and an allowance for uncollectible pledges are recorded as a component of assets whose use is limited or restricted in the accompanying consolidated financial statements based on their expected collection date.

Included in assets whose use is limited or restricted at June 30, 2013 and 2012 are the following unconditional promises to give:

	2013	2012
Unconditional promises to give	\$ 7,103	8,291
Less unamortized discount	158	419
	6,945	7,872
Less allowance for uncollectible pledges	260	286
Net pledges receivable	\$ 6,685	7,586
Amounts due in:		
Less than one year	\$ 2,487	2,553
One to five years	4,413	4,751
More than five years	203	987
Total	\$ 7,103	8,291

(17) Temporarily and Permanently Restricted Assets

Temporarily restricted assets are available for the following purposes or periods at June 30, 2013 and 2012:

	2013	2012
Healthcare services	\$ 11,916	9,475
Capital expenditures	13,109	10,883
Catholic Radio	207	221
College of nursing	255	204
	\$ 25,487	20,783

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(Dollars in thousands)

As of June 30, 2013 and 2012, HSHS has permanently restricted endowments as follows:

	2013	2012
Assets to be held in perpetuity, the income from which is expendable to support nursing schools	\$ 2,430	2,300
Assets to be held in perpetuity, the income from which is expendable to support specific operations of HSHS facilities	20,641	20,450
	\$ 23,071	22,750

As of June 30, 2013 and 2012, HSHS has unrestricted and temporarily restricted funds that represent the unspent accumulation of earnings for endowment funds as follows:

	2013	2012
Unspent income from which is expendable to support nursing schools	\$ 324	241
Unspent income from which is expendable to support specific operations of HSHS facilities	8,673	7,334
	\$ 8,997	7,575

(18) Commitments and Contingencies

(a) Operating Leases

HSHS occupies space in certain facilities and leases various pieces of equipment under long-term noncancelable operating lease arrangements. Total equipment rental, asset lease, and facility rental expense in 2013 and 2012 were \$29,053 and \$28,552, respectively.

The following is a schedule by year of future minimum lease payments to be made under operating leases as of June 30, 2013 that have initial or remaining lease terms in excess of one year:

	Amount
Year ending June 30:	
2014	\$ 23,278
2015	17,936
2016	15,785
2017	14,600
2018	14,102
Thereafter	17,651

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(Dollars in thousands)

(b) *Legal, Regulatory, and Other Contingencies and Commitments*

The laws and regulations governing the Medicare, Medicaid, and other government healthcare programs are extremely complex and subject to interpretation, making compliance an ongoing challenge for HSHS and other healthcare organizations. Recently, the federal government has increased its enforcement activity, including audits and investigations related to billing practices, clinical documentation, and related matters. HSHS maintains a compliance program designed to educate employees and to detect and correct possible violations.

(c) *Litigation*

HSHS is involved in litigation arising in the ordinary course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the HSHS's future consolidated financial position or results of operations.

(d) *Unemployment*

The Wisconsin hospitals of HSHS pledged a U.S. Treasury note as collateral for any unpaid unemployment compensation claims with a face value of \$4,000 for 2013 and 2012 to the Wisconsin Unemployment Reserve Fund. The pledged U.S. Treasury note remained unused at June 30, 2013 and 2012.

(e) *The Patient Protection and Affordable Care Act*

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (often referred to, collectively, as the Affordable Care Act or the healthcare reform law), was signed into law on March 23, 2010. The statute will change how healthcare services are delivered and reimbursed through a variety of mechanisms. The law contains stronger antifraud enforcement provisions and provides additional funding for enforcement activity.

On May 6, 2011, CMS issued a final rule establishing a value-based purchasing program for acute care hospitals paid under the Medicare Inpatient Prospective Payment System. Beginning in federal fiscal year 2013, incentive payments will be made based on achievement of or improvement in a set of clinical and quality measures designed to foster improved clinical outcomes. HSHS continues to monitor the impact of this ruling as regulations become finalized.

(f) *Tax Exemption for Sales Tax and Property Tax*

Effective June 14, 2012, the Governor of Illinois signed into law, *Public Act 97-0688*, which creates new standards for state sales tax and property tax exemptions in Illinois. The law establishes new standards for the issuance of charitable exemptions, including requirements for a nonprofit hospital to certify annually that in the prior year, it provided an amount of qualified services and activities to low-income and underserved individuals with a value at least equal to the hospital's estimated property tax liability. HSHS certified in 2013 and has not recorded a liability for related property taxes based upon management's current determination of qualified services provided.

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(g) *Investment Risk and Uncertainties*

HSHS invests in various investment securities. Investment securities are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying consolidated balance sheets.

(19) Subsequent Events

HSHS evaluated events and transactions through October 28, 2013, the date the consolidated financial statements were issued, noting no subsequent events requiring recording or disclosure.

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Consolidating Balance Sheet Information

June 30, 2013

(Dollars in thousands)

Assets	HSSI – Obligated Group	RQIL	Unity Limited Partnership	KCIN	Healthcare West
Current assets:					
Cash and cash equivalents	\$ 55,473	—	3,693	1,666	106
Receivables:					
Patients' accounts, less allowance for uncollectible accounts of \$129,300	276,021	—	1,932	—	—
Due from third-party reimbursement programs	2,813	—	—	—	—
Other	18,702	—	26	380	—
Total receivables	<u>297,536</u>	<u>—</u>	<u>1,958</u>	<u>380</u>	<u>—</u>
Current portion of assets whose use is limited or restricted	156,825	—	4,048	—	—
Inventories	38,875	—	—	—	—
Prepaid expenses	9,691	—	—	438	—
Total current assets	<u>558,400</u>	<u>—</u>	<u>9,699</u>	<u>2,484</u>	<u>106</u>
Assets whose use is limited or restricted	1,552,282	73,541	317	—	8,571
Property, plant, and equipment, net	1,058,097	—	5,216	7,495	1,971
Other assets	71,232	—	—	—	—
Total assets	<u>\$ 3,240,011</u>	<u>73,541</u>	<u>15,232</u>	<u>9,979</u>	<u>10,648</u>
Liabilities and Net Assets					
Current liabilities:					
Current installments of long-term debt	\$ 14,481	—	—	—	—
Long-term debt subject to short-term remarketing agreements	169,508	—	—	—	—
Accounts payable	96,058	—	1,319	3,005	78
Accrued liabilities	96,804	475	43	721	12
Estimated payables under third-party reimbursement programs	43,637	—	—	—	—
Total current liabilities	<u>420,488</u>	<u>475</u>	<u>1,362</u>	<u>3,726</u>	<u>90</u>
Long-term debt, excluding current installments	474,091	—	—	5,000	—
Estimated self-insurance liabilities	15,274	66,881	—	—	—
Derivative instruments	41,831	—	—	—	—
Accrued benefit liability	232,510	—	—	—	—
Other noncurrent liabilities	30,041	—	6,242	—	411
Total liabilities	<u>1,214,235</u>	<u>67,356</u>	<u>7,604</u>	<u>8,726</u>	<u>501</u>
Net assets:					
Unrestricted	1,929,884	6,185	7,628	1,253	10,147
Temporarily restricted	72,821	—	—	—	—
Permanently restricted	23,071	—	—	—	—
Total net assets	<u>2,025,776</u>	<u>6,185</u>	<u>7,628</u>	<u>1,253</u>	<u>10,147</u>
Stockholder's equity	—	—	—	—	—
Total liabilities and net assets	<u>\$ 3,240,011</u>	<u>73,541</u>	<u>15,232</u>	<u>9,979</u>	<u>10,648</u>

See accompanying independent auditors' report.

System Office	HSHS Medical Group	Health Care Trust Fund	Flex Plan	Foundation	Kiara	Eliminations	Total
6,381	7,733	--	762	2,717	5,296	(2,717)	81,110
--	7,829	--	--	--	8,796	--	294,578
--	--	--	--	--	--	--	2,813
14,430	4,588	--	1,983	6,685	4,838	(27,997)	23,635
14,430	12,417	--	1,983	6,685	13,634	(27,997)	321,026
108,645	6,599	--	--	--	8,025	--	284,142
41	--	--	--	--	1,135	--	40,051
9,034	659	--	--	--	483	--	20,305
138,531	27,408	--	2,745	9,402	28,573	(30,714)	746,634
760	--	61,461	--	87,931	--	(261,156)	1,523,707
173,657	6,132	--	--	--	4,949	--	1,257,517
28,223	--	--	--	918	9,989	(42,154)	68,208
<u>341,171</u>	<u>33,540</u>	<u>61,461</u>	<u>2,745</u>	<u>98,251</u>	<u>43,511</u>	<u>(334,024)</u>	<u>3,596,066</u>
3,199	--	--	--	--	229	--	17,909
--	--	--	--	--	--	--	169,508
9,007	1,948	20,558	2,557	--	875	(21,312)	114,093
14,193	10,795	3,351	--	98,251	7,755	(98,463)	133,937
--	--	--	--	--	--	--	43,637
26,399	12,743	23,909	2,557	98,251	8,859	(119,775)	479,084
121,836	--	--	--	--	7,755	(178,013)	430,669
--	--	12,018	--	--	--	--	94,173
--	--	--	--	--	--	--	41,831
15,480	3,405	--	--	--	499	--	251,894
6,237	--	--	--	--	3,975	--	46,906
<u>169,952</u>	<u>16,148</u>	<u>35,927</u>	<u>2,557</u>	<u>98,251</u>	<u>21,088</u>	<u>(297,788)</u>	<u>1,344,557</u>
170,459	17,392	25,534	188	--	--	34,281	2,202,951
760	--	--	--	--	--	(48,094)	25,487
--	--	--	--	--	--	--	23,071
<u>171,219</u>	<u>17,392</u>	<u>25,534</u>	<u>188</u>	<u>--</u>	<u>--</u>	<u>(13,813)</u>	<u>2,251,509</u>
--	--	--	--	--	22,423	(22,423)	--
<u>341,171</u>	<u>33,540</u>	<u>61,461</u>	<u>2,745</u>	<u>98,251</u>	<u>43,511</u>	<u>(334,024)</u>	<u>3,596,066</u>

HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES
Springfield, Illinois

Consolidating Statement of Operations Information

Year ended June 30, 2013

(Dollars in thousands)

	HSSI – Obligated Group	RQIL	Unity Limited Partnership	KCIN	Healthcare West
Net patient service revenues	\$ 1,902,152	—	19,777	—	—
Provision for uncollectible accounts	(100,341)	—	—	—	—
Net patient service revenue less provision for uncollectible accounts	1,801,811	—	19,777	—	—
Other revenues:					
Investment income	2,036	4,789	—	—	—
Net assets released from restrictions used for operations	1,933	—	—	—	—
Other	65,763	14,310	617	6,922	885
Total revenues and other support	1,871,543	19,099	20,394	6,922	885
Expenses:					
Sisters' services	244	—	—	—	—
Salaries and wages	550,241	—	9,649	—	—
Employee benefits	208,683	—	4,094	—	—
Professional fees	96,221	—	211	95	7
Supplies	275,015	—	217	19	44
Depreciation and amortization	102,209	—	430	1,908	322
Interest	7,881	—	—	99	—
Other	570,069	19,099	5,226	9,218	306
Total expenses	1,810,563	19,099	19,827	11,339	679
Income (loss) from operations	60,980	—	567	(4,417)	206
Nonoperating gains (losses):					
Investment income	110,721	—	(26)	4	573
Change in fair value of interest rate swaps	22,606	—	—	—	—
Loss on conversion and early extinguishment of debt	(5,073)	—	—	—	—
Revenues and gains (losses) in excess (deficient) of expenses	189,234	—	541	(4,413)	779
Other changes in unrestricted net assets:					
Net assets released from restrictions used for the purchase of property, plant, and equipment	4,218	—	—	—	—
Reversal of change in pension funded status	150,522	—	—	—	—
Transfers from (to) affiliates	(47,095)	—	—	1,500	—
Change in unrestricted net assets	\$ 296,879	—	541	(2,913)	779

See accompanying independent auditors' report.

System Office	HSHS Medical Group	Health Care Trust Fund	Flex Plan	Foundation	Kiara	Eliminations	Total
—	55,862	—	—	—	34,317	—	2,012,108
—	(6,597)	—	—	—	(193)	—	(107,131)
—	49,265	—	—	—	34,124	—	1,904,977
—	—	2,737	1	—	814	(7,626)	2,751
—	—	—	—	2,483	—	(2,903)	1,513
118,304	46,117	140,121	160	2,056	29,745	(326,675)	98,325
118,304	95,382	142,858	161	4,539	64,683	(337,204)	2,007,566
1,031	—	—	—	—	—	—	1,275
48,866	71,081	—	—	—	60,848	3	740,688
13,301	11,200	139,649	126	—	8,054	(143,051)	242,056
7,447	8,417	—	—	—	964	—	113,362
228	3,228	—	—	—	1,148	(3,938)	275,961
28,098	1,211	—	—	—	1,693	—	135,871
3,305	—	—	—	—	256	(4,294)	7,247
38,656	16,599	—	—	9,493	8,631	(207,755)	469,542
140,932	111,736	139,649	126	9,493	81,594	(359,035)	1,986,002
(22,628)	(16,354)	3,209	35	(4,954)	(16,911)	21,831	21,564
15,411	606	—	—	5,683	—	(4,190)	128,782
—	—	—	—	—	—	—	22,606
—	—	—	—	—	—	—	(5,073)
(7,217)	(15,748)	3,209	35	729	(16,911)	17,641	167,879
—	—	—	—	—	—	(2,981)	1,237
4,643	1,264	—	—	—	1,716	—	158,145
28,737	16,858	—	—	(729)	15,195	(14,466)	—
26,163	2,374	3,209	35	—	—	194	327,261

HOSPITAL SISTERS HEALTH SYSTEM AND SUBSIDIARIES
Springfield, Illinois

Consolidating Statement of Changes in Net Assets Information

Year ended June 30, 2013

(Dollars in thousands)

	HSSI – Obligated Group	RQIL	Unity Limited Partnership	KCIN	Healthcare West
Unrestricted net assets:					
Revenues and gains (losses) in excess (deficient) of expenses	\$ 189,234	—	541	(4,413)	779
Other changes in unrestricted net assets:					
Net assets released from restrictions use for the purchase of property, plant, and equipment	4,218	—	—	—	—
Reversal of change in pension funded status	150,522	—	—	—	—
Transfers from (to) affiliates	(47,095)	—	—	1,500	—
Change in unrestricted net assets	296,879	—	541	(2,913)	779
Temporarily restricted net assets:					
Investment income	6,118	—	—	—	—
Contributions	5,423	—	—	—	—
Transfers from (to) affiliates	—	—	—	—	—
Net assets released from restrictions	(6,151)	—	—	—	—
Change in temporarily restricted net assets	5,390	—	—	—	—
Permanently restricted net assets:					
Investment income (loss)	(9)	—	—	—	—
Contributions	330	—	—	—	—
Transfers from (to) affiliates	—	—	—	—	—
Change in permanently restricted net assets	321	—	—	—	—
Change in net assets	302,590	—	541	(2,913)	779
Net assets at beginning of year	1,723,186	6,185	7,087	4,166	9,368
Net assets at end of year	\$ 2,025,776	6,185	7,628	1,253	10,147

See accompanying independent auditors' report.

Schedule 3

<u>System Office</u>	<u>HSHS Medical Group</u>	<u>Health Care Trust Fund</u>	<u>Flex Plan</u>	<u>Foundation</u>	<u>Kiara</u>	<u>Eliminations</u>	<u>Total</u>
(7,217)	(15,748)	3,209	35	729	(16,911)	17,641	167,879
—	—	—	—	—	—	(2,981)	1,237
4,643	1,264	—	—	—	1,716	—	158,145
28,737	16,858	—	—	(729)	15,195	(14,466)	—
<u>26,163</u>	<u>2,374</u>	<u>3,209</u>	<u>35</u>	<u>—</u>	<u>—</u>	<u>194</u>	<u>327,261</u>
752	—	—	—	1,182	—	(6,870)	1,182
(703)	—	—	—	5,967	—	(4,415)	6,272
—	—	—	—	(4,666)	—	4,666	—
—	—	—	—	(2,483)	—	5,884	(2,750)
<u>49</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(735)</u>	<u>4,704</u>
—	—	—	—	(9)	—	9	(9)
—	—	—	—	329	—	(329)	330
—	—	—	—	(320)	—	320	—
—	—	—	—	—	—	—	321
<u>26,212</u>	<u>2,374</u>	<u>3,209</u>	<u>35</u>	<u>—</u>	<u>—</u>	<u>(541)</u>	<u>332,286</u>
<u>145,007</u>	<u>15,018</u>	<u>22,325</u>	<u>153</u>	<u>—</u>	<u>—</u>	<u>(13,272)</u>	<u>1,919,223</u>
<u>171,219</u>	<u>17,392</u>	<u>25,534</u>	<u>188</u>	<u>—</u>	<u>—</u>	<u>(13,813)</u>	<u>2,251,509</u>

**HOSPITAL SISTERS SERVICES, INC. -
OBLIGATED GROUP**
Springfield, Illinois

Consolidating Balance Sheet Information

June 30, 2013

(Dollars in thousands)

Assets	St. Elizabeth's Belleville, Illinois	St. Joseph's Breese, Illinois	St. Mary's Decatur, Illinois	St. Anthony's Effingham, Illinois	St. Joseph's Highland, Illinois	St. Francis Litchfield, Illinois
Current assets:						
Cash and cash equivalents	\$ 2,288	3,546	4,395	5,922	(1,682)	2,382
Receivables:						
Patients' accounts, less allowance for uncollectible accounts	24,507	7,729	20,536	18,340	4,116	2,003
Due from third-party reimbursement programs	1,129	—	842	(49)	1	(6)
Other	1,958	35	2,209	479	231	157
Total receivables	<u>27,594</u>	<u>7,764</u>	<u>23,587</u>	<u>18,770</u>	<u>4,348</u>	<u>2,154</u>
Current portion of assets whose use is limited or restricted	3,266	2,572	2,241	8,054	2,385	1,307
Inventories	2,421	628	3,137	4,788	468	387
Prepaid expenses	679	241	712	239	177	298
Total current assets	<u>36,248</u>	<u>14,751</u>	<u>34,072</u>	<u>37,773</u>	<u>5,696</u>	<u>6,528</u>
Assets whose use is limited or restricted, net of current portion	12,708	87,228	10,548	256,257	5,463	22,229
Property, plant, and equipment, net	60,264	22,084	98,543	60,040	42,263	22,542
Other assets	4,549	166	219	153	340	66
Total assets	<u>\$ 113,769</u>	<u>124,229</u>	<u>143,382</u>	<u>354,223</u>	<u>53,762</u>	<u>51,365</u>
Liabilities and Net Assets						
Current liabilities:						
Current installments of long-term debt	\$ 810	191	688	948	1,125	97
Long-term debt subject to short-term remarketing agreements	10,080	2,381	8,565	7,106	14,002	1,210
Accounts payable	6,153	1,199	6,647	5,548	2,158	1,083
Accrued liabilities	6,891	2,361	4,930	4,625	1,118	1,487
Estimated payables under third-party reimbursement programs	2,822	3,078	6,752	8,387	825	1,423
Total current liabilities	<u>26,756</u>	<u>9,210</u>	<u>27,582</u>	<u>26,614</u>	<u>19,228</u>	<u>5,300</u>
Long-term debt, excluding current installments	57,546	6,132	32,293	21,338	30,570	8,879
Estimated self-insurance liabilities	3,343	125	1,768	300	468	599
Derivative instruments	34	2,402	12	7,007	9	535
Accrued benefit liability	21,639	4,682	17,863	9,468	3,558	6,117
Other noncurrent liabilities	8,488	2,501	1,806	687	1,025	868
Total liabilities	<u>117,806</u>	<u>25,052</u>	<u>81,324</u>	<u>65,414</u>	<u>54,858</u>	<u>22,298</u>
Net assets:						
Unrestricted	(10,927)	97,531	55,077	286,716	(6,543)	26,066
Temporarily restricted	6,798	1,646	5,780	1,981	5,447	2,378
Permanently restricted	92	—	1,201	112	—	623
Total net assets	<u>(4,037)</u>	<u>99,177</u>	<u>62,058</u>	<u>288,809</u>	<u>(1,096)</u>	<u>29,067</u>
Total liabilities and net assets	<u>\$ 113,769</u>	<u>124,229</u>	<u>143,382</u>	<u>354,223</u>	<u>53,762</u>	<u>51,365</u>

See accompanying independent auditors' report.

St. John's Springfield, Illinois	St. Mary's Streator, Illinois	St. Joseph's Chippewa Falls, Wisconsin	Sacred Heart Eau Claire, Wisconsin	St. Mary's Green Bay, Wisconsin	St. Vincent Green Bay, Wisconsin	St. Nicholas Sheboygan, Wisconsin	Hospital Sisters Services, Inc.	Eliminations	Total
2,201	(507)	637	858	6,598	19,204	6,211	3,420	—	55,473
90,001	7,078	6,406	23,582	11,839	49,664	10,220	—	—	276,021
—	101	—	—	295	198	302	—	—	2,813
3,359	457	127	715	613	9,004	647	149	(1,438)	18,702
93,360	7,636	6,533	24,297	12,747	58,866	11,169	149	(1,438)	297,536
72,599	3,747	4,674	17,669	9,793	22,970	4,848	700	—	156,825
10,975	922	391	5,100	2,780	5,267	1,611	—	—	38,875
3,608	351	59	677	205	2,305	140	—	—	9,691
182,743	12,149	12,294	48,601	32,123	108,612	23,979	4,269	(1,438)	558,400
273,858	31,509	92,615	342,836	56,429	320,129	40,473	—	—	1,552,282
331,112	37,618	24,610	103,424	74,994	131,919	48,684	—	—	1,058,097
4,857	460	93	352	10,355	41,347	1,449	6,826	—	71,232
792,570	81,736	129,612	495,213	173,901	602,007	114,585	11,095	(1,438)	3,240,011
5,399	279	348	1,314	728	1,958	596	—	—	14,481
67,200	3,468	4,326	16,355	9,065	21,262	4,488	—	—	169,508
25,664	2,066	2,963	11,682	5,439	18,338	4,978	3,578	(1,438)	96,058
21,244	2,180	3,583	7,705	3,798	30,898	2,565	3,419	—	96,804
10,394	2,886	1,033	5,321	96	620	—	—	—	43,637
129,901	10,879	12,253	42,377	19,126	73,076	12,627	6,997	(1,438)	420,488
155,455	8,933	11,144	42,129	23,350	60,155	16,167	—	—	474,091
6,461	433	170	870	97	352	288	—	—	15,274
8,092	840	2,271	9,424	1,542	8,614	1,049	—	—	41,831
51,999	9,418	13,966	23,967	15,828	47,025	6,980	—	—	232,510
10,203	1,855	—	500	231	654	582	641	—	30,041
362,111	32,358	39,804	119,267	60,174	189,876	37,693	7,638	(1,438)	1,214,235
402,509	46,957	79,994	368,796	106,744	404,059	69,448	3,457	—	1,929,884
25,458	2,339	3,464	1,813	4,684	5,240	5,793	—	—	72,821
2,492	82	6,350	5,337	2,299	2,832	1,651	—	—	23,071
430,459	49,378	89,808	375,946	113,727	412,131	76,892	3,457	—	2,025,776
792,570	81,736	129,612	495,213	173,901	602,007	114,585	11,095	(1,438)	3,240,011

**HOSPITAL SISTERS SERVICES, INC. –
OBLIGATED GROUP**
Springfield, Illinois

Consolidating Statement of Operations Information

Year ended June 30, 2013

(Dollars in thousands)

	St. Elizabeth's Belleville, Illinois	St. Joseph's Breese, Illinois	St. Mary's Decatur, Illinois	St. Anthony's Effingham, Illinois	St. Joseph's Highland, Illinois	St. Francis Litchfield, Illinois
Net patient service revenues	\$ 158,547	48,566	137,909	118,705	25,655	33,943
Provision for uncollectible accounts	(17,624)	(785)	(10,770)	(5,239)	(955)	(2,569)
Net patient service revenue less provision for uncollectible accounts	140,923	47,781	127,139	113,466	24,700	31,374
Other revenues:						
Investment income	395	25	253	71	6	62
Net assets released from restrictions used for operations	—	9	—	—	—	—
Other	6,512	2,396	6,540	5,446	442	1,193
Total revenues	147,830	50,211	133,932	118,983	25,148	32,629
Expenses:						
Sisters' services	2	—	2	—	24	—
Salaries and wages	53,068	16,962	42,169	32,491	8,466	10,716
Employee benefits	19,287	6,607	16,384	14,030	4,261	4,372
Professional fees	4,996	3,012	7,362	6,039	2,525	2,944
Supplies	21,496	4,022	18,971	17,360	2,462	2,651
Depreciation and amortization	9,395	3,316	8,044	6,247	1,005	1,429
Interest	857	135	645	511	136	11
Other	54,644	9,271	39,046	24,730	6,980	7,746
Total expenses	163,745	43,325	132,623	101,408	25,859	29,869
Income (loss) from operations	(15,915)	6,886	1,309	17,575	(711)	2,760
Nonoperating gains (loss):						
Investment income (loss)	23	6,156	(281)	18,582	(129)	1,516
Change in fair value of interest rate swap	5,673	(1,067)	3,409	(3,793)	460	910
Loss on conversion and early extinguishment of debt	(370)	(101)	(368)	(239)	(5)	(51)
Revenues and gains (losses) in excess (deficient) of expenses	(10,589)	11,874	4,069	32,125	(385)	5,135
Other changes in unrestricted net assets:						
Net assets released from restrictions used for the purchase of property, plant, and equipment	444	—	81	275	115	—
Transfers to affiliate	(6,382)	(1,084)	(4,929)	(2,990)	(765)	(2,368)
Reversal of changes in pension funded status	16,928	3,001	10,720	7,387	2,979	3,599
Change in unrestricted net assets	\$ 401	13,791	9,941	36,797	1,944	6,366

See accompanying independent auditors' report.

St. John's Springfield, Illinois	St. Mary's Streator, Illinois	St. Joseph's Chippewa Falls, Wisconsin	Sacred Heart Eau Claire, Wisconsin	St. Mary's Green Bay, Wisconsin	St. Vincent Green Bay, Wisconsin	St. Nicholas Sheboygan, Wisconsin	Hospital Sisters Services, Inc.	Eliminations	Total
440,166 (37,485)	48,050 (1,816)	68,622 (952)	215,929 (5,007)	123,136 (4,912)	415,744 (9,743)	67,180 (2,484)	— —	— —	1,902,152 (100,341)
402,681	46,234	67,670	210,922	118,224	406,001	64,696	—	—	1,801,811
819	99	18	70	21	126	71	—	—	2,036
1,924	—	—	—	—	—	—	—	—	1,933
20,047	2,532	2,401	5,856	6,086	7,293	4,311	235	(5,527)	65,763
425,471	48,865	70,089	216,848	124,331	413,420	69,078	235	(5,527)	1,871,543
57	—	—	—	—	159	—	—	—	244
138,423	16,037	27,605	72,264	34,141	77,894	20,005	—	—	550,241
50,495	6,549	10,428	24,785	13,692	30,459	7,334	—	—	208,683
41,392	5,370	3,467	5,452	3,099	12,347	984	(200)	(2,568)	96,221
81,948	4,834	4,695	32,579	18,493	55,839	9,665	—	—	275,015
26,013	3,739	2,931	12,812	6,483	16,212	4,583	—	—	102,209
2,413	155	226	863	537	1,183	209	—	—	7,881
95,757	13,865	14,975	39,799	35,609	205,809	23,925	872	(2,959)	570,069
436,498	50,549	64,327	188,554	112,054	399,902	66,705	672	(5,527)	1,810,563
(11,027)	(1,684)	5,762	28,294	12,277	13,518	2,373	(437)	—	60,980
23,280	2,273	6,025	23,803	3,755	23,433	2,243	42	—	110,721
14,771	692	(372)	(2,224)	2,446	765	936	—	—	22,606
(1,351)	(141)	(186)	(694)	(421)	(957)	(189)	—	—	(5,073)
25,673	1,140	11,229	49,179	18,057	36,759	5,363	(395)	—	189,234
41	66	512	734	494	555	901	—	—	4,218
(18,149)	(1,797)	(1,265)	(2,001)	(1,097)	(3,645)	(623)	—	—	(47,095)
37,387	6,714	6,513	13,523	9,368	26,284	6,119	—	—	150,522
44,952	6,123	16,989	61,435	26,822	59,953	11,760	(395)	—	296,879

**HOSPITAL SISTERS SERVICES, INC. –
OBLIGATED GROUP**
Springfield, Illinois

Consolidating Statement of Changes in Net Assets Information
Year ended June 30, 2013
(Dollars in thousands)

	St. Elizabeth's Belleville, Illinois	St. Joseph's Breese, Illinois	St. Mary's Decatur, Illinois	St. Anthony's Effingham, Illinois	St. Joseph's Highland, Illinois	St. Francis Litchfield, Illinois
Unrestricted net assets:						
Revenues and gains (losses) in excess (deficient) of expenses	\$ (10,589)	11,874	4,069	32,125	(385)	5,135
Other changes in unrestricted net assets:						
Net assets released from restrictions used for the purchase of property, plant, and equipment	444	—	81	275	115	—
Transfers to affiliate	(6,382)	(1,084)	(4,929)	(2,990)	(765)	(2,368)
Reversal of changes in pension funded status	16,928	3,001	10,720	7,387	2,979	3,599
Change in unrestricted net assets	<u>401</u>	<u>13,791</u>	<u>9,941</u>	<u>36,797</u>	<u>1,944</u>	<u>6,366</u>
Temporarily restricted net assets:						
Investment income	428	103	307	138	198	165
Contributions	588	5	552	7	1,157	198
Net assets released from restrictions	(444)	(9)	(81)	(275)	(115)	—
Change in temporarily restricted net assets	<u>572</u>	<u>99</u>	<u>778</u>	<u>(130)</u>	<u>1,240</u>	<u>363</u>
Permanently restricted net assets:						
Investment loss	—	—	—	—	—	—
Contributions	18	—	—	—	—	—
Change in permanently restricted net assets	<u>18</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Change in net assets	<u>991</u>	<u>13,890</u>	<u>10,719</u>	<u>36,667</u>	<u>3,184</u>	<u>6,729</u>
Net assets at beginning of year	(5,028)	85,287	51,339	252,142	(4,280)	22,338
Net assets at end of year	<u>\$ (4,037)</u>	<u>99,177</u>	<u>62,058</u>	<u>288,809</u>	<u>(1,096)</u>	<u>29,067</u>

See accompanying independent auditors' report.

St. John's Springfield, Illinois	St. Mary's Streator, Illinois	St. Joseph's Chippewa Falls, Wisconsin	Sacred Heart Eau Claire, Wisconsin	St. Mary's Green Bay, Wisconsin	St. Vincent Green Bay, Wisconsin	St. Nicholas Sheboygan, Wisconsin	Hospital Sisters Services, Inc.	Eliminations	Total
25,673	1,140	11,229	49,179	18,057	36,759	5,363	(395)	—	189,234
41	66	512	734	494	555	901	—	—	4,218
(18,149)	(1,797)	(1,265)	(2,001)	(1,097)	(3,645)	(623)	—	—	(47,095)
37,387	6,714	6,513	13,523	9,368	26,284	6,119	—	—	150,522
44,952	6,123	16,989	61,435	26,822	59,953	11,760	(395)	—	296,879
1,926	164	670	503	481	473	562	—	—	6,118
947	57	236	160	(7)	1,455	68	—	—	5,423
(1,965)	(66)	(512)	(734)	(494)	(555)	(901)	—	—	(6,151)
908	155	394	(71)	(20)	1,373	(271)	—	—	5,390
—	—	—	(9)	—	—	—	—	—	(9)
15	1	19	237	2	28	10	—	—	330
15	1	19	228	2	28	10	—	—	321
45,875	6,279	17,402	61,592	26,804	61,354	11,499	(395)	—	302,590
384,584	43,099	72,406	314,354	86,923	350,777	65,393	3,852	—	1,723,186
430,459	49,378	89,808	375,946	113,727	412,131	76,892	3,457	—	2,025,776

PRISM

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July 22, 2014

To: Mike Constantino
George Roate

From: Ed Parkhurst

Re: St. Anthony's Memorial Hospital, Effingham, Illinois
CON Permit Application
Long Term Care Category of Service Discontinuation

RECEIVED

JUL 23 2014

HEALTH FACILITIES &
SERVICES REVIEW BOARD

In an earlier e-mail from Mr. Roate, he advised the Hospital this Permit Application must be submitted and deemed complete by Friday, July 25, 2014 to be heard at the Review Board's October 7th meeting.

In order to meet this deadline, enclosed is the associated application. The Hospital will be sending the original certification page and processing fee check under separate cover.

Please consider the application being filed as meeting IHFSRB rules.

I am available to answer any questions you may have.

Thank you for your assistance.