

18-030

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AUG 23 2018

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

ORIGINAL

Facility/Project Identification

Facility Name: Gottlieb Memorial Hospital (Emergency Department Modernization)		
Street Address: 701 West North Avenue		
City and Zip Code: Melrose Park, Illinois 60160		
County: Cook	Health Service Area: 007	Health Planning Area: A-06

Applicant /Co-Applicant Identification

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

Exact Legal Name: Gottlieb Memorial Hospital
Address: 701 West North Avenue, Melrose Park, Illinois 60160
Name of Registered Agent: CT Corporation, 208 South LaSalle Street, Chicago, Illinois 60604
Name of Chief Executive Officer: Lori Price (President)
CEO Address: 701 West North Avenue, Melrose Park, Illinois 60160
Telephone Number: (708) 681-3200

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: Edward J. Green, Esq.
Title: Attorney
Company Name: Foley & Lardner LLP
Address: 321 North Clark Street, Suite 2800, Chicago, Illinois 60654
Telephone Number: (312) 832-4375
E-mail Address: egreen@foley.com
Fax Number: (312) 832-4700

Additional Contact

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

Name: Jill M. Rappis
Title: Senior Vice President & General Counsel
Company Name: Loyola University Health System
Address: 2160 South First Avenue, Maywood, Illinois 60153
Telephone Number: (708) 216-8073
E-mail Address: jrappis@lumc.edu
Fax Number: (708) 216-8059

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

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

**This Section must be completed for all projects.**

**Facility/Project Identification**

Facility Name: Gottlieb Memorial Hospital		
Street Address: 701 West North Avenue		
City and Zip Code: Melrose Park, Illinois 60160		
County: Cook	Health Service Area: 007	Health Planning Area: A-06

**Applicant /Co-Applicant Identification**

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

Exact Legal Name: Loyola University Health System
Address: 2160 South First Avenue, Maywood, Illinois 60153
Name of Registered Agent: CT Corporation, 208 South LaSalle Street, Chicago, Illinois 60604
Name of Chief Executive Officer: Larry Goldberg
CEO Address: 2160 South First Avenue, Maywood, Illinois 60153
Telephone Number: (708) 216-3215

**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	
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Telephone Number: (708) 216-8073
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Fax Number: (708) 216-8059

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

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

**This Section must be completed for all projects.**

**Facility/Project Identification**

Facility Name: Gottlieb Memorial Hospital		
Street Address: 701 West North Avenue		
City and Zip Code: Melrose Park, Illinois 60160		
County: Cook	Health Service Area: 007	Health Planning Area: A-06

**Applicant /Co-Applicant Identification**

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

Exact Legal Name: Trinity Health Corporation
Address: 20555 Victor Parkway, Livonia, Michigan 46152
Name of Registered Agent: The Corporation Company, 30600 Telegraph Rd., Bingham Farms, Michigan
Name of Chief Executive Officer: Dr. Richard J. Gilfillan
CEO Address: 20555 Victor Parkway, Livonia, Michigan 46152
Telephone Number: (734) 343-1000

**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
<ul style="list-style-type: none"> <li>o Corporations and limited liability companies must provide an <b>Illinois certificate of good standing</b>.</li> <li>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.</li> </ul>		
<p><b>APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b></p>		

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E-mail Address: <a href="mailto:jrappis@lumc.edu">jrappis@lumc.edu</a>
Fax Number: (708) 216-8059

**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: Jill M. Rappis
Title: Senior Vice President & General Counsel
Company Name: Loyola University Health System
Address: 2160 South First Avenue, Maywood, Illinois 60153
Telephone Number: (708) 216-8073
E-mail Address: jrappis@lumc.edu
Fax Number: (708) 216-8059

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Gottlieb Memorial Hospital
Address of Site Owner: 701 West North Avenue, Melrose Park, Illinois 60160
Street Address or Legal Description of Site: <b>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.</b>
<b>APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**Operating Identity/Licensee**

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

Exact Legal Name: Gottlieb Memorial Hospital
Address: 701 West North Avenue, Melrose Park, Illinois 60160
<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"> <li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li> <li>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.</li> <li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li> </ul>
<b>APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**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.

**APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Flood Plain Requirements**

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #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](http://www.FEMA.gov) or [www.illinoisfloodmaps.org](http://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**

[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)]

Part 1110 Classification:

- Substantive
- Non-substantive

## 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.

Gottlieb Memorial Hospital ("Gottlieb"), Loyola University Health System ("LUHS"), and Trinity Health Corporation ("Trinity," and collectively with Gottlieb and LUHS, the "Applicants"), hereby seek a Certificate of Need ("CON") from the Illinois Health Facilities & Services Review Board (the "Board"), to renovate and modernize the Emergency Department at Gottlieb Memorial Hospital in Melrose Park, Illinois.

Gottlieb Memorial Hospital is a 247-licensed bed acute care hospital located at 701 West North Avenue, Melrose Park, Illinois. Gottlieb Memorial Hospital offers emergency, inpatient, and outpatient medical services. Gottlieb Memorial Hospital, which is part of the Loyola University Health System, provides advanced specialty medical care in a community hospital setting.

The Emergency Department is a community based emergency department serving nearly 27,000 patients on an annual basis and has seen increased patient demand for services. More specifically, in fiscal year 2016, the Emergency Department treated 23,732 patients. In fiscal year 2017, the Emergency Department treated 26,477 patients, which represents a year over year of increase of 11.57%. Quite frankly, the Emergency Department has been experienced increased demand for the past decade. For example, in calendar year 2010, the Emergency Department had 4,176 ambulance runs. In calendar year 2017, the number of ambulance runs had increased by fifty eight percent (58%) to 6,580 ambulance runs. Forty percent (40%) of the patients that present to the Emergency Department have a behavioral health disorder (suicidal ideation, drug dependency, intoxication, etc.). On average, the Emergency Department has 400 hours of psychiatric holding time per month.

The existing Emergency Department at Gottlieb Memorial Hospital has seventeen (17) treatment rooms. The modernized Emergency Department will also have seventeen (17) treatment rooms. This proposed renovation will improve patient experience and quality, provide a consumer-focused alternative to "retail" healthcare, increase efficiency and reduce wait times, and increase flexibility to quickly scale up for peak periods of demand.

Construction of the new Emergency Department should be completed by December 31, 2020. Assuming the Illinois Department of Public Health needs approximately 90 days to complete its licensure review and survey, the Project should be completed by March 31, 2021.

### **Project Costs/Project Classification**

The total cost of the Project will be \$15,800,000.

Because this Project does **not** involve inpatient services or designated "categories of services," this Project is considered Non-Substantive.

**Project Costs and Sources of Funds**

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

<b>Project Costs and Sources of Funds</b>			
<b>USE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Preplanning Costs	\$43,381	\$106,619	\$150,000
Site Survey and Soil Investigation	\$12,291	\$30,209	\$42,500
Site Preparation	\$28,921	\$71,079	\$100,000
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$3,102,705	\$7,625,515	\$10,728,220
Contingencies	\$310,270	\$762,552	\$1,072,822
Architectural/Engineering Fees	\$202,736	\$498,264	\$701,000
Consulting and Other Fees	\$294,548	\$723,910	\$1,018,458
Movable or Other Equipment (not in construction contracts)	\$1,000,000	\$987,000	\$1,987,000
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)			
<b>TOTAL USES OF FUNDS</b>	<b>\$4,994,853</b>	<b>\$10,805,147</b>	<b>\$15,800,000</b>
<b>SOURCE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Cash and Securities	\$4,994,853	\$10,805,147	\$15,800,000
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$8,242,714</b>	<b>\$7,557,286</b>	<b>\$15,800,000</b>
<b>NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>			

**Related Project Costs (N/A-Discontinuation of Services)**

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

Land acquisition is related to project  Yes  No  
 Purchase Price: \$ \_\_\_\_\_  
 Fair Market Value: \$ \_\_\_\_\_

The project involves the establishment of a new facility or a new category of service  
 Yes  No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ \_\_\_\_.

**Project Status and Completion Schedules**

**For facilities in which prior permits have been issued please provide the permit numbers.**

Indicate the stage of the project's architectural drawings:

- None or not applicable  Preliminary  
 Schematics  Final Working

Anticipated project completion date (refer to Part 1130.140): March 31, 2021

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

- 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

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
<b>Reviewable</b>							
Emergency Department (Clinical Portions)	\$4,994,853		8,215 DGSF		8,215 DGSF		
<b>Total Reviewable</b>	<b>\$4,994,853</b>		<b>8,215 DGSF</b>		<b>8,215 DGSF</b>		
<b>Non-Reviewable</b>							
Emergency Department (Non-Clinical Portions)			5,630 DGSF	890 DGSF	4,740 DGSF		
Office Relocations			810 DGSF		810 DGSF		
Public/Circulation			4,200 DGSF	1,065 DGSF	3,135 DGSF		
Mechanical/Electrical			200 DGSF		200 DGSF		
Canopy			3,575 DGSF	2,200 DGSF	1,375 DGSF		
Unassigned			5,775 DGSF		5,775 DGSF		
<b>Total Non-Reviewable</b>	<b>\$10,805,147</b>		<b>20,190 DGSF</b>	<b>4,155 DGSF</b>	<b>16,035 DGSF</b>		
<b>TOTAL</b>	<b>\$15,800,000</b>		<b>28,405 DGSF</b>	<b>4,155 DGSF</b>	<b>24,250 DGSF</b>		

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

**Facility Bed Capacity and Utilization**

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert 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**.

<b>FACILITY NAME: Gottlieb Memorial Hospital</b>		<b>CITY: 701 West North Avenue, Melrose Park, IL</b>			
<b>REPORTING PERIOD DATES: From: 01/01/2017 to: 12/31/2017</b>					
<b>Category of Service</b>	<b>Authorized Beds As of 12/31/2017</b>	<b>2017 Admissions</b>	<b>2017 Patient Days</b>	<b>Bed Changes</b>	<b>Proposed Beds</b>
Medical/Surgical	153	4,490	22,122	0	153
Obstetrics	0	0	0	0	0
Pediatrics	4	13	24	0	4
Intensive Care	24	1,013	3,550	0	24
Comprehensive Physical Rehabilitation	20	470	5,912	0	20
Acute/Chronic Mental Illness	12	200	3,012	0	12
Neonatal Intensive Care	0	0	0	0	0
General Long Term Care	34	612	9,119	0	34
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
<b>TOTALS:</b>	<b>247</b>	<b>6,798</b>	<b>43,739</b>	<b>0</b>	<b>247</b>

**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 Gottlieb Memorial Hospital\* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application 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.**

Lori Price  
SIGNATURE

Jill M Rappis  
SIGNATURE

Lori Price  
PRINTED NAME

Jill M. Rappis  
PRINTED NAME

President  
PRINTED TITLE

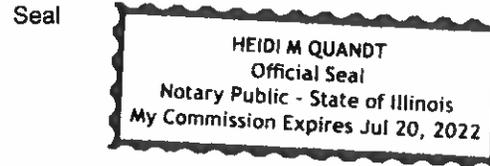
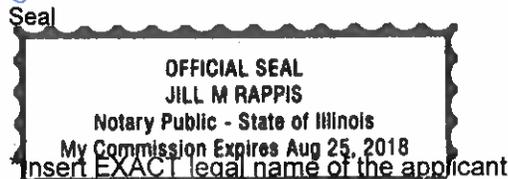
Secretary  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2018

Notarization:  
Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2018

Jill M Rappis  
Signature of Notary

Heidi M. Quandt  
Signature of Notary



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*Daniel Post*  
SIGNATURE

Daniel J. Post  
PRINTED NAME

Executive Vice President  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2018

*Jill M Rappis*  
Signature of Notary  
Seal

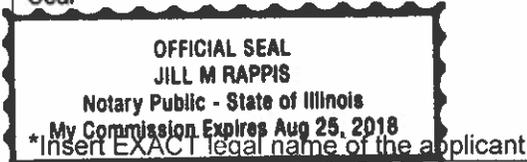
*Jill M Rappis*  
SIGNATURE

Jill M. Rappis  
PRINTED NAME

Secretary  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2018

*Heidi M - Quandt*  
Signature of Notary  
Seal



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SIGNATURE

Benjamin R. Carter

PRINTED NAME

Executive Vice President, Chief Financial Officer, Treasurer

PRINTED TITLE



SIGNATURE

Linda S. Ross

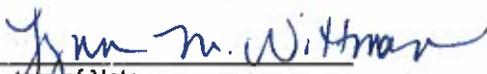
PRINTED NAME

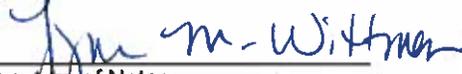
Secretary

PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 20th day of August

Notarization:  
Subscribed and sworn to before me  
this 20th day of August

  
Signature of Notary

  
Signature of Notary

Seal



Seal



\*Insert EXACT legal name of the applicant

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

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

#### 1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

##### BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

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

#### Criterion 1110.110(b) & (d)

##### PURPOSE OF PROJECT

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

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

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

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

**ALTERNATIVES**

- 1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

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

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

**SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**

**Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

**SIZE OF PROJECT:**

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

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

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

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

**PROJECT SERVICES UTILIZATION:**

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

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

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

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

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

**UNFINISHED OR SHELL SPACE:**

Provide the following information:

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

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

**ASSURANCES:**

Submit the following:

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

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

**M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service**

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:
2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		

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

Project Type	Required Review Criteria
New Services or Facility or Equipment	(b) - Need Determination - Establishment
Service Modernization	(c)(1) - Deteriorated Facilities
	AND/OR
	(c)(2) - Necessary Expansion PLUS
	(c)(3)(A) - Utilization - Major Medical Equipment
	OR
	(c)(3)(B) - Utilization - Service or Facility
APPEND DOCUMENTATION AS <u>ATTACHMENT 31</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

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

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

**VII. 1120.120 - AVAILABILITY OF FUNDS**

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

<u>15,800,000</u>	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> <li>1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and</li> <li>2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;</li> </ol> <p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p> <p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p> <p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> <li>1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;</li> <li>2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</li> <li>3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;</li> <li>4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;</li> <li>5) For any option to lease, a copy of the option, including all terms and conditions.</li> </ol> <p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p> <p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p> <p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
<u>15,800,000</u>	<b>TOTAL FUNDS AVAILABLE</b>

APPEND DOCUMENTATION AS **ATTACHMENT 34**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**SECTION VIII. 1120.130 - FINANCIAL VIABILITY**

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

**Financial Viability Waiver**

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

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

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

**Variance**

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

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

**SECTION IX. 1120.140 - ECONOMIC FEASIBILITY**

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

**A. Reasonableness of Financing Arrangements**

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

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

**B. Conditions of Debt Financing**

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

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

**C. Reasonableness of Project and Related Costs**

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
<b>TOTALS</b>									

\* Include the percentage (%) of space for circulation

**D. Projected Operating Costs**

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

**E. Total Effect of the Project on Capital Costs**

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

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

**SECTION X. SAFETY NET IMPACT STATEMENT (NOT APPLICABLE)**

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

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 38.**

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

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

**SECTION XI. CHARITY CARE INFORMATION**

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

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

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

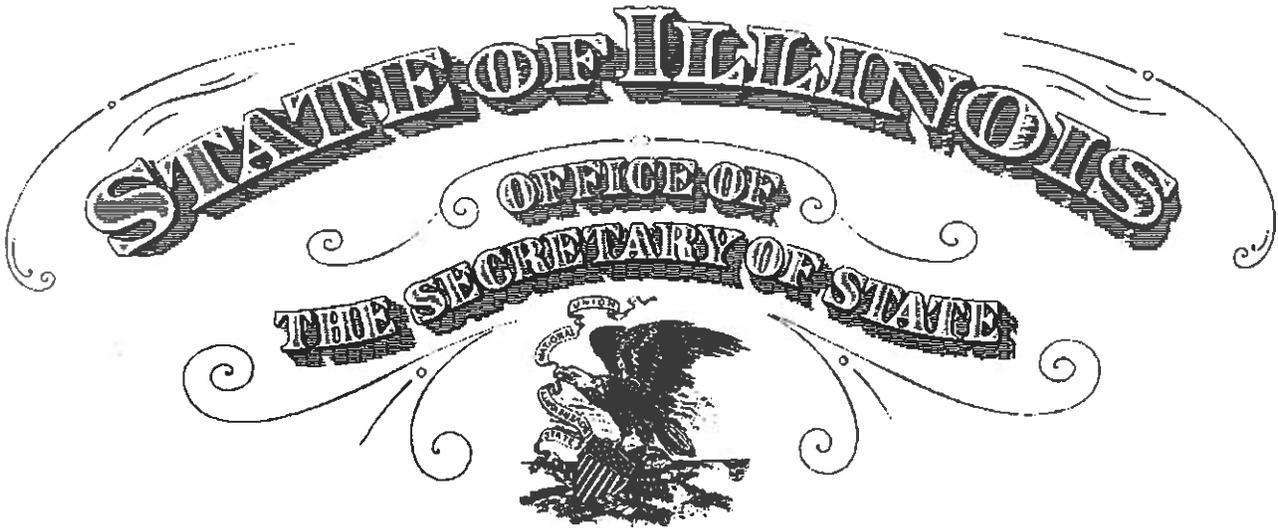
**A table in the following format must be provided for all facilities as part of Attachment 39.**

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

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

**Section I**  
**Attachment 1**  
**Applicant Identification**

The Certificates of Good Standing for the Applicants are attached at ATTACHMENT 1.



**To all to whom these Presents Shall Come, Greeting:**

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

GOTTLIEB MEMORIAL HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON AUGUST 08, 1956, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



**In Testimony Whereof,** I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 20TH day of AUGUST A.D. 2018 .

*Jesse White*

SECRETARY OF STATE



**To all to whom these Presents Shall Come, Greeting:**

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

LOYOLA UNIVERSITY HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 11, 1984, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

***In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 20TH day of AUGUST A.D. 2018 .***



*Jesse White*

SECRETARY OF STATE



**To all to whom these Presents Shall Come, Greeting:**

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

TRINITY HEALTH CORPORATION, INCORPORATED IN INDIANA AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON MARCH 02, 2011, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS IN THE STATE OF ILLINOIS.



**In Testimony Whereof,** I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 20TH day of AUGUST A.D. 2018 .

*Jesse White*

SECRETARY OF STATE

**Section I**  
**Attachment 2**  
**Site Ownership**

Gottlieb owns and operates Gottlieb Memorial Hospital. An Affidavit from Lori Price, the President of Gottlieb Memorial Hospital, in support of this Criterion is attached at ATTACHMENT 2.



June 10, 2018

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: Certification of Corporate Ownership of Gottlieb Memorial Hospital

Dear Mr. Constantino:

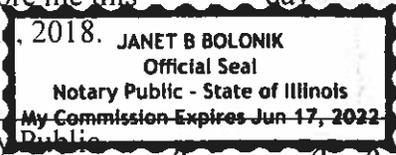
I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, that Gottlieb Memorial Hospital, a general acute care hospital located at 701 West North Avenue, Melrose Park, Illinois, is owned and operated by Gottlieb Memorial Hospital, an Illinois not-for-profit corporation.

Sincerely,

\_\_\_\_\_  
Lori Price, FACHE, MSA, RN  
President

SUBSCRIBED AND SWORN

to before me this \_\_\_\_\_ day  
of June, 2018.



\_\_\_\_\_  
Notary Public

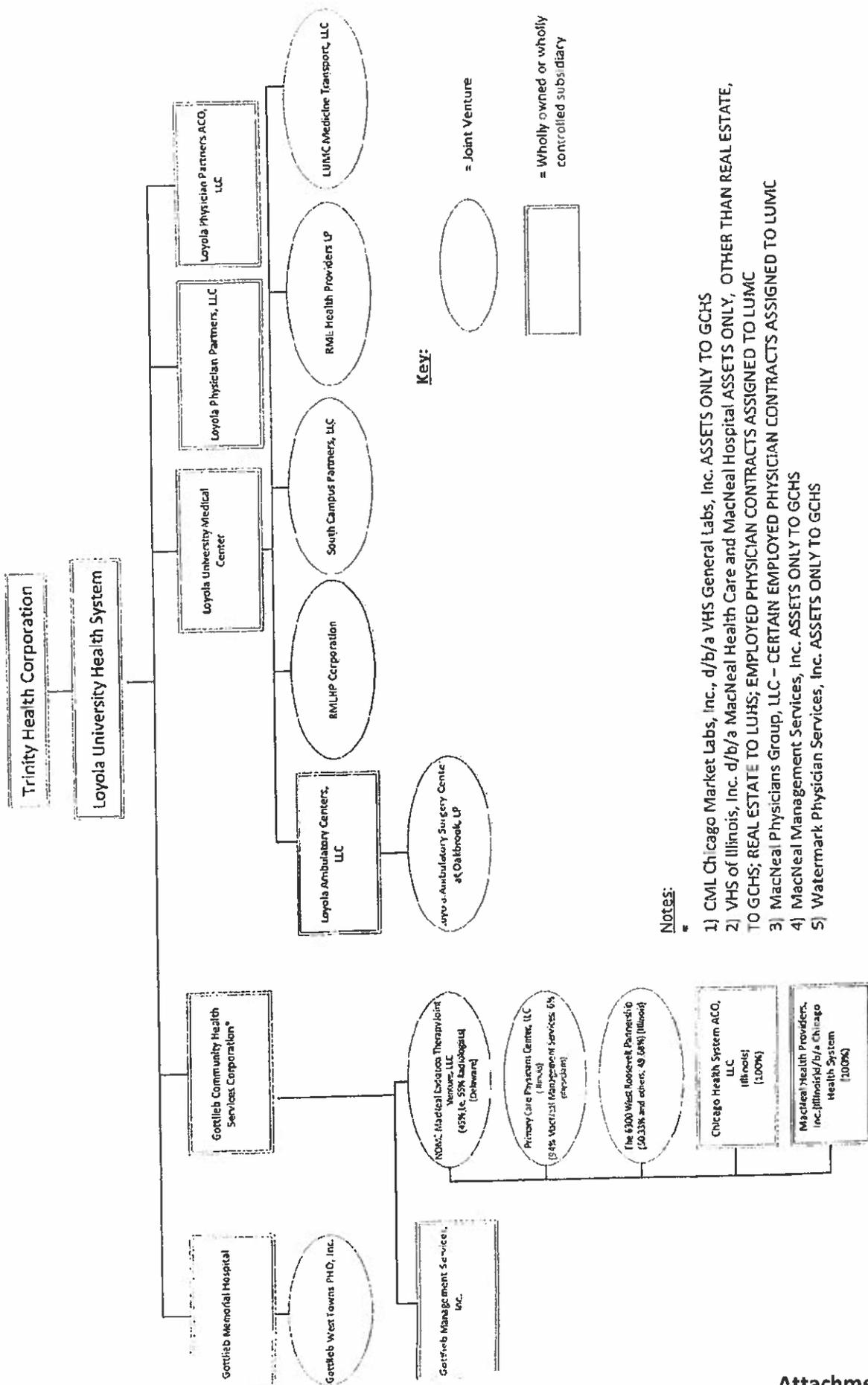
*Janet B. Bolonik*

**Section I**  
**Attachment 3**  
**Operating Entity/Licensee**

Gottlieb owns and operates Gottlieb Memorial Hospital. The Certificate of Good Standing for Gottlieb is attached at ATTACHMENT 1.

**Section I**  
**Attachment 4**  
**Organizational Relationships**

The organizational chart for the Applicants is attached at ATTACHMENT 4.



**Section I**  
**Attachment 5**  
**Flood Plain Requirements**

As set forth in ATTACHMENT 5, Gottlieb Memorial Hospital is not in a designated flood plain. An Affidavit from Lori Price, the President of Gottlieb Memorial Hospital, attesting to the fact that the Applicants will comply with Executive Order #5 (2006), to the extent Executive Order #5 (2006) is applicable, is also attached at ATTACHMENT 5.



**Gottlieb  
Memorial  
Hospital**

June 10, 2018

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

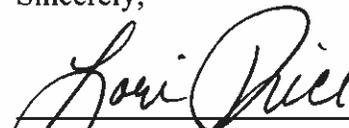
Re: Certification Re: Compliance with Illinois Executive Order #5

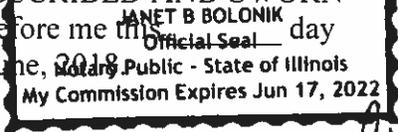
Dear Mr. Constantino:

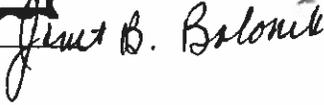
I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, as follows:

1. I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, that Gottlieb Memorial Hospital (“Gottlieb Memorial Hospital”), a general acute care hospital located at 701 West North Avenue, Melrose Park, Illinois, is owned and operated by Gottlieb Memorial Hospital, an Illinois not-for-profit corporation (“Gottlieb”).
2. Gottlieb Memorial Hospital is not located within a flood plain area.
3. Gottlieb has reviewed and will comply with the development requirements of Illinois Executive Order #5 (2006), to the extent Illinois Executive Order #5 (2006) is applicable.

Sincerely,

  
\_\_\_\_\_  
Lori Price, FACHE, MSA, RN  
President

SUBSCRIBED AND SWORN  
to before me this 10 day  
of June, 2018.   
Notary Public - State of Illinois  
My Commission Expires Jun 17, 2022

\_\_\_\_\_  
Notary Public 

*We also treat the human spirit.®*

**Section I**  
**Attachment 6**  
**Historic Resources Preservation Act Requirements**

The Applicants are proposing a modernization of the existing Emergency Department at Gottlieb Memorial Hospital, which was built in 1961 on 36 acres in Melrose Park, Illinois.

Attached at ATTACHMENT 6 is documentation from the Illinois Historical Preservation Agency regarding compliance with the requirements of the Illinois Historic Resources Preservation Act.



## Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271  
www.dnr.illinois.gov

Bruce Rauner, Governor  
Wayne A. Rosenthal, Director

FAX (217) 524-7525

Cook County  
Melrose Park  
CON - Modernization of Emergency Department, Gottlieb Memorial Hospital  
701 W. North Ave.  
SHPO Log #010052518

July 2, 2018

Edward Green  
Foley & Lardner LLP  
321 N. Clark St., Suite 2800  
Chicago, IL 60654

Dear Mr. Green:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact me at 217/785-5031.

Sincerely,

A handwritten signature in black ink, appearing to read "Rachel", with a long, sweeping horizontal line extending to the right.

Rachel Leibowitz, Ph.D.  
Deputy State Historic  
Preservation Officer

**Section I**  
**Attachment 7**  
**Project Costs & Sources of Funds**

Attached at ATTACHMENT 7 is the equipment listing/summary for the Project.

# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion

## Item Summary

Item ID	Qty	Description F/I Model	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	4	Analyzer, Lab, Blood Gas, Point-of-Care I-STAT 1	Abbott Point of Care Inc (04P75-01)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	1	Analyzer, Lab, Blood Gas, Point-of-Care GEM Premier 4000	Instrumentation Laboratory - Werfen Group (0025000000)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	2	Analyzer, Lab, Glucose, Point-of-Care StatStrip Wireless Glucose Hospital Mtr w/Dock Stn	Nova Biomedical (54790 / 53400)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	1	Analyzer, Lab, Urinalysis, Semi- Automated Chinitex Status +	Siemens Healthcare Diagnostics (1780) Siemens Healthcare Diagnostics (1780)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	4	Bed, Psychiatric Security, Electric Sprint Select Base Mental Health	Stryker Medical (5700-100-500)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	3	Bin, Shredding, Secure Mini Console	Shred-it, Inc. ( )	Lease Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	2	Board, Bulletin Standard Cork w/ Aluminum Frame 2304 (48" x 36")	Quartet GBC / ACCO Brands (2304)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	1	Board, Patient Transfer Device 9-076 Standard Antistat Aqua	AllMed, Inc. (9-076)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 1-Fixed Unassigned
	1	Board, Patient Transfer Device MCM 125 30" Roller Board	Mid Central Medical (MCM 125)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 1-Fixed Unassigned

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ATTACHMENT

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**Pulse Design Group**  
**Gottlieb Memorial Hospital-ED Expansion**  
**Item Summary**

Item ID	Qty	Description	Manufacturer (Mfr #)	Vendor (Vendor #)	Funding Source	Item Status
	F/I	Model			Cost Center	Arch Code
					Budget Name	Custom Code
17	O/C	Bracket, Canister, Suction, Wall Mount 6700-0116-500 Wall Slide	Ohio Medical Corp (6700-0116-500)		Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
13	O/C	Bracket, Monitor, Wall 13" Seismic Channel w/A/HM for MP5/20/30/40/50	GCX Corporation (WC-0002-03 / AG-0021- 25E / WS-0003-10C)		Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
1	O/C	Bracket, Television, Wall, Flat Panel T46 Tilt Universal (for 26 to 46in )	Crimson AV (T46)		Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
21	O/C	Bracket, Television, Wall, Flat Panel T46 Tilt Universal (for 26 to 46in )	Crimson AV (T46)		Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
1	O/O	Cabinet, Storage, Clinical, Gas Cylinder MG109 (9-12 D/E)	Securall Products (MG109)		Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
2	O/C	Cabinet, Warming, Dual, Freestanding AMSCO 24" Solid Doors	STERIS Corporation (DJ040124331)		Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
1	O/O	Cart, Case, LDRP Leo Laminate (1-Drawer/Cupboard/2-Flip- up)	Amico Corporation (DC-LLDD-01-YVF 2)		Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
2	O/O	Cart, Computer, Workstation M38e Computer Cart (40 Amp AC)	Rubbermaid Healthcare, A Division of Capsa Solutions (1781127)		Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
1	O/O	Cart, Cylinder, D&E, Multi 6061 (6 cap. )	Anthony Welded Products, Inc. (6061)		Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Equipment, Infant Scale ST-1833-SS	Pedigo Products, Inc (S-T-1833-SS)		Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned

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# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion Item Summary

Item ID	Qty	Description	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
Item ID	F/I	Model			
1	O/O	Cart, Equipment, Infant Scale ST-1833-SS	Pedigo Products, Inc (ST-1833-SS)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Housekeeping, Polymer 9T75 High Security Cleaning Cart	Rubbermaid Commercial Products (FG9T7500BLA)	Existing (Reuse) Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Procedure, General AA-6 Standard Steel Key Lock (Deep Blue)	Armstrong Medical Industries (AA-6)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Procedure, Phlebotomy C-PHL-1500H	CentiCare Corporation (C-PHL-1500H) CentiCare Corporation (C-PHL-1500H)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Procedure, Phlebotomy Zido Phlebotomy Cart Package	Anifro Corp (BZD04xx/xx4)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Procedure, Resuscitation Lifeline LEC42	InterMetro Industries Corp (LEC42)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
2	O/O	Cart, Procedure, Resuscitation Lifeline LEC42	InterMetro Industries Corp (LEC42)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Procedure, Resuscitation 935949 6-Drawer Emergency Cart	AllMed, Inc. (935949) AllMed, Inc. (935949)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
4	O/O	Cart, Supply, Chrome, 60 inch Super Adjustable Super Erecta 60x24x68	InterMetro Industries Corp (4x)A2460NC/(2x) 2460NC/5MP-	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
1	O/O	Cart, Supply, Chrome, 72 inch Super Adjustable Super Erecta 72x24x79	InterMetro Industries Corp (A2472NC(4x)74LJP(4x)2472FS(1)5MP(2) InterMetro Industries Corp (A2472NC(4x)74LJP(4x)2472FS(1)5MP(2)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned

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**Pulse Design Group**  
**Gottlieb Memorial Hospital-ED Expansion**  
**Item Summary**

Item ID	Qty	Description	F/M	Model	Manufacturer (Mfr #)	Vendor (Vendor #)	Funding Source	Cost Center	Budget Name	Item Status	Arch Code	Custom Code
	1	Cart, Supply, Chrome, 72 inch	O/O		InterMetro Industries Corp		Project			Draft (New)		
		Super Adjustable Super Erecta		72x24x79	(A2472NC(4x)74JP(4x)2472FS(1)5MP(2))		Unassigned			3-Movable, Non-Elect		
					InterMetro Industries Corp		Unassigned			Unassigned		
					(A2472NC(4x)74JP(4x)2472FS(1)5MP(2))							
	1	Cart, Supply, Chrome, 72 inch	O/O		InterMetro Industries Corp		Project			Draft (New)		
		Super Adjustable Super Erecta		72x24x79	(A2472NC(4x)74JP(4x)2472FS(1)5MP(2))		Unassigned			3-Movable, Non-Elect		
					InterMetro Industries Corp		Unassigned			Unassigned		
					(A2472NC(4x)74JP(4x)2472FS(1)5MP(2))							
	2	Cart, Supply, Linen, 48 inch	O/O		InterMetro Industries Corp		Existing (Reuse)			Draft (Existing)		
		Super Erecta w/Cover (24" x48")			(A2448NC(74JP)2448FG5MP/5MPB/EP37		Unassigned			3-Movable, Non-Elect		
					C/EP57C/MUCMB)		Unassigned			Unassigned		
	1	Cart, Supply, Linen, 60 inch	O/O		InterMetro Industries Corp		Existing (Reuse)			Draft (Existing)		
		Super Erecta w/Cover (24" x60")			(A2460NC(74JP)2460FG5MP/5MPB/EP57		Unassigned			3-Movable, Non-Elect		
					C/MUCMB)		Unassigned			Unassigned		
	8	Chair, Clinical, Recliner, Treatment	O/O		Champion Manufacturing, Inc. (596XXX)		Project			Draft (New)		
		59 Series					Unassigned			3-Movable, Non-Elect		
							Unassigned			Unassigned		
	1	Charger, Allowance	O/O		TBD (TBD)		Existing (Reuse)			Draft (Existing)		
							Unassigned			0-Unassigned		
							Unassigned			Unassigned		
	1	Chart, Visual Acuity, Wall	O/C		GF Health Products Inc. (1264)		Project			Draft (New)		
		Snellen Type Plastic Eye Chart-10'		[1264]			Unassigned			1-Fixed		
							Unassigned			Unassigned		
	1	Chart, Visual Acuity, Wall	O/C		GF Health Products Inc. (1243)		Project			Draft (New)		
		Kindergarten Plastic Eye Chart [1243]					Unassigned			1-Fixed		
							Unassigned			Unassigned		

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# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion Item Summary

Item ID	Qty	Description	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	26	Clock, Analog, Wall O/O Model 18379 (14in. Round)	Staples (813883)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	1	Coffee Maker, Pour-Over, 1-2 Warmer O/O A10 Pourover	Bunn-O-Matic Corporation (21250.0000)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	1	Coffee Maker, Single Cup, Pour Over O/O K55 Elite	Keurig Green Mountain (K55)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	2	Communication Device, Video Interpreter O/O Interpreter on Wheels Rolling Cart	LanguageLine Solutions (5-15HP)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	13	Curtain, Cubicle O/V TBD	Standard Textile - Healthcare ( )	Project Unassigned Unassigned	Draft (New) 5-Furniture Unassigned
	1	Cutter, Cast O/O 848	Stryker Instruments (0848-000-000)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	1	Defibrillator, Transport, Advisory O/O EMS HeartStart MRx ALS (SpO2, NBP, ETCO2, Temp)	Philips Healthcare - Cardiology (M3536A-A05)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	2	Defibrillator, Transport, Advisory O/O EMS HeartStart MRx ALS (SpO2, NBP, ETCO2, Temp)	Philips Healthcare - Cardiology (M3536A-A05)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	15	Diagnostic System, Integrated O/C Green Series 777 [77791-1MPX]	Weich Allyn, Inc., A Hill-Rom Company (77791-1MPX)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	1	Dispenser, Cleaning Solution O/C J-Fill QuattroSelect (Air Gap)	Diversey Care (3764735)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned

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**Pulse Design Group**  
**Gottlieb Memorial Hospital-ED Expansion**  
**Item Summary**

Item ID	Qty	Description	Manufacturer (Mfr #)	Funding Source	Item Status
	F/I	Model	Vendor (Vendor #)	Cost Center	Arch Code
				Budget Name	Custom Code
21	O/C	Dispenser, Glove, Triple Box 1100-HV Series (1100-18375)	Northern Acrylics Inc. (1100-18375)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
2	O/O	Dispenser, Hand Sanitizer, Freestanding Purell TFX Floor Stand w/ Dispenser (2424-DS)	GOJO Industries (2424-DS/2720-12) GOJO Industries (2424-DS/2720-12)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
42	O/C	Dispenser, Hand Sanitizer, Wall Mount Purell ADX-7 (White)	GOJO Industries (8720-06)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
1	O/W	Dispenser, Medication, Auxiliary Pyxis MedStation ES (7-Drwr)	Carefusion - Pyxis ( )	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
1	O/W	Dispenser, Medication, Auxiliary Pyxis MedStation ES Double Column (8 Door)	Carefusion - Pyxis ( )	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
1	O/W	Dispenser, Medication, Host (Main) Pyxis MedStation ES (2-Drwr, 0 Cubre)	Carefusion - Pyxis ( )	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
1	O/W	Dispenser, Medication, Host (Main) Pyxis MedStation ES (6-Drwr, 1 Cubre)	Carefusion - Pyxis ( )	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
28	O/C	Dispenser, Paper Towel, Surface Mount 54701 Multifold (White)	Georgia Pacific (54701)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
6	O/C	Dispenser, Paper Towel, Surface Mount 56630 C-Fold/Multifold (White)	Georgia Pacific (56630)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
7	O/O	Dispenser, Personal Protection, Wall Mount RE101-0012 Semi-Recessed	Bowman Dispensers (RE 101-0012)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned

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**Pulse Design Group**  
**Gottlieb Memorial Hospital-ED Expansion**  
**Item Summary**

Item ID	Qty	Description	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	F/I	Model			
	35	Dispenser, Soap, Wall Mount O/C SDS Dispenser (4" Deep)	STERIS Corporation (4D40-Q5)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
1	Disposal, Sharps, Floor Cart O/O S32 Regular (28 qt) / Cartsmart 1	Daniels Sharpsmart (1001307500/6000100000)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned	
1	Disposal, Sharps, Floor Cart, Pharmacy O/O SharpsCart 8938FP w/8618RC (18 gal RCRA Haz Waste)	Medtronic - Covidien Kendall Products (8938FP/8618RC)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned	
1	Disposal, Sharps, Floor Cart, Pharmacy O/O Sharpscart 8980FP w/ PharmaSafety 8850 (8 Gal)	Medtronic - Covidien Kendall Products (8980FP/8850)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned	
24	Disposal, Sharps, Wall Mount O/C S22 Regular (18 qt) / Standard Bracket	Daniels Sharpsmart (1001207500/4005007000)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned	
2	Electrocardiograph (ECG), Non O/W Interpretive ELI 350 w/Cart Non-Interpretive	Mortara Instrument, Inc. (EL350-AAA- BACBX)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned	
1	Floor Machine, Scrubber, 24in O/O T5 Walk-Behind w/FaST (24" Disk)	Tennant Company (9002560)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned	
17	Flowmeter, Oxygen O/O 6701-1260-921	Ohio Medical Corp (6701-1260-921)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned	
1	Hamper, Linen O/O 4515 Round, Step-On	Lakeside Manufacturing, Inc. (4515)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned	

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# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion

## Item Summary

Item ID	Qty	Description F/I Model	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	13	Hamper, Linen O/O 4515 Round, Step-On	Lakeside Manufacturing, Inc. (4515)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	11	Headwall, Rail System, 1 Patient O/C Majestic Series - 84" (2 Tier/Recessed)	Amico Corporation (HW00-02TP-R084)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	1	Humidifier, High Flow O/O Precision Flow	Vapotherm (PF-Unit-US)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	1	Hypo-Hyperthermia Unit, General O/O Gaymar Medi-Therm MTA7900	Stryker Medical (MTA7900)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	2	Ice Machine, Dispenser, Nugget Wall O/C Mount Symphony Plus 12HI425A-S0-00	Follett LLC (12HI425A-S0-00)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	9	Lift, Patient, Allowance O/O TBD	ArjoHuntleigh-Geisinge Group ( )	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	2	Lift, Patient, Ceiling, 1-Bed O/C Maxi Sky 600 (Linear Track)	ArjoHuntleigh-Geisinge Group (LD100011)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	13	Light Exam/Procedure, Single, Ceiling O/C Outpatient II	Philips Burton (OP216SC (0224122))	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	4	Light Exam/Procedure, Single, Wall O/C Mounted Outpatient II	Philips Burton (OP216W (0224142))	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	1	Locator, Vein O/O AV400 Vein Viewing System	AccuVein (AV400)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned

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# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion

## Item Summary

Item ID	Qty	Description F/I Model	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	2	Pump, Suction/Aspirator, General, Portable PM65 EasyGoVac	Precision Medical (PM65HG)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	1	Rack, Crutch/Cane/Walker O/C 5516	Clinton Industries, Inc. (5516)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned
	1	Refrigerator, Domestic with Freezer O/O GTS18G THWW (17.5 cu ft./White)	GE Appliances (GTS18G THWW)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	1	Refrigerator, Domestic, Undercounter O/O Designer Series DAR044A5BSLDD (4.4 Cu.Ft./Black-SS)	Danby (DAR044A5BSLDD)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	1	Refrigerator, Medical Grade, O/O Undercounter REF-4-ADA Medical Grade	Fdllett LLC (REF-4-ADA)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	2	Refrigerator, Medical Grade, O/O Undercounter REF-4-ADA Medical Grade	Fdllett LLC (REF-4-ADA)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	1	Refrigerator, Medical Grade, O/O Undercounter REF-4P-KP-00 Performance Plus Medical Grade	Fdllett LLC (REF-4P-KP-00)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	17	Regulator, Suction, O/O Intermittent/C continuous 6701-1251-901	Ohio Medical Corp (6701-1251-901)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	4	Safety Enclosure, Anti-Ligature, O/C Television MIS-KL64255	Peerless-AV (MIS-KL64255)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned

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# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion

## Item Summary

Item ID	Qty	Description	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	2	Scale, Clinical, Adult, Digital, Floor O/O MX810 Bariatric Tilt & Roll Handrail Scale	Befour (MX810)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	1	Scale, Clinical, Infant/Pediatric, Digital O/O seca 374 Digital Wireless	seca Corp (374 1321 004) seca Corp (374 1321 004)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	1	Scale, Clinical, Infant/Pediatric, Digital O/O 522KL Digital Pediatric Tray Scale	Health o Meter (522KL)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned
	1	Stand, IV, Chrome O/O 1315 (5-Leg, 2-Hook)	Blickman Industries (0561315000)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
0049	3	Stand, IV, Chrome O/O 1315 (5-Leg, 2-Hook)	Blickman industries (0561315000)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	13	Stand, Mayo, Foot-Operated O/O P-1066-SS	Pedigo Products, Inc (P-1066-SS)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	11	Stod, Exam, Cushion-Seat O/O P-526-GS	Pedigo Products, Inc (P-526-GS-COLOR)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	1	Stod, Exam, w/Backrest O/O Ritter 277 Air Lift (Hand Release)	Midmark Corporation (277-001)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
	1	Stod, Step, Stackable O/O P-1015	Pedigo Products, Inc (P-1015)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	2	Stod, Step, w/Handrail O/O 1251 Chrome	Blickman Industries (1011251000)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned

# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion

## Item Summary

Item ID	Qty	Description F/I Model	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	2	Stretcher, Procedure, OB/GYN O/O Gynnie	Stryker Medical (1061-000-000)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	11	Stretcher, Trauma / Surgery O/O Prime X with Big Wheel 115X (30" Litter)	Stryker Medical (1115-000-000X)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	19	Telephone, Desktop O/O TBD	To Be Determined (TBD)	Project Unassigned Unassigned	Draft (New) 6-IT/Computers Unassigned
	1	Telephone, Wall O/O 2554-20M	Cortelco (2554**VBA20M)	Project Unassigned Unassigned	Draft (New) 6-IT/Computers Unassigned
0050	1	Telephone, Wall O/O 2554-20M	Cortelco (2554**VBA20M)	Project Unassigned Unassigned	Draft (New) 6-IT/Computers Unassigned
	21	Television, 30-32 in. Flat Panel O/O HG32NC693DF (32" LED Healthcare)	Samsung Electronics (HG32NC693DF)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	1	Television, 30-32 in. Flat Panel O/O 32LW340C (32 in. Commercial Lite)	LG Commercial Products (32LW340C)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	3	Thermometer, Temporal Artery O/O TAT 5000	Exergen Corp (124275)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
	1	Toaster, Domestic O/O T4569B (4-Slice)	Black & Decker Corporation (T4569B)	Project Unassigned Unassigned	Draft (New) 2-Movable, Elect Unassigned
	8	Track, Ceiling, IV, U-Shaped O/O 1100IV (Oval Track)	A. R. Nelson Co. (1100IV)	Project Unassigned Unassigned	Draft (New) 1-Fixed Unassigned

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**Pulse Design Group**  
**Gottlieb Memorial Hospital-ED Expansion**  
**Item Summary**

Item ID	Qty	Description	F1	Model	Manufacturer (Mfr #)	Vendor (Vendor #)	Funding Source	Cost Center	Budget Name	Item Status	Arch Code	Custom Code
	1	Track, Patient Lift, Allowance			ArjoHuntleigh-Geinge Group (LD100011)		Project			Draft (New)		
	O/C						Unassigned			1-Fixed		
							Unassigned			Unassigned		
	1	Ultrasound, Imaging, Multipurpose, Portable			FUJIFILM SonoSite, Inc (L05323/ P08800)		Existing (Reuse)			Draft (Existing)		
	O/O	M-Turbo 1.4 w/Mobile Docking System Lite II					Unassigned			2-Movable, Elect		
							Unassigned			Unassigned		
	1	Vacuum, Upright			Tennant Company (1068027)		Existing (Reuse)			Draft (Existing)		
	O/O	V-DMU-14					Unassigned			2-Movable, Elect		
							Unassigned			Unassigned		
	1	Vending Machine, Allowance			To Be Determined ( )		Project			Draft (New)		
	O/W	TBD					Unassigned			2-Movable, Elect		
							Unassigned			Unassigned		
	1	Warmer, Infant, Care System			GE Healthcare - Maternal/Infant Care		Project			Draft (New)		
	O/O	Panda iRes (Elevating Base/Procedure Light)			(M1110875)		Unassigned			2-Movable, Elect		
							Unassigned			Unassigned		
	2	Waste Can, Bio-Hazardous			Granger (6GAJ9)		Existing (Reuse)			Draft (Existing)		
	O/O	Tough Guy 6GAJ9 (12 gal Red)			Granger (6GAJ9)		Unassigned			3-Movable, Non-Elect		
							Unassigned			Unassigned		
	13	Waste Can, Bio-Hazardous			Granger (6GAJ9)		Project			Draft (New)		
	O/O	Tough Guy 6GAJ9 (12 gal Red)			Granger (6GAJ9)		Unassigned			3-Movable, Non-Elect		
							Unassigned			Unassigned		
	2	Waste Can, Bio-Hazardous, 32-55 Gallon			Granger (6DMN1)		Existing (Reuse)			Draft (Existing)		
	O/O	Tough Guy 6DMN1 (32 gal Red)					Unassigned			3-Movable, Non-Elect		
							Unassigned			Unassigned		
	31	Waste Can, Open Top			Rubbermaid Commercial Products		Project			Draft (New)		
	O/O	2956 Deskside Medium (28 qt Beige)			(FG295600BEIG)		Unassigned			3-Movable, Non-Elect		
							Unassigned			Unassigned		

0051

ATTACHMENT

7

# Pulse Design Group Gottlieb Memorial Hospital-ED Expansion

## Item Summary

Item ID	Qty	Description Frt Model	Manufacturer (Mfr #) Vendor (Vendor #)	Funding Source Cost Center Budget Name	Item Status Arch Code Custom Code
	1	Waste Can, Open Top O/O 1971259 Slim Jim (Beige)	Rubbermaid Commercial Products (1971259)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	10	Waste Can, Step-On O/O 6145 Step-On Container (White, 18 gal)	Rubbermaid Commercial Products (FG614500WHT)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
	19	Waste Can, Step-On O/O 6145 Step-On Container (White, 18 gal)	Rubbermaid Commercial Products (FG614500WHT)	Project Unassigned Unassigned	Draft (New) 3-Movable, Non-Elect Unassigned
	5	Wheelchair, Adult, Large O/O Excel Extra Wide - 20" [MDS806750]	Medline Industries Inc. (MDS806750)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 3-Movable, Non-Elect Unassigned
	1	X-Ray Unit, Mobile, Digital O/V Optima XR220 AMX	GE Healthcare - Imaging Systems (S2000SA)	Existing (Reuse) Unassigned Unassigned	Draft (Existing) 2-Movable, Elect Unassigned

0052

ATTACHMENT

7

**Section III**  
**Attachment 11**  
**Background of the Applicants**

**Gottlieb**

1. Gottlieb Memorial Hospital ("Gottlieb"), is a fully licensed, Medicare-certified, Joint Commission accredited, Illinois not-for-profit general hospital. Copies of the current licenses and Joint Commission accreditation for Gottlieb are attached at ATTACHMENT 1.
2. Gottlieb is located at 701 West North Avenue, Melrose Park, Illinois.
3. Gottlieb currently has 247 total licensed beds and 17 Emergency Department Stations.
4. There have been no adverse actions taken against any facility owned or operated by Gottlieb during the three (3) years prior to the filing of this Application. A letter certifying the above information is attached at ATTACHMENT 11.
5. An authorization letter granting access to the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to verify information about Gottlieb is attached at ATTACHMENT 11.

**LUHS**

1. Loyola University Health System ("LUHS"), an Illinois not for profit corporation, is the sole corporate member of Gottlieb.
2. LUHS is also the sole corporate member of the following licensed healthcare facilities in Illinois: (a) Foster G. McGaw Hospital - Loyola University Medical Center, a 547 bed general acute care hospital located in Maywood, Illinois; (b) Loyola University Medical Center Outpatient Dialysis Center, a provider based, 31 station end stage renal disease facility located in Maywood, Illinois; (c) Loyola University Medical Center Ambulatory Surgery Center, a provider based, 8 operating room ambulatory surgery center located in Maywood, Illinois; and (d) Gottlieb Community Health Services d/b/a MacNeal Hospital, a 374 bed general acute care hospital located in Berwyn, Illinois ("MacNeal Hospital").
3. There have been no adverse actions taken against any facility owned or operated by LUHS during the three (3) years prior to the filing of this Application. A letter certifying the above information was previously provided to the Review Board as part of the MacNeal Hospital Certificate of Exemption filing on January 10, 2018 (Project No. E-001-18), a copy of which is attached at ATTACHMENT 11.
4. An authorization letter granting access to the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to verify information about LUHS was previously provided to the Review Board as part of the MacNeal Hospital Certificate of Exemption filing on January 10, 2018 (Project No. E-001-18), a copy of which is attached at ATTACHMENT 11.

## **Trinity**

1. Trinity Health Corporation ("Trinity"), the sole corporate member of LUHS, is one of the largest Catholic health care system in the country. Based in Livonia, Michigan, Trinity operates 94 acute-care hospitals and 109 continuing care locations in twenty two states. Employing more than 131,000 colleagues (including 7,500 employed physicians and clinicians), Trinity reported \$17.6 billion in operating revenues in fiscal year 2017. As a not-for-profit health system, Trinity, through its ministry and operations, invests in its communities through programs which serve the poor and uninsured, manage chronic conditions such as diabetes, help educate residents on health care and health related issues, and provide outreach for the elderly. In fiscal year 2017, this included nearly \$1.1 billion in such community benefits.
2. Trinity is also the sole corporate member of Mercy Health System, which operates Mercy Hospital and Medical Center, a 402 bed general acute care hospital located in Chicago.
3. There have been no adverse actions taken against any facility owned or operated by Trinity in Illinois during the three (3) years prior to the filing of this Application. A letter certifying the above information was previously provided to the Review Board as part of the MacNeal Hospital Certificate of Exemption filing on January 10, 2018 (Project No. E-001-18), a copy of which is attached at ATTACHMENT 11.
4. An authorization letter granting access to the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to verify information about Trinity was previously provided to the Review Board as part of the MacNeal Hospital Certificate of Exemption filing on January 10, 2018 (Project No. E-001-18), a copy of which is attached at ATTACHMENT 11.



June 10, 2018

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: No Adverse Actions Certification

Dear Mr. Constantino:

Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby certify that there have been no adverse actions taken against any facility owned or operated by Gottlieb Memorial Hospital, an Illinois not-for-profit corporation, during the three (3) years prior to the filing of this application.

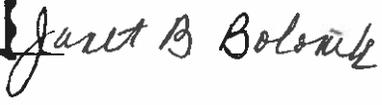
Sincerely,

  
\_\_\_\_\_  
Lori Price, FACHE, MSA, RN  
President

SUBSCRIBED AND SWORN

to before me this JANET B. BOLONIK day  
of June, 2018  
Official Seal  
Notary Public - State of Illinois  
My Commission Expires Jun 17, 2022

Notary Public





**Gottlieb  
Memorial  
Hospital**

A Member of Trinity Health

August 17, 2018

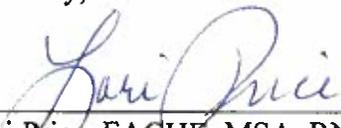
Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: Authorization to Access Information

Dear Mr. Constantino:

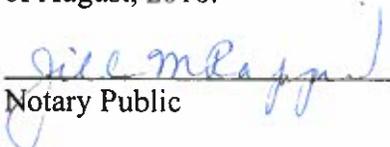
Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Gottlieb Memorial Hospital, an Illinois not-for-profit corporation, with this application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this application.

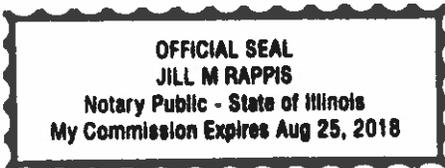
Sincerely,

  
\_\_\_\_\_  
Lori Price, FACHE, MSA, RN  
President

SUBSCRIBED AND SWORN

to before me this 17<sup>th</sup> day  
of August, 2018.

  
\_\_\_\_\_  
Notary Public



*We also treat the human spirit.*



LOYOLA  
UNIVERSITY  
HEALTH SYSTEM

January 2, 2018

Ms. Courtney R. Avery  
Administrator  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: No Adverse Actions Certification (MacNeal Hospital Certificate of Exemption)

Dear Ms. Avery and Mr. Constantino:

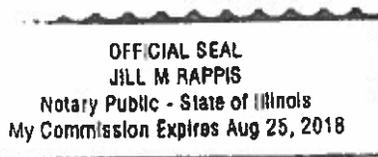
I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code §§ 1110.230 and 1130.520(b)(1)(B), that there have been no adverse actions taken against any Illinois facility owned or operated by Loyola University Health System or Gottlieb Community Health Services Corporation during the three (3) years prior to the filing of this Certificate of Exemption.

Sincerely,

Larry M. Goldberg  
President & CEO, Loyola University Health System  
CEO, Gottlieb Community Health Services Corporation

SUBSCRIBED AND SWORN  
to before me this 5<sup>th</sup> day  
of January, 2018.

Notary Public



*We also treat the human spirit.*

A PART OF TRINITY HEALTH

Loyola University Medical Center | 2160 S. First Ave. Maywood, IL 60153 | (888) 584-7888 | LoyolaMedicine.org



LOYOLA  
UNIVERSITY  
HEALTH SYSTEM

January 2, 2018

Ms. Courtney R. Avery  
Administrator  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

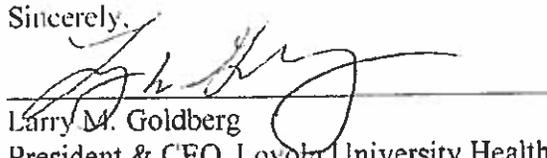
Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: Authorization to Access Information (MacNeal Hospital Certificate of Exemption)

Dear Ms. Avery and Mr. Constantino:

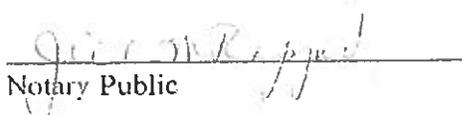
Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Loyola University Health System and Gottlieb Community Health Services Corporation with this application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this application.

Sincerely,



Larry M. Goldberg  
President & CEO, Loyola University Health System  
CEO, Gottlieb Community Health Services Corporation

SUBSCRIBED AND SWORN  
to before me this 3<sup>rd</sup> day  
of January, 2018.



Notary Public



*We also treat the human spirit.*

Loyola University Medical Center | 2164

A PART OF  TRINITY HEALTH

L 60153 | (888) 584-788

0058

Attachment

11



January 3, 2018

Ms. Courtney R. Avery  
Administrator  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: No Adverse Actions Certification (MacNeal Hospital Certificate of Exemption)

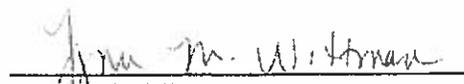
Dear Ms. Avery and Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code §§ 1110.230 and 1130.520(b)(1)(B), that there have been no adverse actions taken against any Illinois facility owned or operated by Trinity Health Corporation during the three (3) years prior to the filing of this Certificate of Exemption.

Sincerely,

  
Richard J. Gilfillan, M.D.  
Chief Executive Officer  
Trinity Health Corporation

SUBSCRIBED AND SWORN  
to before me this 3<sup>rd</sup> day  
of January, 2018.

  
Notary Public

LYNN M. WITTMAN  
Notary Public, State of Michigan  
County of Oakland  
My Commission Expires Sep. 25, 2023  
Acting in the County of Wayne, MI



January 3, 2018

Ms. Courtney R. Avery  
Administrator  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

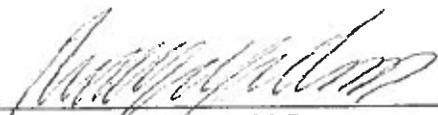
Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761-0001

Re: Authorization to Access Information (MacNeal Hospital Certificate of Exemption)

Dear Ms. Avery and Mr. Constantino:

Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Trinity Health Corporation with this application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this application.

Sincerely,

  
Richard J. Gilfillan, M.D.  
Chief Executive Officer  
Trinity Health Corporation

SUBSCRIBED AND SWORN  
to before me this 3rd day  
of January, 2018.

LYNN M. WITTMAN  
Notary Public, State of Michigan  
County of Oakland  
My Commission Expires Sep 25, 2023  
Acting in the County of Michigan

  
Notary Public

**Section III**  
**Attachment 12**  
**Criterion 1110.110(b) and (d)**  
**Purpose of Project**

**Purpose Statement**

The Applicants desire to renovate and modernize the Emergency Department at Gottlieb Memorial Hospital in Melrose Park, Illinois. This proposed renovation will improve patient experience and quality, provide a consumer-focused alternative to "retail" healthcare, increase efficiency and reduce wait times, and increase flexibility to quickly scale up for peak periods of demand.

**Supporting Statements & Documentation**

**General Statements**

1. Gottlieb Memorial Hospital is a 247-licensed bed acute care hospital in Melrose Park. Gottlieb Memorial Hospital offers emergency, inpatient, and outpatient medical services. Gottlieb Memorial Hospital, which is part of the Loyola University Health System, provides advanced specialty medical care in a community hospital setting.
2. Gottlieb Memorial Hospital, located just west of Chicago, is home to a cancer care and research center, weight loss center, inpatient and outpatient rehabilitation services, and the Gottlieb Center for Fitness. Gottlieb Memorial Hospital attracts specialists and primary care doctors from throughout the Chicago area and offers leading-edge treatments, advanced diagnostic testing, patient-centered medical care, and complete follow-up services.
3. The Emergency Department is a community based emergency department serving nearly 27,000 patients on an annual basis and has seen increased patient demand for services. More specifically, in fiscal year 2016, the Emergency Department had 23,732 patient visits. In fiscal year 2017, the Emergency Department has 26,477 patient visits, which represents a year over year of increase of nearly twelve percent (12%). Quite frankly, the Emergency Department has been experiencing increased demand for the past decade. For example, in calendar year 2010, the Emergency Department had 4,176 ambulance runs. In calendar year 2017, the number of ambulance runs had increased by fifty eight percent (58%) to 6,580 ambulance runs.
4. The Emergency Department is a Level II Adult Trauma center and is currently Emergency Department Approved for Pediatrics (EDAP) certified. The Emergency Department has seventeen (17) treatment rooms, a phlebotomy room, a family counseling room, a waiting room, a security area, a registration area, a break room, one (1) negative pressure room, an EMS documentation room, a physician area for the Emergency Department physicians, a nursing station, an EMS radio area, and Emergency Department administration offices.
5. Forty percent (40%) of the patients that present to the Emergency Department have a behavioral health disorder (suicidal ideation, drug dependency, intoxication, etc.). On average, the Emergency Department has 400 hours of psychiatric holding time per month.

**Define the Planning Area or Market Area**

1. The primary service area (the "PSA") for the Emergency Department is the same as Gottlieb Memorial Hospital's PSA. Gottlieb Memorial Hospital's PSA is comprised of 18 zip codes and covers a population of 386,000 residents, as set forth in the below chart. Patients in Gottlieb Memorial Hospital's PSA account for more than seventy percent (70%) of the annual inpatient discharges at Gottlieb Memorial Hospital.

2. The secondary service area (the "SSA") for the Emergency Department is the same as Gottlieb Memorial Hospital's SSA. Gottlieb Memorial Hospital's SSA is comprised of 12 zip codes and covers a population of 638,000 residents, as set forth in the below chart. Patients in Gottlieb Memorial Hospital's SSA account for more than nine percent (9%) of the annual inpatient discharges at Gottlieb Memorial Hospital.

3. Gottlieb Memorial Hospital's PSA and SSA cover a population base of 1,024,366 residents. Combined patients in Gottlieb Memorial Hospital's PSA and SSA account for eighty percent (80%) of the annual inpatient discharges at Gottlieb Memorial Hospital. See below chart.

GMH Service Area	Zip Code	City	2017 Population	GMH Service Area	Zip Code	City	2017 Population
PSA	60634	Chicago	74,761	SSA-Chicago West	60639	Chicago	90,664
	60707	Elmwood Park	42,624		60647	Chicago	67,930
	60302	Oak Park	32,091		60641	Chicago	70,209
	60656	Chicago	29,261		60661	Chicago	63,257
	60160	Melrose Park	25,767		60630	Chicago	53,356
	60153	Maywood	23,679		60644	Chicago	47,640
	60706	Norridge	22,437		60624	Chicago	37,137
	60164	Northlake	22,011		<b>SSA-Chicago West Total</b>		
	60104	Bellwood	16,760	SSA-DuPage East	60146	Lombard	52,601
	60131	Franklin Park	17,904		60126	Elmhurst	46,604
	60304	Oak Park	16,994		60101	Addison	39,274
	60130	Forest Park	13,961		60161	Villa Park	26,936
	60176	Schiller Park	11,677		60106	Bensenville	20,420
	60305	River Forest	11,003	<b>SSA-DuPage East Total</b>			<b>187,837</b>
	60171	River Grove	10,535	Total			<b>1,024,366</b>
	60163	Berkeley	5,200				
	60166	Stone Park	5,061				
	60301	Oak Park	2,316				
<b>PSA Total</b>			<b>386,294</b>				

4. Gottlieb Memorial Hospital's PSA is not projected to grow in population over the next 5 years. However, the 65+ population is projected to grow by fifteen percent (15%) and the younger age cohorts will become a smaller percentage of Gottlieb Memorial Hospital's PSA population base. See following charts.

GMH Service Area	2017	2022	% Change	Avg. HH Income
PSA	386,294	386,169	(0.0%)	\$81,358
SSA-Chicago West	450,235	449,263	(0.2%)	\$63,822
SSA-DuPage East	187,837	189,119	0.7%	\$97,426

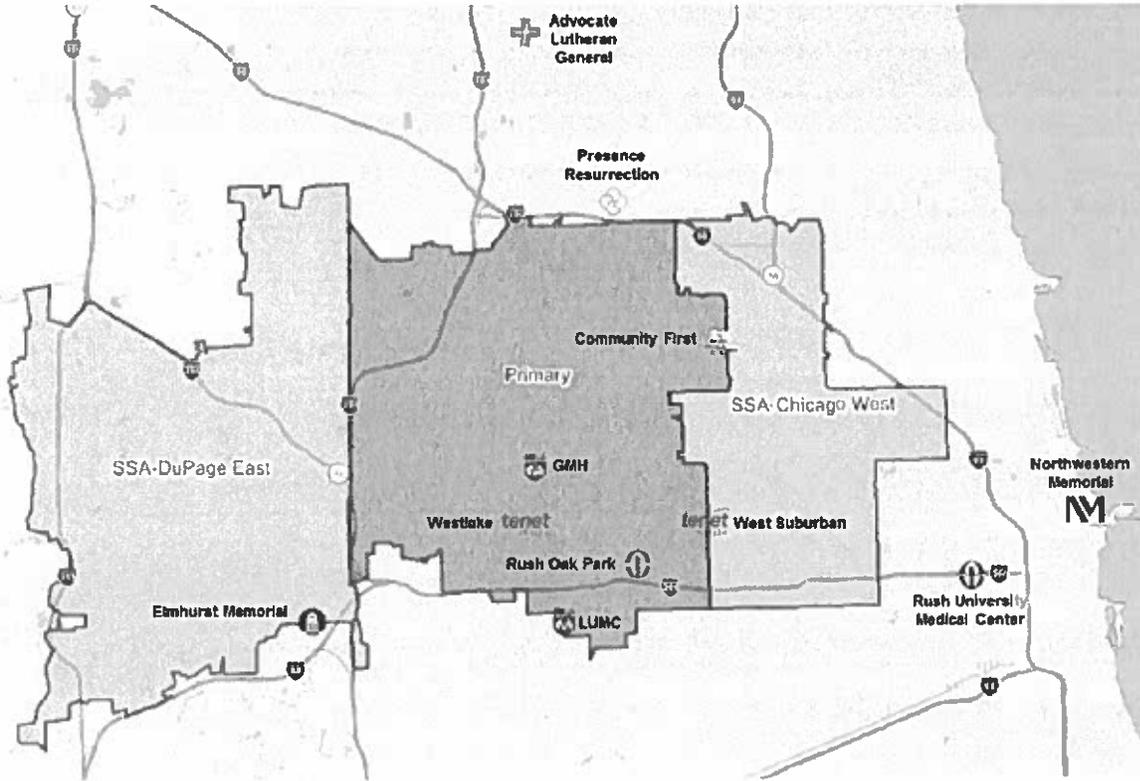
**PSA+SSA                    1,024,366   1,024,551   0.0%   \$76,999**

Age Group	2017	% of Total	2022	% of Total	% Change
0-14	71,749	19%	70,966	18%	(1.1%)
15-17	14,093	4%	14,486	4%	2.8%
18-24	32,082	8%	31,495	8%	(1.8%)
25-34	53,019	14%	45,488	12%	(14.2%)
35-54	106,233	28%	107,477	28%	1.2%
55-64	51,506	13%	49,994	13%	(2.9%)
65+	57,612	15%	66,263	17%	15.0%

**Total                    386,294   100%   386,169   100%   (0.0%)**

5. The following six hospitals reside within Gottlieb Memorial Hospital's PSA:

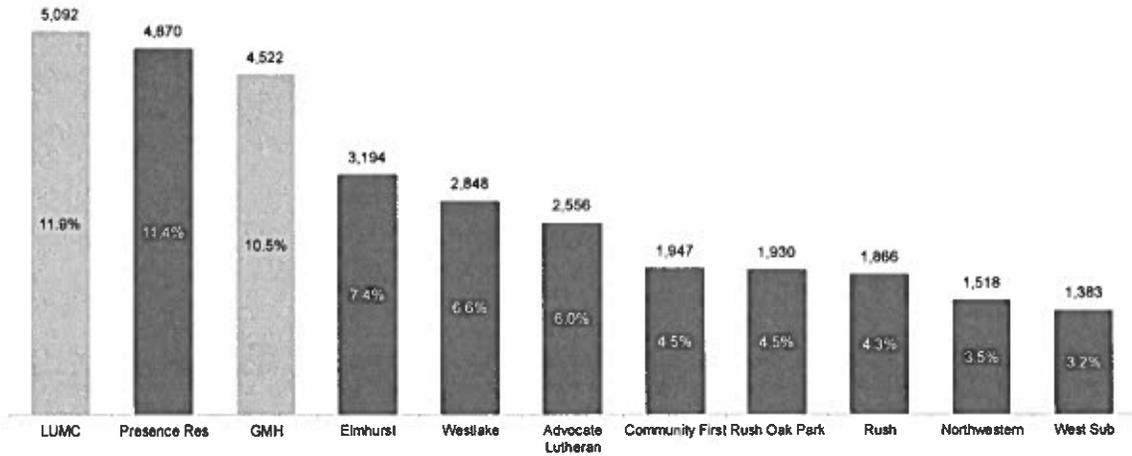
Hospital	Licensed Beds
Loyola University Medical Center (LUMC)	547
Gottlieb Memorial Hospital (GMH)	247
Community First Medical Center	296
Westlake Hospital	230
Rush Oak Park Hospital	237
West Suburban Medical Center	234



6. While the following hospitals reside outside of Gottlieb Memorial Hospital's PSA, they draw patients from within Gottlieb Memorial Hospital's PSA:

Hospital	Licensed Beds
Presence Resurrection Medical Center	337
Elmhurst Memorial Hospital	259
Advocate Lutheran General Hospital	638
Rush University Medical Center	715
Northwestern Memorial Hospital	894

7. Approximately 42,900 inpatient discharges originate from within the Gottlieb Memorial Hospital PSA. The previously identified hospitals account for seventy four percent (74%) of the inpatient discharges in the Gottlieb Memorial Hospital PSA, as set forth in the following chart:

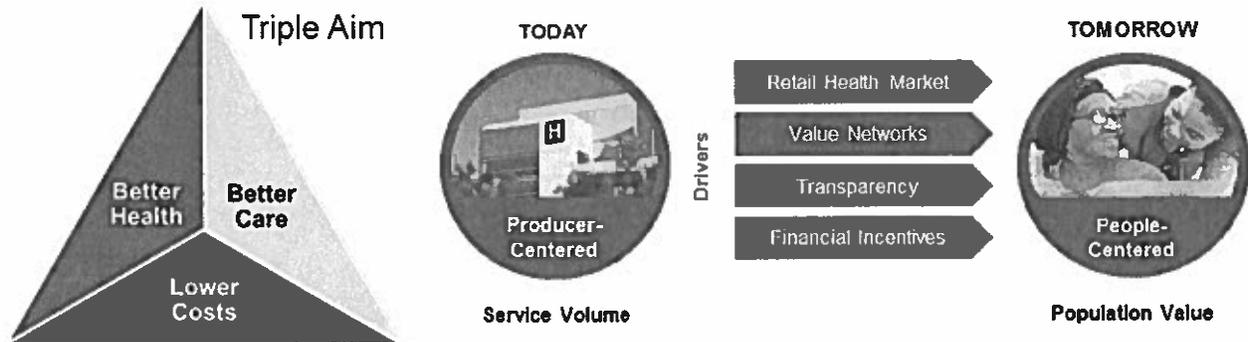


8. Gottlieb's percentage of the emergency department visits in Gottlieb Memorial Hospital's PSA has been increasing, as set forth in the below chart:

Hospital	ED Visits		Market Share	
	FY16	FY17	FY16	FY17
GMH	17,430	19,406	12.3%	13.3%
Westlake	14,383	14,929	10.1%	10.2%
Presence Res	17,067	16,740	12.0%	11.5%
Elmhurst	13,990	14,456	9.9%	9.9%
Rush Oak Park	12,722	12,810	9.0%	8.8%
LUMC	13,743	13,430	9.7%	9.2%
Community First	11,525	11,132	8.1%	7.6%
Advocate Lutheran	6,492	6,889	4.6%	4.7%
West Sub	5,741	5,519	4.0%	3.8%
Stroger	1,754	4,020	1.2%	2.8%
All Other	26,937	26,791	19.0%	18.3%
<b>Total</b>	<b>141,784</b>	<b>146,122</b>	<b>100%</b>	<b>100%</b>

**Identify the Existing Problems or Issues that need to be Addressed**

1. The health care delivery system is in the midst of a paradigm shift characterized by the transition to value-based health care. This model is centered on the triple aim goals of better health, better care, and lower cost.



2. Changes in standards of care, technology, reimbursement methodologies and expectations of health care consumers are driving new delivery models and models of care, shifting care from being Producer-Centered to People-Centered and delivering value. In order to be responsive to this shift, hospitals and health systems are developing and tailoring services and facilities that put the patient at the core of everything they do.

3. Demographic imperatives are also forcing a redesign of the health care system. Due to the aging of the baby boomer generation, older adults represent the fastest growing age group in the country. With the 65 and older population set to nearly double over the next few decades, people will be living longer. Management of associated chronic conditions, multiple comorbidities, and impaired functionality will continue to place increasing demands on health care systems. Managing chronic illness and care transitions from acute to post-acute to ambulatory settings has become a critical imperative requiring more resources, new approaches to care delivery, and a greater focus on wellness and prevention.

4. The current Emergency Department layout at Gottlieb Memorial Hospital is sub-optimal for patient throughput. Patients with non-emergent conditions are sent back and forth to the waiting area. Psychiatric patients currently remain in treatment bays awaiting transfer. The nursing station is not designed to host working Emergency Department clinical staff, Emergency Department ancillary staff, printers, EMS radios, patient supplies, and patient food. Multiple Emergency Department rooms are separated with only a curtain. The current driveway and Emergency Department parking area is shared between patients, visitors, ambulances, and supply trucks. The ambulance bay does not have sufficient spaces for the ambulance traffic. There are delays and scenarios where supply trucks have to back up in this area with the multiple different entities utilizing the same space. Medicare comprises the vast majority (70%) of Gottlieb's patient population, yet the current design is not geriatric-centric.

## **Cite the Sources of Information Provided as Documentation**

- Gottlieb Memorial Hospital Emergency data
- Illinois Hospital Association, COMPdata
- Claritas and US Census Bureau Data
- Hospital Profiles, Inventories and Other Data available on the Board's website
- Other health care literature regarding current health care trends

## **Detail how the Project will Address or Improve the Previously Referenced Issues as well as the Population's Health Status and Well-Being**

1. As set forth below, the proposed modernization of the Emergency Department will improve patient, patient satisfaction, and patient safety. The modernized Emergency Department will also allow Gottlieb to develop patient specific modules and allow Gottlieb to fully implement Trinity Healthcare's "People-Centered 2020 Strategic Plan" inside the Emergency Department.

2a. **Efficiency.** Gottlieb created a high-level value stream map to identify problem areas to be systematically addressed. This process uncovered issues with: (a) rework/non-value added steps; (b) long waits to see a physician; (c) delay in report processing (e.g. bed request to ED departure); and (d) long door to discharge times.

2b. The current layout is sub-optimal for patient throughput. Patients with non-emergent conditions are sent back and forth to the waiting area. The current model is for the nurse to remain in a makeshift cubicle area (non-HIPAA compliant) and the advanced practitioner to assess the patient in the triage area. The patient receives an assessment and is sent back to the waiting area.

2c. Split flow throughput allows the patient to reduce their time needed in a treatment bay. The patient is rapidly brought into the system, receives treatment and is forwarded onto an internal results pending area. This allows for reduced waiting room time and improved patient satisfaction. This will also reduce the left without being seen percentages.

2d. The new area will have a triage area that will open to a fast track area in which lower acuity patients will receive immediate assessment from a nurse practitioner. This will be in a HIPAA compliant environment and the nurse will maintain full visualization of the waiting area.

2e. Fast Track Treatment Area – keeps vertical patients vertical which improves flow and satisfaction. Vertical patients can be moved to internal waiting rooms while waiting for test results and discharge instructions to free up needed treatment bays for horizontal patients.

2f. Psychiatric patients currently remain in treatment bays awaiting transfer. The creation of a psychiatric holding area will allow the opening of treatment bays and will reduce the need for multiple sitters.

2g. The current nursing station is not designed to host working ED clinical staff, ED ancillary staff, printers, EMS radios, patient supplies, and patient food. The new space will create designated areas for these functions.

3. **Patient Experience.** Initiatives to improve the percentage of patients that leave without being seen over the last two years have been effective and the rate has dropped from a high of 10% to about 2% currently. There have also been improvements in "Overall ED Doctor Rating" which is now reaching targeted performance. Gottlieb still has opportunity to reach target for "Likelihood to Recommend" scores. These numbers are expected to improve even further once the modernization is completed.

4a. **Safety.** The new design will allow for improved safety of both colleagues and patients.

4b. There are no areas in the current emergency department that are designated as safe for psychiatric patients. There are numerous ligature risks, inability to separate patients from clinical items, inability to minimize escalating stimuli, and inability to cohort multiple low risk psychiatric patients.

4c. Rooms designed for safe containment of the acutely ill psychiatric patient including ligature reducing design and roll gates separating the patient from potentially harmful clinical equipment.

4d. Psychiatric holding area allowing for low risk patients to be housed and monitored utilizing only 1 sitter. This will also allow patients to be moved from the ED treatment bays to a safe area thus improving efficiency. This can reduce the need for sitters thus reducing the FTE utilization in the emergency department.

4e. Retractable headwalls to allow acute medical treatment rooms to convert to behavioral health treatment rooms by hiding medical equipment. Centralized remote monitoring of multiple beds will also reduce the need for one-to-one monitoring.

4f. Family counseling area does not have multiple areas for exit which can lead to staff entrapment with violent patients. The new area would be designed with psychiatric safety and 2 ways of egress from the area to promote colleague safety.

4g. Triage area does not have a line of sight of all patients in the waiting area. The new design will allow the triage room to survey the ED waiting area to provide information regarding the status of waiting patients and to react to safety events.

4h. The medication area is not separated from the main staff area and this creates unnecessary distractions for ED staff. Patient food is also stored in this area due to lack of space. A designated medication area would reduce distractions and address these issues.

4i. The line of sight for the main emergency room is obstructed for a number of the treatment rooms. There could be developing patient/visitor situations that do not allow for the physician or charge nurse to readily identify. An open model concept will improve visualization across the unit and transparent sound barriers will reduce noise, creating a calming setting (patient satisfaction).

4j. Multiple ED rooms are separated with only a curtain leading to infection control, patient safety, and privacy concerns. The new model will have each ED treatment bay separated by individual rooms.

4k. Patient registration area currently does not have method to prevent patients/visitors from jumping over their desks and gaining unauthorized entry into ED area. The new model will have special configuration that not allow for people to access the area in this manner.

4l. The current driveway and ED parking area is shared between patients, visitors, ambulances, and supply trucks. The ambulance bay does not have sufficient spaces for the ambulance traffic. There are delays and scenarios where supply trucks have to back up in this area with the multiple different entities utilizing the same space. The new design will separate patient, visitors, ambulance, and supply truck routes. This will allow for safer access to the ED and to the loading dock.

4m. The patient decontamination set up does not allow for safe decontamination of patients and could inadvertently expose internal hospital colleagues.

5a. **Senior ED Concept.** Medicare comprises the vast majority (70%) of Gottlieb's patient population. The current design is not geriatric-centric. Proper lighting is insufficient and the flooring is not skid/slip resistant. As the baby boomer generation ages, hospitals and health systems will need to cater to the unique needs of older patients. The current modernization plans include many design elements to support caring for this patient population:

- Reduce ambient noise; use of noise monitors.
- Provide non-glare, non-slip flooring.
- Paint walls with calming and warm colors.
- Equip beds with five-inch thick mattresses.
- New design will increase natural light for geriatric patients.
- The new design will allow for the reduction of distracting stimuli so that the geriatric patient can focus on their assessments and be educated about their condition/treatment plans.
- Provide large print materials and easy-to-read clocks.
- Easy access to blanket warmers.

5b. The modernization will differentiate and create a market-competitive ED that will promote efficiency and improved care giving. Most importantly, as a people-centered health ministry, these improvements are necessary in order to deliver the best possible care experience to Gottlieb's patients.

6a. **Trinity Health's People-Centered 2020 Strategic Plan.** Gottlieb, as part of the Loyola University Health System ("LUHS"), is a people-centered, faith-based, hospital with an organizational aim, aligned with the Trinity Health People-Centered 2020 Strategic Plan, to improve the health of the patients and communities served by Gottlieb by placing the patient at the center of everything.

6b. This Project will help Gottlieb achieve this vision by focusing on: Episodic Health Care Management for Individuals, Population Health Management, Community Health and Well-Being, and Academic Medicine.

6c. **Episodic Health Care Management for Individuals.** LUHS differentiates itself in the market via the delivery of integrated clinical programs, designed around the needs of patients and leveraging our unique capabilities as an academic health system. We offer a large ambulatory and physician network to allow coordination of care across all settings. Our clinical

programs are focused on delivering value - quality outcomes and a satisfying patient experience at a low cost.

6d. Population Health Management. LUHS is well positioned for managing the health of populations. LUHS's clinically integrated network - Loyola Physician Partners - delivers primary through quaternary care in a collaborative, team-based environment. LUHS is engaged in performance-based risk contracting with Medicare, Medicaid, and Blue Cross Blue Shield to deliver efficient and effective care to these populations.

6e. Community Health and Well-Being. LUHS is committed to providing access to tertiary care for the most vulnerable patients in its market through its charity care policies, managed Medicaid contracting, and community benefit ministry. LUHS is currently partnering with over thirty (30) faith-based, governmental, and community organizations as part of the Proviso Partners for Health – a community collaborative focused on improving the health status of the communities served by LUHS.

6f. Academic Medicine. LUHS' dedication to academic medicine provides patients with access to leading clinician-scientists, cutting-edge therapies and meaningful advanced technologies. LUHS is training the next generation of caregivers to provide people-centered care through over 60 graduate medical education programs. LUHS support focused areas of clinical research and outcomes research to improve care for patients at LUHS, within Trinity and across the nation.

6g. In the next 5 to 10 years, LUHS believes that its People-Centered Academic Health System will be: (i) a model for Catholic, Jesuit healthcare systems in the US; (ii) the employer of choice for high quality, values-driven healthcare professionals; (iii) part of one of the largest health systems in Chicago; (iv) the highest value academic medical center in Chicago; (v) the preferred provider for patients; (vi) the preferred provider for insurers; (vii) recognized for improving the health of our community; (viii) a model training site for health care professionals; and (ix) a leader in outcomes and population health research

6h. This Project will improve LUHS' ability to treat and triage episodic/emergent patients, improve accessibility by reducing wait times and increasing efficiency, and improve the health of the community that Gottlieb Memorial Hospital serves.

**Provide Goals with Quantified and Measurable Objectives with Specific Timeframes that Relate to Achieving the Stated Goals**

1. It is projected that 32,213 patients will be treated in the modernized Emergency Department in 2022 (i.e., the second year after the Emergency Department has been modernized).
2. The Applicants believe that the Project will decrease the door-to-discharge time for patients treated in the modernized Emergency Department to 124 minutes.
3. The Applicants believe that the Project will improve patient satisfaction. More specifically, the Applicants believe that the Project will increase the numbers of patients "likely to recommend" to 80.4%.

**Section III**  
**Attachment 13**  
**Criterion 1110.110(d), Alternatives to Proposed Project**

The Applicants considered four alternatives before electing to file this Application. As discussed below, the three alternatives reviewed with respect to this Project included: (1) the “do nothing” alternative; (2) reduce the level of services available in the Emergency Department; and (3) modernize the Emergency Department.

**Alternative No. 1: Do Nothing/Maintain the Status Quo**

As set forth herein, the Emergency Department has been experiencing increasing for its services. In fiscal year 2017, the Emergency Department had 26,477 patient visits, which represented a year over year of increase of 11.57%. Quite frankly, the Emergency Department has been experienced increased demand for the past decade. For example, in calendar year 2010, the Emergency Department had 4,176 ambulance runs. In calendar year 2017, the number of ambulance runs had increased by fifty eight percent (58%) to 6,580 ambulance runs. Forty percent (40%) of the patients that present to the Emergency Department have a behavioral health disorder (suicidal ideation, drug dependency, intoxication, etc.). On average, the Emergency Department has 400 hours of psychiatric holding time per month. Demographic imperatives are also forcing a redesign of the health care system. Due to the aging of the baby boomer generation, older adults represent the fastest growing age group in the country. With the 65 and older population set to nearly double over the next few decades, people will be living longer. Management of associated chronic conditions, multiple comorbidities, and impaired functionality will continue to place increasing demands on health care systems. Managing chronic illness and care transitions from acute to post-acute to ambulatory settings has become a critical imperative requiring more resources, new approaches to care delivery, and a greater focus on wellness and prevention.

Unfortunately, the current Emergency Department layout at Gottlieb Memorial Hospital is sub-optimal for patient throughput. Patients with non-emergent conditions are sent back and forth to the waiting area. Psychiatric patients currently remain in treatment bays awaiting transfer. The nursing station is not designed to host working Emergency Department clinical staff, Emergency Department ancillary staff, printers, EMS radios, patient supplies, and patient food. Multiple Emergency Department rooms are separated with only a curtain. The current driveway and Emergency Department parking area is shared between patients, visitors, ambulances, and supply trucks. The ambulance bay does not have sufficient spaces for the ambulance traffic. There are delays and scenarios where supply trucks have to back up in this area with the multiple different entities utilizing the same space. Medicare comprises the vast majority (70%) of Gottlieb’s patient population, yet the current design is not geriatric-centric.

Ultimately, this Alternative was rejected because Gottlieb needs to address the current state of Emergency Department at Gottlieb Memorial Hospital.

### **Alternative No. 2: Cosmetic Refresh**

Gottlieb also explored a “cosmetic” refresh of the Emergency Department, i.e., adding non-slip flooring, painting the walls with calming colors, refreshing the waiting room, purchasing new furniture, and purchasing new artwork. This Alternative would have preserved capital but would not address any of the core issues outlined in this Application. For this reason, this Alternative was rejected.

### **Alternative No. 3: Modernize the Emergency Department**

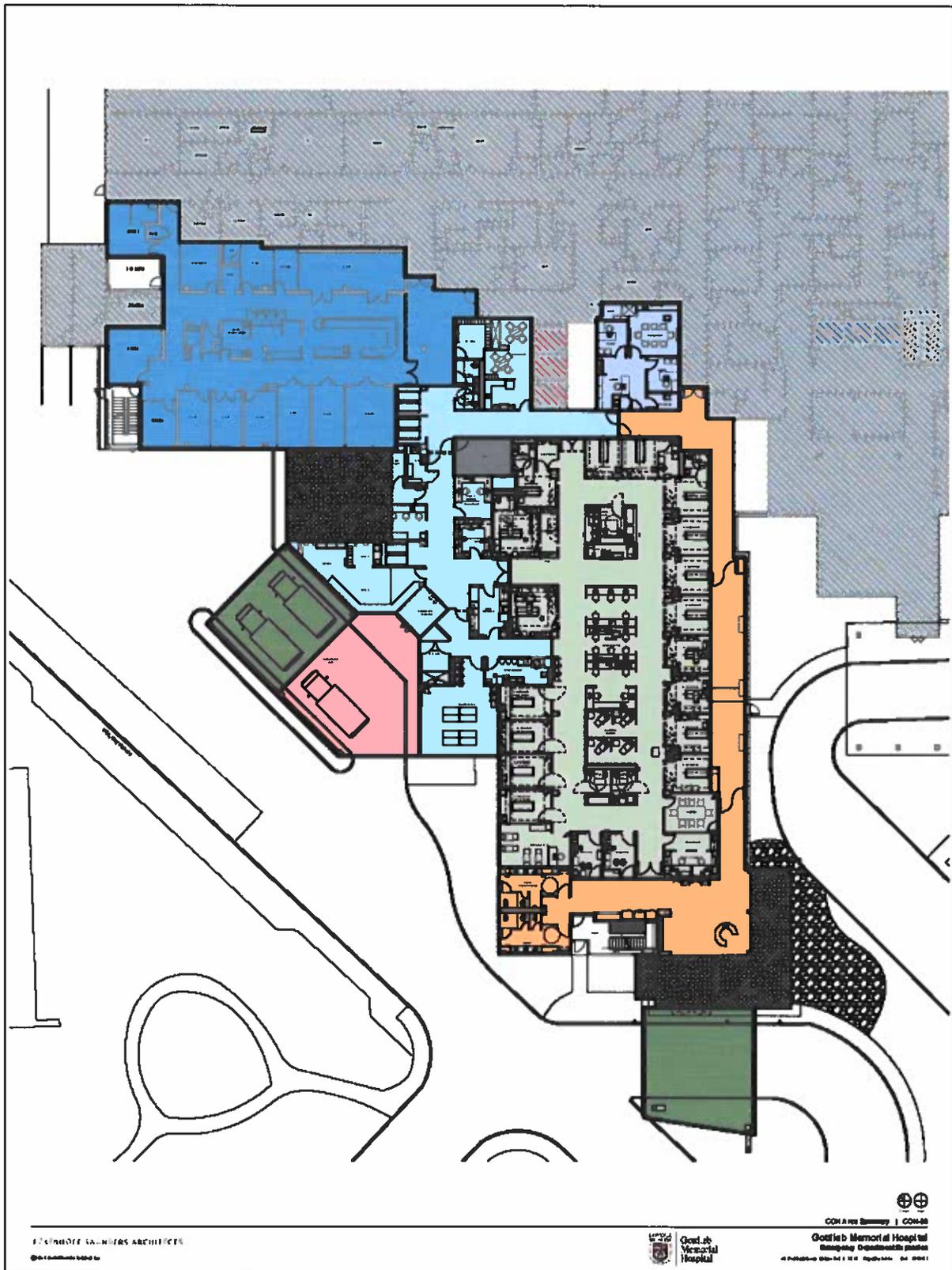
The Applicants chose this option for several reasons. Renovating the Emergency Department will drive significant benefit to multiple stakeholders. Patients visiting the newly renovated Emergency Department will enjoy a much warmer and inviting environment compared to the current condition of the Emergency Department. Patient satisfaction is expected to increase due to reduced wait times as a result of improved patient flow. The community of Melrose Park will benefit as a result of this Project and will have a new Emergency Department to receive care. In particular, the elderly community will benefit from the senior ED concepts being proposed in this project. The newly renovated Emergency Department will also enhance Gottlieb Memorial Hospital’s preparedness for potential catastrophic events. The amount of time that the Emergency Department is on bypass should also shrink due to increased throughput and this will also be a benefit to the community. Physicians will benefit from this project through a redesigned Emergency Department that supports efficient and lean workflows. Similar to patients, the built environment also had a positive impact on physician satisfaction. Improved safety of colleagues is a key component of this Project.

**Section IV**  
**Attachment 14**  
**Project Scope, Utilization, and Unfinished/Shell Space**  
**Criterion 1110.120(a), Size of Project**

The existing Emergency Department at Gottlieb Memorial Hospital has seventeen (17) treatment rooms. The modernized Emergency Department will also have seventeen (17) treatment rooms. The floor plan for the modernized Emergency Department is attached at ATTACHMENT 14. A detailed space program for the modernized Emergency Department is attached at ATTACHMENT 14.

The following chart summarizes the sizing analysis of the clinical and non-clinical portions of the new Emergency Department:

Sizing Analysis					
Department/Area	Rooms Proposed	Proposed GSF	State Standard GSF	Difference GSF	Meets State Standard?
<b>Clinical Space</b>					
Emergency Department	17 treatment rooms (plus clinical support space)	8,215 DGSF			
Total Clinical Space		8,215 DGSF	900 DGSF per treatment room  17*900 = 15,300 DGSF	7,085 DGSF Below State Norm	Yes
<b>Non-Clinical Space</b>					
Emergency Department (non-clinical support space)		5,630 DGSF			
Office Relocations		810 DGSF			
Public/Circulation		4,200 DGSF			
Mechanical/Electrical		200 DGSF			
Canopy		3,575 DGSF			
Unassigned		5,775 DGSF			
Total Non-Clinical Space		20,190 DGSF	No Standard	N/A	N/A
Total Space		28,405 DGSF			N/A



**GOTTLIEB MEMORIAL HOSPITAL**  
**CON - Square Footage Summary**

<b>DEPARTMENT</b>	<b>NEW</b>	<b>MODERNIZATION</b>
<b>CLINICAL</b>		
Emergency Department	8,215	8,215
<b>TOTAL</b>	<b>8,215</b>	<b>8,215</b>
<b>NON-CLINICAL</b>		
Emergency Department Support	890	4,740
Office Relocations		810
Public / Circulation	1,065	3,135
Mechanical / Electrical		200
Canopy	2,200	1,375
Unassigned		5,775
<b>TOTAL</b>	<b>4,155</b>	<b>16,035</b>
	<b>GRAND TOTAL</b>	<b>28,405</b>

**Section IV**  
**Attachment 15**  
**Criterion 1110.120(b), Project Services Utilization**

The existing Emergency Department at Gottlieb Memorial Hospital has seventeen (17) treatment rooms. The new Emergency Department will also have seventeen (17) treatment rooms.

The Emergency Department is a community based emergency department serving nearly 27,000 patients on an annual basis and has seen increased patient demand for services. More specifically, in fiscal year 2016, the Emergency Department had 23,732 patient visits. In fiscal year 2017, the Emergency Department has 26,477 patient visits, which represents a year over year of increase of 11.57%. Quite frankly, the Emergency Department has been experienced increased demand for the past decade. For example, in calendar year 2010, the Emergency Department had 4,176 ambulance runs. In calendar year 2017, the number of ambulance runs had increased by fifty eight percent (58%) to 6,580 ambulance runs.

Although it is difficult to precisely state why the emergency department visits have increased so rapidly at Gottlieb Memorial Hospital over the past few years, the data suggests that the Affordable Care Act and the aging population of the residents in Gottlieb Memorial Hospital's primary service area were the two primary contributing factors. Those two factors are not expected to change in the near future. Indeed, the population over 65 years of age Gottlieb Memorial Hospital's primary service area (as a percentage of the total population) is expected to increase by another 15% over the next five years.

In order to size the future demand for emergency services at Gottlieb Memorial Hospital, Gottlieb reviewed its own past data (i.e., 11.57% growth in emergency department visits between 2016 and 2017), reviewed various population and volume projections developed by third party services like Truven Health Analytics (which showed a more modest growth rate), and reviewed the other recent CON applications filed by hospitals modernizing or expanding their emergency departments. See, e.g., Project No. 16-043 (a 6.0% growth rate predicted by Rush Oak Park Hospital in its CON Application to modernize and expand its Emergency Department).

Ultimately, Gottlieb applied a four percent (4%) growth rate. The following table summarizes the projected utilization of the new Emergency Department at Gottlieb Memorial Hospital.

Gottlieb Memorial Hospital Projected Utilization Emergency Department					
Year	Emergency Department Visits	Growth in Emergency Department Visits	Number of Treatment Stations	State Utilization Standard  (2,000 Visits per ED Treatment Room)	Meets State Norm?
2016	23,732		17	$23,732/2,000 = 11.87$ Which Rounds Up to 12	No
2017	26,477	11.57%	17	$26,477/2,000 = 13.24$ Which Rounds Up to 14	No
2018 Projected	27,536	4%	17	$27,536/2,000 = 13.77$ Which Rounds Up to 14	No
2019 Projected	28,638	4%	17	$28,638/2,000 = 14.32$ Which Rounds Up to 15	No
2020 Projected (New ED Opens)	29,783	4%	17	$29,783/2,000 = 14.89$ Which Rounds Up to 15	No
2021 Projected	30,974	4%	17	$30,974/2,000 = 15.49$ Which Rounds Up to 16	No
2022 Projected	32,213	4%	17	$32,213/2,000 = 16.11$ Which Rounds Up to 17	Yes

Thus, the number of proposed Emergency Department treatment stations satisfies the state norms.

**Section IV**  
**Attachment 15**  
**Criterion 1110.120(e), Project Assurances**

See Utilization Affidavit of Lori Price, attached as ATTACHMENT 15.



**Gottlieb  
Memorial  
Hospital**

August 16, 2018

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: Criterion 1110.120(e), Utilization Assurance

Dear Mr. Constantino:

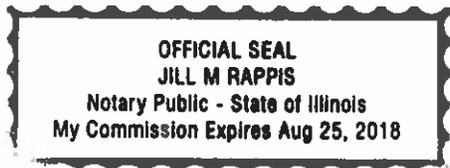
Pursuant to 77 Ill. Admin. Code § 1110.120(e), I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, that Gottlieb Memorial Hospital (“Gottlieb Memorial”) will achieve and maintain the utilization standards set forth in Section 1110, Appendix B (i.e., a minimum of 2,000 visits per Emergency Department station by the end of the second year following the completion of the modernization of Gottlieb Memorial’s Emergency Department) if the Illinois Health Facilities and Services Review Board approves Gottlieb Memorial’s Certificate of Need Application to modernize its Emergency Department.

Sincerely,

  
\_\_\_\_\_  
Lori Price, FACHE, MSA, RN  
President

SUBSCRIBED AND SWORN  
to before me this 17<sup>th</sup> day  
of August, 2018.

  
\_\_\_\_\_  
Notary Public



*We also treat the human spirit.\**

**Section VI**  
**Attachment 31**  
**Specific Service Review Criteria**  
**Clinical Service Areas Other Than Categories of Service**  
**Criterion 1110.270**

**Criterion 1110.270(a), Introduction**

The proposed Project does not involve any designated categories of service recognized by the Review Board. However, an emergency department is considered a "Clinical Service Area" and, any modernizations to an emergency department, is subject to review by the Board.

**Criterion 1110.270(c)(1), Service Modernization (Deteriorated Facility)**

As set forth in this Application, a modernized Emergency Department is absolutely necessary at Gottlieb Memorial Hospital. The existing Emergency Department at Gottlieb Memorial Hospital, which was built in 1961, is outdated. The proposed Project will improve patient experience and quality, provide a consumer-focused alternative to "retail" healthcare, increase efficiency and reduce wait times, and increase flexibility to quickly scale up for peak periods of demand.

See Criterion 1110.110(b) (Identify the Existing Problems or Issues that Need to be Addressed) and (Detail How the Project will Address or Improve the Previously Referenced Issues as well as the Population's Health Status and Well-Being) in support of this Criterion.

**Criterion 1110.270(c)(3), Service Modernization (Utilization)**

The existing Emergency Department at Gottlieb Memorial Hospital has seventeen (17) treatment rooms. The modernized Emergency Department will also have seventeen (17) treatment rooms.

See Criterion 1110.234(a)(Size of Project) and Criterion 1110.234(b)(Project Services Utilization) in support of this Criterion.

**Section VII**  
**Attachment 34**  
**Availability of Funds**  
**Criterion 1120.120**

Gottlieb and Gottlieb Memorial Foundation, an Illinois not-for-profit corporation (the "Gottlieb Foundation"), have entered into that certain Project Funding Agreement, as amended (the "Funding Agreement"), pursuant to which the Gottlieb Foundation has agreed to provide up to \$15,800,000 in cash to Gottlieb to fund the entire cost of the modernization of the Emergency Department at Gottlieb Memorial Hospital.

It also bears noting that Trinity Health Corporation ("Trinity"), the ultimate sponsor/member of Gottlieb, was holding over \$1 billion in cash and cash equivalents as March 31, 2018, and enjoys a "AA3" bond rating from Moody's Investors Service and an "AA-" bond rating from Fitch's Rating. See ATTACHMENT 34.

Thus, Gottlieb will have sufficient cash available to fund this Project.

# GOTTLIEB MEMORIAL FOUNDATION

June 20, 2018

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Re: Criterion 1120.120. Funding Commitment and Available Funds Certification

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1120.120, as follows:

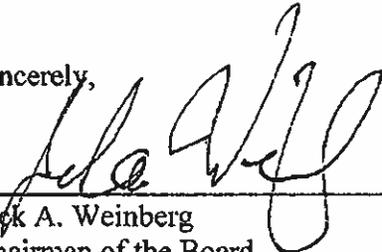
(1) I am the Chairman of the Board of Gottlieb Memorial Foundation, an Illinois not-for-profit corporation ("GMF").

(2) GMF and Gottlieb Memorial Hospital, an Illinois not-for-profit corporation, ("GMH"), have entered into that certain Project Funding Agreement, as amended (the "Funding Agreement"), pursuant to which GMF has agreed to fund the modernization of the Emergency Department at Gottlieb Memorial Hospital (the "Project").

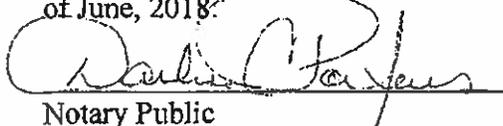
(3) Pursuant to the Funding Agreement, GMF has agreed to provide up to \$15,800,000 in cash to GMH to fund the cost of the Project.

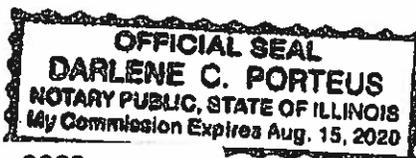
(4) GMF has sufficient and readily accessible cash and cash equivalents to fund GMF's financial commitment to the Project.

Sincerely,

  
\_\_\_\_\_  
Jack A. Weinberg  
Chairman of the Board  
Gottlieb Memorial Foundation

SUBSCRIBED AND SWORN  
to before me this 21<sup>st</sup> day  
of June, 2018:

  
\_\_\_\_\_  
Notary Public



0083

Attachment

34

# FitchRatings

## Fitch Rates Trinity Health Credit Group's (MI) Ser 2017 Rev Bonds 'AA-'; Outlook Stable

Fitch Ratings-New York-28 November 2017: Fitch Ratings has assigned 'AA-' ratings to the following revenue bonds expected to be issued on behalf of Trinity Health Credit Group (Trinity):

--\$771,445 million Michigan Finance Authority fixed-rate revenue bonds series 2017MI-2;

--\$42,965 million Idaho Health Facilities Authority fixed-rate revenue bonds series 2017ID-2;

--\$76,050 million Franklin County, OH, fixed-rate revenue bonds series 2017OH-2;

--\$157,710 million taxable fixed-rate revenue bonds series 2017.

In addition, Fitch has affirmed the 'AA-' long-term rating on Trinity's approximately \$5.2 billion of outstanding rated debt. Also, Fitch has affirmed Trinity's Short-term 'F1+' rating on approximately \$1.0 billion of variable rate debt and inclusive of the system's authorized commercial paper (CP) program supported by self-liquidity currently rated by Fitch.

The Rating Outlook remains Stable.

All of the series 2017 bonds are expected to be structured as traditional fixed-rate debt. Bond proceeds will be used to reimburse Trinity for approximately \$250 million of prior capital spending, fund approximately \$300 million in acquisition funding associated with the acquisition of MacNeal Hospital, and to refund/restructure \$540 million of bonds (Series 2009A IN, 2012A PA, 2012A FL, 2010 CT, 2010A PA, 2011IL, 2010B IN, 2010E OR, 2008A-2, and 2012A NC bonds), and pay the costs of issuance. The bonds are expected to

price via negotiation the week of Dec. 4, 2017. Pro forma maximum annual debt service (MADS) is \$396 million.

## SECURITY

Trinity Health has a restricted affiliate structure. The bonds are general unsecured obligations of the Trinity Health Credit Group. The master indenture provides for security interests in 'pledged property' of members at the obligated group and certain designated affiliates with pledged property including: all receipts, revenues, income and other moneys received, and including rights to receive accounts and health care insurance receivables. The Trinity Health parent is the only member of the obligated group. Most hospital ministries are designated affiliates.

## KEY RATING DRIVERS

**IMPROVING OPERATING MARGINS:** The rating affirmation recognizes Trinity's improving operating margins in fiscal 2017 (full year audited results through June 30, 2017), with an operating margin of 1.3%, which, while still light compared to longer term historical margins, is a notable improvement over fiscal 2016's 0.6% operating margin. Trinity Health's first quarter results (three month results through Sept. 30, 2017) show a continuation of this trend with an operating margin of 1.8%. Beginning last year with Trinity's TO (Transforming Operations) initiatives, which realized \$421 million of improvement in fiscal 2017, management has continued their comprehensive improvement efforts which Fitch expects will continue to drive incremental operating margin improvement in the coming years.

**LARGE, GEOGRAPHICALLY DIVERSE SYSTEM:** Trinity Health Credit Group is a very large healthcare system with hospital operations in more than 20 states. Fitch views this geographic diversity as a primary credit strength that helps insulate the organization from challenges in any individual market.

**MODERATE LIQUIDITY:** Trinity's liquidity ratios are somewhat modest at the 'AA-' rating level, but have also shown incremental year over year improvement. Based on unaudited first quarter fiscal 2018 (unaudited results through Sept., 30, 2017) financial statements (and including the series 2017

financing and cash reimbursement), pro forma days' cash on hand is 190 days and cash-to-debt is 124%. While both lag 'AA' medians, they are both very comparable to fiscal 2016's days' cash on hand and cash-to-debt metrics, even with the new debt associated with this issuance.

**MIXED DEBT RATIOS:** Trinity's debt burden remains manageable with pro forma MADS equating to 2.2% of fiscal 2018 first quarter total revenues. Pro forma MADS coverage from EBITDA is 6.8x and pro forma debt to capitalization of 36.9%, with coverage and debt burden at or above our 'AA' medians, but leverage below our 'AA' medians.

## RATING SENSITIVITIES

**PROFITABILITY IMPROVEMENT:** The Stable Outlook reflects Fitch's belief that Trinity Health Credit Group's will continue to improve operating margins to more historical levels and future goals of around 3%, and gradually strengthen liquidity over time. An inability to continue the recent gains on performance improvement initiatives could pressure the rating, as could any significant addition of debt or diminution of unrestricted liquidity.

## CREDIT PROFILE

Trinity is one of the largest nonprofit healthcare systems in the U.S. The system owns or operates 93 hospitals in 22 states, 122 continuing care facilities - including home care, hospice, PACE and senior living facilities - that provide services to nearly 6.0 million people annually. In addition, Trinity Health employs more than 131,000 individuals, including 7,500 employed physicians. In fiscal 2017, Trinity recorded total operating revenues of more than \$17.6 billion.

## IMPROVING OPERATING MARGINS

Trinity Health has remained profitable over the long term, and is now seeing their transformational initiatives positively impact the bottom line. Trinity Health produced an improved operating margin in fiscal 2017 of 1.3%, compared to fiscal 2016's 0.6% operating margin. More encouraging are first quarter results of fiscal 2018, showing Trinity Health with an operating margin

of 1.8%, lending credence that their turnaround initiatives and strategies have gained sustainable traction and momentum. Trinity Health is on a journey to regain historic levels of operating profitability of around a 3.0% operating margin, which it expects to achieve in fiscal 2020. (Note: Trinity Health's operating revenues and expenses are adjusted to exclude one-time items).

Trinity Health's management attributes the operating improvements seen in fiscal 2017 to their TO (Transforming Operations) initiatives, in the traditional areas of volume growth (particularly outpatient), commercial rate increases, and gains from Trinity's continued efforts to transform operations, including Lean processes, improved labor productivity, and reduced overtime pay. Trinity Health realized \$421 million of savings in fiscal 2017 and will continue these efforts in fiscal 2018, with an estimate TO initiative savings expected at \$355 million.

While Trinity Health's TO initiatives are clearly having the intended positive impact on the organization, the industry-wide issues of slowly deteriorating payor mixes, increased pharmaceutical and supply costs, on-going wage pressures, and the ever-present challenges and costs of shifting to value-based reimbursement models and away from more traditional fee-for-service. In order to meet industry challenges, Trinity Health has launched the Trinity Health Leadership System to focus on operational management, growth and innovation.

Trinity Health's CFO, Ben Carter, who had transitioned to an operational function as EVP of the East Region, is back as full-time CFO of the organization. In addition, Mike Slubowski (former President and CEO of SCL Health) has rejoined Trinity Health as President and Chief Operating Officer. Fitch views both moves as highly accretive to the organization. In addition, it is Fitch's opinion that Trinity Health has excellent succession ability with a strong and diverse group of manager and operations experts throughout the larger system.

## LARGE, GEOGRAPHICALLY DIVERSE SYSTEM

Trinity Health Credit Group is a very large healthcare system with hospital operations in more than 20 states in the U.S. In fiscal 2017, Trinity recorded

more than \$17.6 billion in operating revenue. Fitch views the system's size, scope of operations, and geographic diversity as primary credit strengths that helps insulate the organization from adverse economic events that could affect negatively any individual market.

Only a couple of Trinity Regional Health Ministries (RHMs) produced notably thin margins in fiscal 2017, including Loyola University Health System and Mercy in Chicago and Trinity Health's New Jersey assets. Other RHM's are still in need of operational improvement, although fiscal 2018 indicates that those RHM's are beginning to show improvement, and are not viewed at this time as a rating concern.

Predictably for a system of Trinity's size and scope, the system is regularly involved in acquisition and divestiture strategies. Recent acquisitions include the following: Saint Mary's Health System in Waterbury, CT (Aug. 2016), Saint Francis Care in Hartford, CT (Oct. 2015) and Saint Joseph's Hospital Center in Syracuse, NY (July 2015). Recent divestitures include the following: from Nov. 2015 to May 2016, Trinity sold Saint Michael's Medical Center in Newark, NJ to Prime Healthcare (Saint Michael's had sought bankruptcy protection in Aug. 2015); in Sept. 2015, Trinity sold St. Joseph Mercy Port Huron (MI) to Prime; and in Feb. 2016, Trinity sold Mercy Suburban (PA) to Prime. Similar to past divestitures, Trinity Health has signed a letter of Intent to sell Lourdes (NJ) and St. Francis (NJ) to Cooper University Health System.

## MODERATE LIQUIDITY

Trinity's liquidity ratios remain somewhat modest for a 'AA-' rated health system. Based on unaudited Sept. 30, 2017 financial statements (and including the series 2017 financing and associated cash reimbursement), pro forma cash on hand measures 190 days ('AA' median is 254 days) and cash-to-debt measures 124% ('AA' median is 201%).

Trinity maintains a deep treasury management bench and employs sophisticated investment strategies. At fiscal year-end 2017, Trinity's investments were allocated among a diversified mix of cash and fixed income (30%), equities (54%), and alternative investments such as hedge funds and private equity (16%).

## MIXED DEBT RATIOS

Trinity Health's debt burden remains manageable with pro forma MADS equating 2.2% of fiscal 2018 first quarter total revenues ('AA' median is 2.2%). After the issuance of \$550 million of fixed-rate series 2017 bonds (approximately half of which is acquisition financing, the other half is reimbursement for prior capital expenditures), Trinity will have approximately \$7.0 billion of debt. Approximately 75% of debt will be fixed-rate and 25% variable rate. Variable rate debt is spread among CP, variable rate demand bonds (VRDBs) in CP mode, VRDBs in weekly and term rate modes, floating rate notes, and direct bank placements with multiple banks.

Pro forma debt coverage ratios are modest for the 'AA-' rating category. Based on fiscal 2018 first quarter results and including the series 2017 financing, pro forma MADS coverage from EBITDA is 6.8x ('AA' median is 5.7x), debt-to-EBITDA is 2.6 ('AA' median is 2.7x), and debt-to-capitalization is 36.9% ('AA' median is 27.9%).

Notably, Trinity Health has significantly reduced its unfunded pension liability compared to last year. Trinity Health's pension plan is 83% funded on a PBO status, and the unfunded liability improved to \$1.28 billion in 2017 from \$1.8 billion in 2016. Trinity Health's pension plan is frozen, and over time, the pension exposure will continue to ameliorate.

## 'F1+' SELF LIQUIDITY RATING

The 'F1+' rating reflects the adequacy of Trinity's internal liquidity resources as well as its size, sophistication and market access to meet optional and mandatory tenders presented by its VRDB and CP programs. Liquidity resources include highly liquid, highly rated investments and dedicated bank liquidity facilities which are discounted based on Fitch's criteria. At Oct. 31, 2017, Trinity maintained highly liquid resources to cover the maximum mandatory put exposure on any given date in excess of Fitch's criteria of a minimum of 1.25x.

## DISCLOSURE

Trinity covenants to disclose publicly annual and quarterly financial information. Quarterly financial statements are to be posted publicly within 90 days of the quarter-end and the audit is to be posted within 150 days of the fiscal year-end. Quarterly and year-end disclosure documents include balance sheet, income statement, statement of changes in net assets, cash flow statement, detailed notes supporting the financial statements, and a summary of the quarter's performance. Trinity posts statements on EMMA.

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**Applicable Criteria**

Rating Criteria for Public Sector Revenue-Supported Debt (pub. 05 Jun 2017)  
(<https://www.fitchratings.com/site/re/898969>)

U.S. Nonprofit Hospitals and Health Systems Rating Criteria (pub. 09 Jun 2015) (<https://www.fitchratings.com/site/re/866807>)

U.S. Public Finance Short-Term Debt Rating Criteria (pub. 01 Nov 2017) (<https://www.fitchratings.com/site/re/905637>)

### **Additional Disclosures**

Dodd-Frank Rating Information Disclosure Form

(<https://www.fitchratings.com/site/dodd-frank-disclosure/1032970>)

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# Trinity Health

Consolidated Financial Statements as of and for the  
years ended June 30, 2017 and 2016,  
Supplemental Consolidating Schedules as of and for  
the Year Ended June 30, 2017,  
and Independent Auditors' Reports

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Trinity Health Corporation  
Livonia, Michigan

We have audited the accompanying consolidated financial statements of Trinity Health Corporation and its subsidiaries (the "Corporation") which comprise the consolidated balance sheets as of June 30, 2017 and 2016, and the related consolidated statements of operations and 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; 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 did not audit the consolidated financial statements of Baycare Health System, the Corporation's investment which is accounted for by the use of the equity method. The accompanying consolidated financial statements of the Corporation include its investment in the net assets of Baycare Health System of \$2.4 billion and \$2.1 billion as of June 30, 2017, and 2016, respectively, and its equity method income from Baycare Health System of \$360.1 million and \$145.0 million for the years ended June 30, 2017 and 2016, respectively. The consolidated financial statements of Baycare Health System for the years ended December 31, 2016 and 2015, were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Baycare Health System, is based on the reports of the other auditors and the procedures that we considered necessary in the circumstances with respect to the inclusion of the Corporation's equity investment and equity method income in the accompanying consolidated financial statements taking into consideration the differences in fiscal years. 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 auditor's 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 Corporation'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 Corporation'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, based on our audits and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2017 and 2016, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Deloitte & Touche LLP*

September 27, 2017

# TRINITY HEALTH

## CONSOLIDATED BALANCE SHEETS

JUNE 30, 2017 AND 2016

(In thousands)

ASSETS	2017	2016
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 1,008,197	\$ 1,044,683
Investments	3,526,204	3,617,501
Security lending collateral	332,972	262,035
Assets limited or restricted as to use - current portion	328,712	314,706
Patient accounts receivable, net of allowance for doubtful accounts of \$428.9 million and \$385.2 million at June 30, 2017 and 2016, respectively	1,877,860	1,849,736
Estimated receivables from third-party payors	260,856	248,179
Other receivables	360,051	336,705
Inventories	274,830	248,092
Prepaid expenses and other current assets	172,051	212,008
Assets held for sale	-	64,272
<b>Total current assets</b>	<b>8,141,733</b>	<b>8,197,917</b>
<b>ASSETS LIMITED OR RESTRICTED AS TO USE - noncurrent portion:</b>		
Held by trustees under bond indenture agreements	7,139	4,881
Self-insurance, benefit plans and other	823,948	780,102
By Board	3,709,246	2,959,641
By donors	460,491	409,493
<b>Total assets limited or restricted as to use - noncurrent portion</b>	<b>5,000,824</b>	<b>4,154,117</b>
PROPERTY AND EQUIPMENT - Net	7,853,456	7,676,734
INVESTMENTS IN UNCONSOLIDATED AFFILIATES	3,105,173	2,681,778
GOODWILL	301,043	304,845
OTHER ASSETS	336,854	363,480
<b>TOTAL ASSETS</b>	<b>\$ 24,739,083</b>	<b>\$ 23,378,871</b>

<b>LIABILITIES AND NET ASSETS</b>	<b>2017</b>	<b>2016</b>
<b>CURRENT LIABILITIES:</b>		
Commercial paper	\$ 99,861	\$ 145,958
Short-term borrowings	1,039,840	1,067,730
Current portion of long-term debt	192,680	106,345
Accounts payable and accrued expenses	1,404,413	1,361,438
Salaries, wages and related liabilities	820,014	861,757
Payable under security lending agreements	332,972	262,035
Estimated payables to third-party payors	331,585	374,014
Current portion of self-insurance reserves	269,874	255,552
Liabilities held for sale	-	67,453
<b>Total current liabilities</b>	<b>4,491,239</b>	<b>4,502,282</b>
<b>LONG-TERM DEBT - Net of current portion</b>	<b>5,269,862</b>	<b>5,132,377</b>
<b>SELF-INSURANCE RESERVES - Net of current portion</b>	<b>980,624</b>	<b>933,362</b>
<b>ACCRUED PENSION AND RETIREE HEALTH COSTS</b>	<b>1,315,991</b>	<b>1,857,639</b>
<b>OTHER LONG-TERM LIABILITIES</b>	<b>695,940</b>	<b>705,998</b>
<b>Total liabilities</b>	<b>12,753,656</b>	<b>13,131,658</b>
<b>NET ASSETS:</b>		
Unrestricted net assets	11,282,433	9,576,379
Noncontrolling ownership interest in subsidiaries	173,703	186,595
<b>Total unrestricted net assets</b>	<b>11,456,136</b>	<b>9,762,974</b>
Temporarily restricted net assets	345,974	326,651
Permanently restricted net assets	183,317	157,588
<b>Total net assets</b>	<b>11,985,427</b>	<b>10,247,213</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 24,739,083</b>	<b>\$ 23,378,871</b>

The accompanying notes are an integral part of the consolidated financial statements.

# TRINITY HEALTH

## CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS YEARS ENDED JUNE 30, 2017 AND 2016 (In thousands)

	2017	2016
<b>UNRESTRICTED REVENUE:</b>		
Patient service revenue, net of contractual and other allowances	\$ 15,747,094	\$ 14,718,528
Provision for bad debts	(548,965)	(489,558)
Net patient service revenue less provision for bad debts	15,198,129	14,228,970
Premium and capitation revenue	1,039,749	869,030
Net assets released from restrictions	39,826	36,352
Other revenue	1,350,141	1,204,695
Total unrestricted revenue	17,627,845	16,339,047
<b>EXPENSES:</b>		
Salaries and wages	7,594,863	7,056,453
Employee benefits	1,510,144	1,457,253
Contract labor	242,018	205,916
Total labor expenses	9,347,025	8,719,622
Supplies	2,880,802	2,676,637
Purchased services	2,059,267	1,889,460
Depreciation and amortization	870,289	835,213
Occupancy	744,444	698,198
Medical claims	417,054	414,648
Interest	207,152	195,829
Other	835,673	758,103
Total expenses	17,361,706	16,187,710
<b>OPERATING INCOME BEFORE OTHER ITEMS:</b>	266,139	151,337
Asset impairment charges	(248,070)	(39,623)
Restructuring costs	(36,184)	-
Premium revenue adjustment	-	(65,335)
<b>OPERATING (LOSS) INCOME</b>	(18,115)	46,379
<b>NON OPERATING ITEMS:</b>		
Investment earnings (losses)	859,934	(199,326)
Equity in earnings of unconsolidated affiliates	376,642	162,075
Change in market value and cash payments of interest rate swaps	52,955	(94,783)
Gain (loss) from early extinguishment of debt	792	(43,056)
Inherent contributions related to acquisitions	65,103	133,355
Inherent contributions related to acquisitions - unconsolidated organizations	-	87,170
Other, including income taxes	(488)	(2,011)
Total nonoperating items	1,354,938	43,424
<b>EXCESS OF REVENUE OVER EXPENSES</b>	1,336,823	89,803
<b>EXCESS OF REVENUE OVER EXPENSES ATTRIBUTABLE TO NON CONTROLLING INTEREST</b>	(45,599)	(48,460)
<b>EXCESS OF REVENUE OVER EXPENSES, net of noncontrolling interest</b>	\$ 1,291,224	\$ 41,343

	<u>2017</u>	<u>2016</u>
<b>UNRESTRICTED NET ASSETS:</b>		
Unrestricted net asset attributable to Trinity Health:		
Excess of revenue over expenses	\$ 1,291,224	\$ 41,343
Net assets released from restrictions for capital acquisitions	37,695	28,031
Net change in retirement plan related items - consolidated organizations	372,579	(838,812)
Net change in retirement plan related items - unconsolidated organizations	4,123	8,544
Other	8,165	12,396
Increase (decrease) in unrestricted net assets before discontinued operations	<u>1,713,786</u>	<u>(748,498)</u>
Discontinued operations:		
Gain (loss) from operations	4,919	(56,165)
(Loss) gain on disposals and settlement of debt	(12,651)	106,765
Increase (decrease) in unrestricted net assets attributable to Trinity Health	<u>1,706,054</u>	<u>(697,898)</u>
Unrestricted net asset attributable to noncontrolling interests:		
Excess of revenue over expenses attributable to noncontrolling interests	45,599	48,460
Noncontrolling interests related to acquisitions	2,500	29,272
Dividends	(52,190)	(42,133)
Other	(8,801)	(45)
(Decrease) increase in unrestricted net assets attributable to noncontrolling interests before discontinued operations	<u>(12,892)</u>	<u>35,554</u>
Discontinued operations attributable to noncontrolling interests:		
Income from operations	-	47
(Decrease) increase in unrestricted net assets attributable to noncontrolling interests	<u>(12,892)</u>	<u>35,601</u>
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>		
Contributions	83,378	84,422
Net investment gain (loss)	17,140	(9,165)
Net assets released from restrictions	(77,521)	(64,383)
Acquisitions	2,874	38,669
Other	(6,548)	1,442
Increase in temporarily restricted net assets	<u>19,323</u>	<u>50,985</u>
<b>PERMANENTLY RESTRICTED NET ASSETS:</b>		
Contributions for endowment funds	1,805	3,763
Net investment gain	7,892	1,361
Acquisitions	16,960	56,411
Other	(928)	1,084
Increase in permanently restricted net assets	<u>25,729</u>	<u>62,619</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>1,738,214</u>	<u>(548,693)</u>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>10,247,213</u>	<u>10,795,906</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 11,985,427</u>	<u>\$ 10,247,213</u>

The accompanying notes are an integral part of the consolidated financial statements.

# TRINITY HEALTH

## CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2017 AND 2016

(In thousands)

	2017	2016
<b>OPERATING ACTIVITIES:</b>		
Increase (decrease) in net assets	\$ 1,738,214	\$ (548,693)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	870,289	835,213
Provision for bad debts	548,965	489,558
Asset impairment charges	248,070	39,623
Restructuring costs, net of payments	23,484	-
Inherent contributions related to acquisitions	(65,103)	(133,355)
Inherent contributions related to acquisitions - unconsolidated organizations	-	(87,170)
(Gain) loss on extinguishment of debt	(792)	43,056
Change in net unrealized and realized gains on investments	(822,835)	267,459
Change in market values of interest rate swaps	(71,236)	72,950
Undistributed equity in earnings of unconsolidated affiliates	(407,057)	(184,225)
Deferred retirement items - consolidated organizations	(372,579)	838,812
Deferred retirement items - unconsolidated organizations	(4,123)	(8,544)
Noncash items, including net losses (gains) on disposal - discontinued operations	10,280	(88,595)
Increase in noncontrolling interests related to acquisitions	(2,500)	(29,272)
Restricted contributions and investment income received	(9,516)	(22,148)
Restricted net assets acquired	(19,834)	(95,080)
Other adjustments	34,412	11,860
Changes in:		
Patient accounts receivable	(536,942)	(525,800)
Other assets	(5,346)	2,430
Accounts payable and accrued expenses	(84,096)	199,364
Estimated receivables from third-party payors	(12,678)	(46,375)
Estimated payables to third-party payors	(48,914)	10,809
Self-insurance reserves and other liabilities	55,325	(5,107)
Accrued pension and retiree health costs	(256,668)	(159,797)
Total adjustments	(929,394)	1,425,666
Net cash provided by operating activities	808,820	876,973

	<u>2017</u>	<u>2016</u>
<b>INVESTING ACTIVITIES:</b>		
Purchases of investments	(3,446,670)	(3,373,316)
Proceeds from sales of investments	3,574,923	3,471,276
Purchases of property and equipment	(1,113,262)	(977,362)
Proceeds from disposal of property and equipment	8,094	19,784
Net cash acquired from acquisitions	5,610	100,807
Proceeds from the sale of divestitures	8,989	37,487
Change in investments in unconsolidated affiliates	(16,410)	(9,659)
Net repayments from (loans to) affiliates	6,108	(34,100)
Decrease in assets limited as to use and other	9,306	8,077
Net cash used in investing activities	<u>(963,312)</u>	<u>(757,006)</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from issuance of debt	426,973	982,400
Repayments of debt	(235,460)	(924,445)
Net change in commercial paper	(47,075)	45,968
Dividends paid	(52,190)	(42,133)
Proceeds from grant received	20,000	-
Proceeds from restricted contributions and restricted investment income	9,516	22,148
Increase in financing costs and other	(3,758)	(2,432)
Net cash provided by financing activities	<u>118,006</u>	<u>81,506</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(36,486)</b>	<b>201,473</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b><u>1,044,683</u></b>	<b><u>843,210</u></b>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b><u>\$ 1,008,197</u></b>	<b><u>\$ 1,044,683</u></b>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
Cash paid for interest (net of amounts capitalized)	\$ 211,260	\$ 198,809
New capital lease obligations for buildings and equipment	1,360	4,459
Accruals for purchases of property and equipment and other long-term assets	124,056	157,984
Unsettled investment trades and purchases	28,622	135,619
Unsettled investment trades and sales	18,043	74,631
Decrease (increase) in security lending collateral	70,937	(4,537)
(Increase) decrease in payable under security lending agreements	(70,937)	4,537

The accompanying notes are an integral part of the consolidated financial statements.

**Section VIII**  
**Attachment 35**  
**Financial Viability**  
**Criterion 1120.130**

Gottlieb and Gottlieb Memorial Foundation, an Illinois not-for-profit corporation, (the "Gottlieb Foundation"), have entered into that certain Project Funding Agreement, as amended (the "Funding Agreement"), pursuant to which the Gottlieb Foundation has agreed to provide up to \$15,800,000 in cash to Gottlieb to fund the entire cost of the modernization of the Emergency Department at Gottlieb Memorial Hospital.

It also bears noting that Trinity Health Corporation ("Trinity"), the ultimate member of Gottlieb, was holding over \$1 billion in cash and cash equivalents as March 31, 2018, and enjoys a "AA3" bond rating from Moody's Investors Service and an "AA-" from Fitch's Rating. See ATTACHMENT 34.

Thus, Gottlieb is entitled to a financial viability waiver.

**Section IX  
Attachment 37  
Economic Feasibility  
Criterion 1120.140**

**Criterion 1120.140(a), Reasonableness of Financing Arrangements**

Gottlieb has satisfied this Criterion because Gottlieb will be funding the Project with cash.

**Criterion 1120.140(c), Reasonableness of Project and Related Costs**

1. The construction cost per gross square foot for the clinical portions of the Project is \$377.69. The construction and contingency cost per gross square foot for the clinical portions of the Project is \$415.46. The clinical portions of the Project encompass 8,215 gross square feet. The construction costs for the clinical portions of the Project total \$3,102,705. The construction and contingency costs for the clinical portions of the Project total \$3,412,975.

**COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE  
(CLINICAL PORTIONS OF PROJECT PLUS PRORATA SHARE OF CIRCULATION)**

Department (list below)	A Cost/Square Foot		B Gross Sq. Ft. (Clinical Portions Only)		C Gross Sq. Ft.		D Const. \$ (Clinical Portions Only)	E Mod. \$	F Total Cost (Clinical Portions Only)
	NEW	MOD	NEW	CIRC	MOD	CIRC	(A x C)	(B x E)	(G + H)
Emergency Department (Clinical Portions)									
Construction Total	\$377.69	---			8,215	---	\$3,102,705	---	\$3,102,705
Contingencies	\$37.77	---			8,215	---	\$310,270	---	\$310,270
Construction & Contingencies Total	\$415.46	---			8,215	---	\$3,412,975	---	\$3,412,975

2. The Applicants will incur the following costs in completing this Project.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$43,381	\$106,619	\$150,000
Site Survey and Soil Investigation	\$12,291	\$30,209	\$42,500
Site Preparation	\$28,921	\$71,079	\$100,000
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$3,102,705	\$7,625,515	\$10,728,220
Contingencies	\$310,270	\$762,552	\$1,072,822
Architectural/Engineering Fees	\$202,736	\$498,264	\$701,000
Consulting and Other Fees	\$294,548	\$723,910	\$1,018,458
Movable or Other Purchased Equipment (not in construction contracts; including signage, technology, security, artwork, furniture, etc.)	\$1,000,000	\$987,000	\$1,987,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>	<b>\$4,994,853</b>	<b>\$10,805,147</b>	<b>\$15,800,000</b>

The following chart and below discussion explain any deviations from the Section 1120 norms.

Project Item	Project Cost (Clinical Parts Only)	Section 1120 Norm	Project Cost Compared to Section 1120 Norm
Preplanning Costs	\$43,381	1.8% * (Construction Costs + Contingencies + Equipment) = 1.8%* \$4,412,975 = \$79,434	Below Section 1120 Norm.
Site Survey, Soil Investigation and Site Preparation	\$41,212	5% * (Construction Costs + Contingencies) = 5%*\$3,412,975 = \$170,649	Below Section 1120 Norm.
Construction Contracts and Contingencies	\$3,412,975/8,215 GSF = \$415.46 per GSF	\$434.67 per gross square foot discounted by 30% because of modernization and inflated at 3% per year through 2020 = \$304.27 *1.03^3 = \$332.48 per gross square foot	Above Section 1120 Norm. See below discussion.
Contingencies	\$310,270	10% * (Construction Costs) = 10% * \$3,102,705 = \$310,270	At Section 1120 Norm.  Contingencies are 10% of Construction Costs.
Architectural and Engineering Fees	\$202,736	8.86 * (Construction Costs + Contingencies) = 8.86 * 3,412,975 = \$302,390	Below Section 1120 Norm.
Consulting and Other Fees	\$1,018,458	No Section 1120 Norm	Reasonable as compared to other approved projects.
Purchased Equipment	\$1,000,000	No Section 1120 Norm	Reasonable as compared to other approved projects.

The construction standard has not been met; but that is easily explainable. First, this Project consists of both new construction and modernization. The new construction standard for Melrose Park is currently \$434.67 per square foot. The Review Board's rules dictate that the modernization state standard is 70% of the new construction standard (under the assumption that most of the existing space is merely being modernized). In this case, the Emergency Department is being completely re-imagined and entire parts of the hospital will be rebuilt from top to bottom (and parts of the Emergency Department are being relocated to spaces inside the hospital.) It also bears noting that other recent Emergency Department modernizations have landed in this same range. See, e.g., Project No. 16-043 (Rush Oak Park Emergency Department modernization; \$418 per square foot).

**Criterion 1120.140(d), Projected Operating Costs**

The projected operating costs for the modernized Emergency Department in the first full fiscal year when the Project achieves target utilization (2022) are as follows:

Total Operating Expenses (Salaries, Benefits, Supplies, Purchased Services, Etc.): \$6,683,519

Depreciation Expenses: \$917,638

Bad Debt Expenses: \$0 (not included in direct operating expenses)

Estimated Number of ED Visits: 32,213

Proj. Operating Costs =  $\frac{\text{Total Operating Expenses} - \text{Depreciation Expense} - \text{Bad Debt Expense}}{\text{Estimated Number of ED Visits}}$

Proj. Operating Costs Per ED Visit: \$179

The remaining parts of this Project are not subject to this Criterion.

**Criterion 1120.140(e), Total Effect of the Project On Capital Costs**

Total Projected Annual Capital Costs in Target Utilization Year (2022) = \$0

Total Projected Annual Capital Costs Per ED Visit =  $\$0/32,213 = \$0$  Per Visit

**Section XI**  
**Attachment 38**  
**Safety Net Impact Statement**

Because this Project does not involve inpatient services or designated "categories of services," this Project is considered Non-Substantive. Accordingly, this Criterion is not applicable.

**Section XI**  
**Attachment 39**  
**Charity Care Information**

Gottlieb Memorial Hospital's charity care for the last four audited fiscal years is set forth below:

	2014	2015	2016	2017
Total Net Patient Revenue	124,893,323	114,448,200	118,281,186	126,094,287
Amount of Charity Care (Charges)	13,772,342	11,449,397	89,574	5,071,456
Cost of Charity Care	3,008,912	2,401,821	19,885	1,038,059
Cost of Charity Care/Total Net Patient Ratio	2.41%	2.10%	0.02%	0.82%

Other Illinois hospitals owned by Trinity Health:

Loyola University Medical Center's charity care for the last four audited fiscal years is set forth below:

	2014	2015	2016	2017
Total Net Patient Revenue	1,095,327,560	1,104,584,892	1,130,275,215	1,145,582,319
Amount of Charity Care (Charges)	52,204,912	49,544,508	21,031,815	30,561,525
Cost of Charity Care	16,275,351	13,638,188	5,825,581	8,457,963
Cost of Charity Care/Total Net Patient Ratio	1.49%	1.23%	0.52%	0.74%

Loyola University Health System's (Gottlieb and LUMC combined; but excluding MacNeal Hospital) charity care for the last four audited fiscal years is set forth below:

	2014	2015	2016	2017
Total Net Patient Revenue	1,220,220,883	1,219,033,092	1,248,556,401	1,271,676,606
Amount of Charity Care (Charges)	65,977,254	60,993,905	21,121,389	35,632,981
Cost of Charity Care	19,284,263	16,040,009	5,845,466	9,496,022
Cost of Charity Care/Total Net Patient Ratio	1.58%	1.32%	0.47%	0.75%

Mercy Hospital and Medical Center's charity care for the last four audited fiscal years is set forth below:

	2014	2015	2016	2017
Total Net Patient Revenue	232,867,649	242,361,279	242,945,106	234,662,000
Amount of Charity Care (Charges)	13,582,519	8,252,600	12,446,719	12,499,199
Cost of Charity Care	5,067,120	2,771,486	4,430,706	4,408,423
Cost of Charity Care/Total Net Patient Ratio	2.00%	1.05%	1.60%	1.88%

MacNeal Hospital's charity care for the last three audited fiscal years is set forth below:

	2014	2015	2016
Total Net Patient Revenue	242,087,011	251,666,712	263,660,730
Cost of Charity Care	2,960,888	2,266,840	2,684,648
Cost of Charity Care/Total Net Patient Ratio	1.22%	0.90%	1.02%

Note that MacNeal Hospital was acquired by Trinity Health on March 1, 2018 from Tenet Healthcare Corporation ("Tenet"); thus, the above charity care numbers for MacNeal Hospital were recorded by Tenet.

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

<b>INDEX OF ATTACHMENTS</b>		
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1	Applicant Identification including Certificate of Good Standing	25-28
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3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	31
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	32-33
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	<b>Service Specific:</b>	
19	Medical Surgical Pediatrics, Obstetrics, ICU	N/A
20	Comprehensive Physical Rehabilitation	N/A
21	Acute Mental Illness	N/A
22	Open Heart Surgery	N/A
23	Cardiac Catheterization	N/A
24	In-Center Hemodialysis	N/A
25	Non-Hospital Based Ambulatory Surgery	N/A
26	Selected Organ Transplantation	N/A
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28	Subacute Care Hospital Model	N/A
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August 21, 2018

**Via FedEx**

Mr. Michael Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761-0001

**RECEIVED**

AUG 23 2018

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

Re: Certificate of Need  
Applicant: Gottlieb Memorial Hospital  
Project: Emergency Department Modernization

Dear Mr. Constantino:

Enclosed please find an original and one copy of the Certificate of Need Application filed on behalf of Gottlieb Memorial Hospital, Loyola University Health System and Trinity Health Corporation. Also enclosed is a check in the amount of \$2,500 to cover the application processing fee.

Please feel free to contact me if you have any questions.

Sincerely,



Edward J. Green

EJGR:sc  
Encls.