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CLIENT/MATTER NUMBER
026141-0148

E-036-18

June 26, 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

Re: Certificate of Exemption
Applicant: Silver Cross Hospital and Medical Centers
Project: Silver Cross Hospital and Medical Centers (AMI Category of Service Discontinuation)

Dear Mr. Constantino:

Enclosed please find an original and one copy of the Certificate of Exemption Application filed on behalf of Silver Cross Hospital and Medical Centers. 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.

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Silver Cross Hospital and Medical Centers (AMI Category of Service Discontinuation)		
Street Address: 1900 Silver Cross Boulevard		
City and Zip Code: New Lenox, Illinois 60451		
County: Will	Health Service Area: 009	Health Planning Area: 009

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

Exact Legal Name: Silver Cross Hospital and Medical Centers
Street Address: 1900 Silver Cross Boulevard
City and Zip Code: New Lenox, Illinois 60451
Name of Registered Agent: Vincent Pryor
Registered Agent Street Address: 1900 Silver Cross Boulevard
Registered Agent City and Zip Code: New Lenox, Illinois 60451
Name of Chief Executive Officer: Ruth Colby
CEO Street Address: 1900 Silver Cross Boulevard
CEO City and Zip Code: New Lenox, Illinois 60451
CEO Telephone Number: (815) 300-7000

Type of Ownership of Applicants

- ☒ Non-profit Corporation
- ☐ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: 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

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Silver Cross Hospital and Medical Centers (AMI Category of Service Discontinuation)		
Street Address: 1900 Silver Cross Boulevard		
City and Zip Code: New Lenox, Illinois 60451		
County: Will	Health Service Area: 009	Health Planning Area: 009

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

Exact Legal Name: Silver Cross Health System
Street Address: 1900 Silver Cross Boulevard
City and Zip Code: New Lenox, Illinois 60451
Name of Registered Agent: Edward J. Green, Esq., c/o Foley & Lardner LLP
Registered Agent Street Address: 321 North Clark Street, Suite 2800
Registered Agent City and Zip Code: Chicago, Illinois 60654
Name of Chief Executive Officer: Ruth Colby
CEO Street Address: 1900 Silver Cross Boulevard
CEO City and Zip Code: New Lenox, Illinois 60451
CEO Telephone Number: (815) 300-7000

Type of Ownership of Applicants

☒	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☐	Limited Liability Company	☐	Sole Proprietorship	☐	Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: 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 exemption permit]

Name: Ruth Colby
Title: President and Chief Executive Officer
Company Name: Silver Cross Hospital & Medical Centers
Address: 1900 Silver Cross Boulevard, New Lenox, Illinois 60451
Telephone Number: (815) 300-7000
E-mail Address: rcolby@silvercross.org
Fax Number: 815-300-4965

Additional Contact

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

Name: Mary Bakken
Title: Executive Vice President and Chief Operating Officer
Company Name: Silver Cross Hospital & Medical Centers
Address: 1900 Silver Cross Boulevard, New Lenox, Illinois 60451
Telephone Number: (815) 300-7107
E-mail Address: mbakken@silvercross.org
Fax Number: 815-300-7047

Post Exemption 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: Mary Bakken
Title: Executive Vice President and Chief Operating Officer
Company Name: Silver Cross Hospital & Medical Centers
Address: 1900 Silver Cross Boulevard, New Lenox, Illinois 60451
Telephone Number: (815) 300-7107
E-mail Address: mbakken@silvercross.org
Fax Number: 815-300-7047

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Silver Cross Hospital and Medical Centers
Address of Site Owner: 1900 Silver Cross Boulevard, New Lenox, Illinois 60451
Street Address or Legal Description of Site: **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.**
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: Silver Cross Hospital and Medical Centers

Address: 1900 Silver Cross Boulevard, New Lenox, Illinois 60654

- ☒ Non-profit Corporation
- ☐ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each 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 (N/A-Discontinuation of Category of Service)

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at **www.FEMA.gov** or **www.illinoisfloodmaps.org**. **This map must be in a readable format**. In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 **(http://www.hfsrb.illinois.gov)**.

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

Historic Resources Preservation Act Requirements (N/A-Discontinuation of Category of Service)

[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

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

☐ Change of Ownership

☒ Discontinuation of an Existing Health Care Facility or of a category of service

☐ Establishment or expansion of a neonatal intensive care or beds

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.

Silver Cross Hospital and Medical Centers, an Illinois not for profit corporation ("Silver Cross"), and Silver Cross Health System, an Illinois for profit corporation ("Silver Cross Health System," collectively with Silver Cross, the "Applicants") hereby seek a Certificate of Exemption ("COE") from the Illinois Health Facilities & Services Review Board (the "Review Board") to discontinue the acute mental illness ("AMI") category of service at Silver Cross Hospital and Medical Centers, a general acute care hospital in New Lenox, Illinois ("Silver Cross Hospital"), in accordance with the Certificate of Need Application (the "Silver Oaks Hospital CON Application") previously filed by Silver Cross, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital, Silver Oaks Behavioral Realty LLC, New Lenox Behavioral Innovations LLC, and New Lenox Behavioral Innovations Realty LLC (collectively, the "Silver Oaks Hospital Applicants"), to establish a new 100 bed behavioral health hospital ("Silver Oaks Hospital") on the Silver Cross Hospital Campus (immediately west of Silver Cross Boulevard and south of Route 6) in New Lenox, Illinois.

Background

On or about February 24, 2017, the Silver Oaks Hospital Applicants filed the Silver Oaks Hospital CON Application. See Project 17-009. As part of the Silver Oaks Hospital CON Application, Silver Cross committed to discontinue the AMI category of service at Silver Cross Hospital in order to consolidate all behavioral health services at Silver Oaks Hospital (and, thereby, partially support the need for a new behavioral health hospital).

Specifically, the Silver Oaks Hospital CON Application, at page 9, stated as follows: "Silver Cross Hospital will also be discontinuing its 20 AMI beds; thereby allowing all behavioral health services at Silver Cross Hospital to be consolidated at [Silver Oaks] Hospital. Those 20 AMI beds will be converted to 20 Med/Surgical beds. Silver Cross Hospital will be filing a separate Certificate of Exemption (Discontinuation) with the Board to effectuate this discontinuation." In the Silver Oaks Hospital CON Application, the Silver Oaks Hospital Applicants anticipated that construction and licensing of Silver Oaks Hospital would be completed by December 31, 2018.

On or about December 20, 2017, the Review Board approved the Silver Oaks Hospital CON Application.

As this point, construction on Silver Oaks Hospital has proceeded according to the originally proposed schedule and it is currently anticipated that the Silver Oaks Hospital Applicants will, in fact, meet the December 31, 2018 project completion date for Silver Oaks Hospital.

Thus, Silver Cross is now filing this COE Application to discontinue the AMI category of service at Silver Cross Hospital, effective as of December 31, 2018 (to coincide with the opening of Silver Oaks Hospital), and to thereafter convert the 20 AMI beds in the AMI unit at Silver Cross Hospital into sixteen (16) Med/Surgical beds.

If the opening of Silver Oaks Hospital is delayed beyond December 31, 2018, Silver Cross would also delay the discontinuance of the AMI category of service at Silver Cross Hospital.

Project Classification

Pursuant to 77 Il. Admin. §1110.20(c)(1)(B)(ii), this Project is considered "Substantive."

This Project has no project costs.

Related Project Costs (N/A-Discontinuation of Category of Service)
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 (N/A-Discontinuation of Category of Service)

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): December 31, 2018

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.
☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
☐ Financial Commitment 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 [Section 1130.620(c)] **(N/A-Discontinuation of Category of Service)**

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.

CERTIFICATION

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

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

This Application for Permit is filed on the behalf of Silver Cross Hospital & Medical Centers* 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.

SIGNATURE

Ruth Colby
PRINTED NAME

President & CEO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 25th day of June 2018

Signature of Notary

Seal

"OFFICIAL SEAL"
CAROL J. ZIER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES JUNE 17, 2019

SIGNATURE

Vincent Pryor
PRINTED NAME

Senior Vice President & CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 25th day of June, 2018

Signature of Notary

Seal

"OFFICIAL SEAL"
CAROL J. ZIER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES JUNE 17, 2019

*Insert EXACT legal name of the applicant

CERTIFICATION

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

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

This Application for Permit is filed on the behalf of Silver Cross Health System* 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.

SIGNATURE	SIGNATURE
Ruth Colby PRINTED NAME	Vincent Pryor PRINTED NAME
President & CEO PRINTED TITLE	Assistant Treasurer & CFO PRINTED TITLE
Notarization: Subscribed and sworn to before me this 25th day of June 2018	Notarization: Subscribed and sworn to before me this 25th day of June 2018
Signature of Notary	Signature of Notary
Seal "OFFICIAL SEAL" CAROL J. ZIER NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES JUNE 17, 2019	Seal "OFFICIAL SEAL" CAROL J. ZIER NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES JUNE 17, 2019

*Insert EXACT legal name of the applicant

SECTION II. DISCONTINUATION

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

Type of Discontinuation

☐ Discontinuation of an Existing Health Care Facility

☒ Discontinuation of a category of service

Criterion 1110.130 - Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any, that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.
7. Upon a finding that an application to close a health care facility is complete, the State Board shall publish a legal notice on 3 consecutive days in a newspaper of general circulation in the area or community to be affected and afford the public an opportunity to request a hearing. If the application is for a facility located in a Metropolitan Statistical Area, an additional legal notice shall be published in a newspaper of limited circulation, if one exists, in the area in which the facility is located. If the newspaper of limited circulation is published on a daily basis, the additional legal notice shall be published on 3 consecutive days. The legal notice shall also be posted on the Health Facilities and Services Review Board's web site and sent to the State Representative and State Senator of the district in which the health care facility is located. In addition, the health care facility shall provide notice of closure to the local media that the health care facility would routinely notify about facility events.
8. Provide attestation that the facility provided the required notice of the facility or category of service closure to local media that the health care facility would routinely notify about facility events. The supporting documentation shall include a copy of the notice, the name of the local media outlet, the date the notice was given, and the result of the notice, e.g., number of times broadcasted, written, or published. Only notice that is given to a local television station, local radio station, or local newspaper will be accepted.

REASONS FOR DISCONTINUATION

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

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.

2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.

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

SECTION IX. SAFETY NET IMPACT STATEMENT

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 20.

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

APPEND DOCUMENTATION AS ATTACHMENT 20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

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

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

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

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

A table in the following format must be provided for all facilities as part of Attachment 44.

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

APPEND DOCUMENTATION AS ATTACHMENT-21, 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.

File Number 0548-203-8

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

SILVER CROSS HOSPITAL AND MEDICAL CENTERS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 16, 1891, 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* 25TH *day of* JUNE *A.D.* 2018 .

Authentication #: 1817601830 verifiable until 06/25/2019
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

Attachment 1

File Number 5257-283-5

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

SILVER CROSS HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 19, 1981, 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* 25TH *day of* JUNE *A.D.* 2018 .

Authentication #: 1817601838 verifiable until 06/25/2019
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

Attachment 1

Section I
Attachment 2
Site Ownership

Silver Cross owns and operates Silver Cross Hospital. An Affidavit from Ruth Colby, the President and CEO of Silver Cross, in support of this Criterion is attached at ATTACHMENT 2.

SILVER CROSS
HOSPITAL

1900 Silver Cross Blvd. • New Lenox, IL 60451
(815) 300-1100 • www.silvercross.org

June 25, 2018

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

Re: Certification of Corporate Ownership of Silver Cross Hospital and Medical Centers

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 Silver Cross Hospital and Medical Centers, an Illinois not-for-profit, owns and operates Silver Cross Hospital and Medical Centers, a general acute care hospital located at 1900 Silver Cross Boulevard, New Lenox, Illinois.

Sincerely,

Ruth Colby

Ruth Colby
President and CEO

SUBSCRIBED AND SWORN
to before me this 25th day
of June, 2018.

Carol J Zier

Notary Public

"OFFICIAL SEAL"
CAROL J. ZIER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES JUNE 17, 2019

Attachment
2

The way you *should* be treated.

Section I
Attachment 3
Operating Entity/Licensee

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

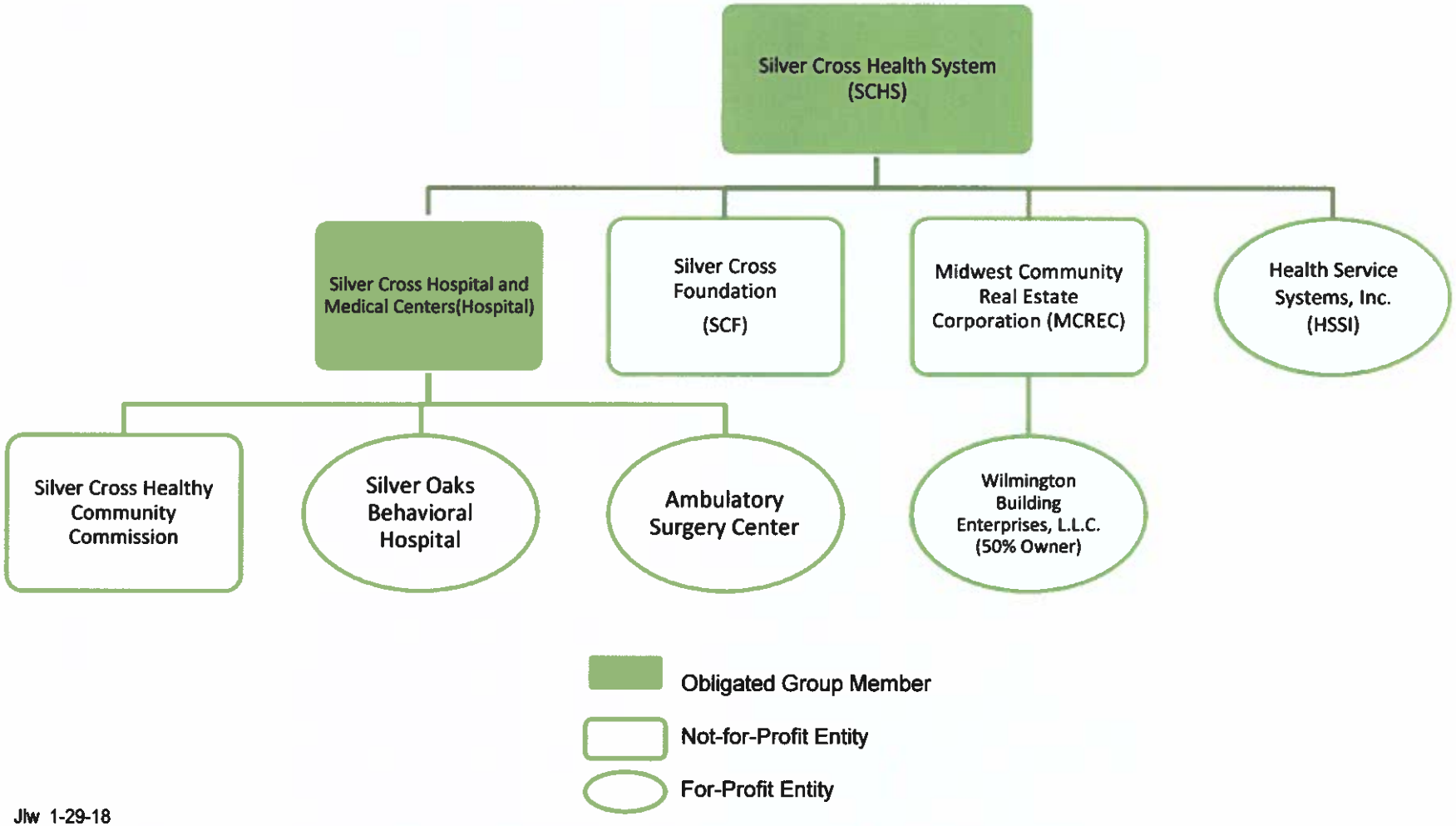
Section I
Attachment 4
Organizational Relationships

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

SILVER CROSS HOSPITAL

The way you *should* be treated.

Silver Cross Health System & Affiliates



Jlw 1-29-18

Section II
Attachment 10
Discontinuation
Criterion 1110.290

Criterion 1110.290(a)
General Information

1. The Applicants are seeking a COE to discontinue the AMI category of service at Silver Cross Hospital, effective as of December 31, 2018 (to coincide with the opening of Silver Oaks Hospital). Silver Cross Hospital currently has 20 licensed AMI beds.

2. No other clinical services will be impacted by this COE Application.

3. The AMI category of service at Silver Cross Hospital will be discontinued on December 31, 2018 (to coincide with the opening of Silver Oaks Hospital).

4. The Applicants intend to "convert" the 20 AMI beds at Silver Cross Hospital into 16 medical/surgical beds.

5. All medical records related to the AMI unit at Silver Cross Hospital will continue to be maintained at Silver Cross Hospital and/or maintained in the Silver Cross Hospital electronic medical records system for no less 10 years after discharge or 12 years if there is litigation, as set forth in 210 ILCS § 85/6.17.

6. The Applicants provided a notice of the proposed discontinuation of the AMI category of service at Silver Cross Hospital to the local media, specifically, the Herald News, a copy of is attached hereto as ATTACHMENT 10.

Criterion 1110.290(b)
Reasons for Discontinuation

On or about February 24, 2017, the Silver Oaks Hospital Applicants filed the Silver Oaks Hospital CON Application. See Project 17-009. As part of the Silver Oaks Hospital CON Application, Silver Cross committed to discontinue the AMI category of service at Silver Cross Hospital in order to consolidate all behavioral health services at Silver Oaks Hospital (and, thereby, partially support the need for a new behavioral health hospital).

Specifically, the Silver Oaks Hospital CON Application, at page 9, stated as follows: "Silver Cross Hospital will also be discontinuing its 20 AMI beds; thereby allowing all behavioral health services at Silver Cross Hospital to be consolidated at [Silver Oaks] Hospital. Those 20 AMI beds will be converted to 20 Med/Surgical beds. Silver Cross Hospital will be filing a separate Certificate of Exemption (Discontinuation) with the Board to effectuate this discontinuation." In the Silver Oaks Hospital CON Application, the Silver Oaks Hospital Applicants anticipated that construction and licensing of Silver Oaks Hospital would be completed by December 31, 2018.

On or about December 20, 2017, the Review Board approved the Silver Oaks Hospital CON Application.

As this point, construction on Silver Oaks Hospital has proceeded according to the originally proposed schedule and it is currently anticipated that the Silver Oaks Hospital Applicants will, in fact, meet the December 31, 2018 project completion date for Silver Oaks Hospital.

Thus, Silver Cross is now filing this COE Application to discontinue the AMI category of service at Silver Cross Hospital, effective as of December 31, 2018 (to coincide with the opening of Silver Oaks Hospital), and to thereafter convert the 20 AMI beds in the AMI unit at Silver Cross Hospital into sixteen (16) Med/Surgical beds.

If the opening of Silver Oaks Hospital is delayed beyond December 31, 2018, Silver Cross would also delay the discontinuance of the AMI category of service at Silver Cross Hospital.

Criterion 1110.290(c)
Impact on Access

1. The discontinuation of the AMI category of service at Silver Cross Hospital will have no impact on patient care. As part of the Silver Oaks Hospital CON Application, Silver Cross committed to discontinue the AMI category of service at Silver Cross Hospital in order to consolidate all behavioral health services at Silver Oaks Hospital. Silver Oaks Hospital will be located on the Silver Cross Hospital campus.

Criterion 1110.290(d)
Notice to Other Providers

1. Pursuant to Section 1110.510(d)(1), a notice was sent to Presence Saint Joseph Medical Center in Joliet, the only hospital offering AMI services within 10 miles of Silver Cross Hospital, regarding the discontinuation of the AMI category of service at Silver Cross Hospital. A copy of the notice is attached hereto as ATTACHMENT 10.

SHAW MEDIA
PO BOX 250
CRYSTAL LAKE IL 60039-0250
(815)459-4040

ORDER CONFIRMATION

Salesperson: DEBORAH KUKIELSKI Printed at 06/26/18 13:17 by dkuki-sm

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Acct #: 10084526 Ad #: 1552918 Status: New

SILVER CROSS HOSPITAL
1900 SILVER CROSS BLVD.
NEW LENOX IL 60451

Start: 06/27/2018 Stop: 06/27/2018
Times Ord: 1 Times Run: ***
CLEG 1.00 X 31.00 Words: 129
Total CLEG 31.00
Class: C8100 PUBLIC NOTICES
Rate: LEGAL Cost: 69.44
Affidavits: 1

Contact: PAWLAK PAUL
Phone: (815)300-1100
Fax#:
Email: accountspayable@silvercross.
Agency:

Ad Descrpt: AMI DISCONTIUATION
Given by: DEBRA ROBBINS
P.O. #:
Created: dkuki 06/26/18 13:03
Last Changed: dkuki 06/26/18 13:15

Source: _____ Section: _____ Page: __
Camera Ready: N Group: LEGALS AdType: _____
Misc: _____ Color: _____
Proof: __ _____ Pickup Date: _____ Ad#: _____
Delivery Instr: _____ Gang Ad #: _____
Changes: None __ Copy __ _____ Art __ Size __ Copy Chg Every Run __
Coupon: __
Special Instr: _____

PUB	ZONE	EDT	TP	RUN DATES
JHN	CL	97	S	06/27
WJJ	CL	99	S	06/27
APNW	CL	97	S	06/27

PUBLIC NOTICE

Pursuant to 77 Il. Admin. § 1110.290, Silver Cross Hospital and Medical Centers ("Silver Cross Hospital") has filed a Certificate of Exemption Application (the "COE Application") with the Illinois Health Facilities & Services Review Board to discontinue the acute mental illness category of service at Silver Cross Hospital in accordance with the Certificate of Need Application previously filed by Silver Cross Hospital and US Healthvest to establish a new 100 bed behavioral health hospital ("Silver Oaks Hospital") on the Silver Cross Hospital Campus (immediately west of Silver Cross Boulevard and south of Route 6) in New Lenox, Illinois. The COE Application lists an effective date of December 31, 2018, which coincides with the projected opening date of Silver Oaks Hospital.

(Published in the Herald-News June 27, 2018)1552918

ATTACHMENT
10

SILVER CROSS
HOSPITAL

1900 Silver Cross Blvd. • New Lenox, IL 60451
(815) 300-1100 • www.silvercross.org

June 26, 2018

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Mr. Robert J. Erickson
President
Presence St. Joseph Medical Center
333 North Madison Street
Joliet, Illinois 60435

Re: Notice of Discontinuation of Acute Mental Illness Category of Service

Dear Mr. Erickson:

We are in the process of preparing an application to the Illinois Health Facilities & Services Review Board (the "Review Board") to discontinue the acute mental illness ("AMI") category of service at Silver Cross Hospital and Medical Centers ("Silver Cross Hospital"), in accordance with the Certificate of Need Application (the "Silver Oaks Hospital CON Application") previously filed by Silver Cross Hospital and US Healthvest to establish a new 100 bed behavioral health hospital ("Silver Oaks Hospital") on the Silver Cross Hospital Campus (immediately west of Silver Cross Boulevard and south of Route 6) in New Lenox, Illinois.

By way of background, on February 24, 2017, Silver Cross Hospital and US Healthvest filed the Silver Oaks Hospital CON Application. See Project 17-009. As part of the Silver Oaks Hospital CON Application, Silver Cross Hospital committed to discontinue the AMI category of service at Silver Cross Hospital in order to consolidate all behavioral health services at Silver Oaks Hospital. On December 20, 2017, the Review Board approved the Silver Oaks Hospital CON Application.

As this point, construction on Silver Oaks Hospital has proceeded according to the originally proposed schedule and it is currently anticipated that Silver Oaks Hospital will be licensed on or about December 31, 2018. Thus, Silver Cross is now filing a COE Application to discontinue the AMI category of service at Silver Cross Hospital, effective as of December 31, 2018.

For your reference, Silver Cross Hospital currently has 20 licensed AMI beds. In 2017, Silver Cross Hospital had 1,014 AMI admissions with an average daily census of 16.6 AMI patients. In 2016, Silver Cross Hospital had 974 AMI admissions with an average daily census of 17.0 AMI patients.

In accordance with 77 Il. Admin. § 1110.290(d), we are providing you with notice of our COE Application.

Sincerely,

Ruth Colby

Ruth Colby
President & CEO

ATTACHMENT
10

The way you *should* be treated.

Section IX
Attachment 20
Safety Net Impact Statement

1. The discontinuation of the AMI category of service at Silver Cross Hospital will have no impact on essential safety net services in the communities served by Silver Cross Hospital. As part of the Silver Oaks Hospital CON Application, Silver Cross committed to discontinue the AMI category of service at Silver Cross Hospital in order to consolidate all behavioral health services at new Silver Oaks Hospital. Silver Oaks Hospital will be located on the Silver Cross Hospital campus and the opening of Silver Oaks Hospital will greatly improve essential safety net services in Planning Area A-13.

2. The discontinuation of the AMI category of service at Silver Cross Hospital will have not have a material impact on any other health care provider.

3. The following chart sets forth the amount of charity care provided by Silver Cross Hospital in the last five fiscal years.

Silver Cross Hospital					
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Number of Inpatient Charity Care Patients	1,079	1,038	1,063	971	1,113
Number of Outpatient Charity Care Patients	3,597	3,533	3,826	3,584	3,658
Total Number of Charity Care Patients	4,676	4,571	4,889	4,555	4,771
Inpatient Charity Care Charges	$16,284,000	$16,539,000	$11,984,000	$10,806,000	$7,962,000
Outpatient Charity Care Charges	$ 11,791,000	$10,576,000	$7,663,000	$6,909,000	$10,073,000
Total Charity Care Charges	$28,075,000	$27,115,000	$19,647,000	$17,715,000	$17,765,000
Inpatient Cost of Charity Care	$5,139,000	$4,923,000	$3,419,000	$3,065,000	$2,251,000
Outpatient Cost of Charity Care	$3,721,000	$3,148,000	$2,186,000	$1,959,000	$2,865,000
Total Cost of Charity Care	$8,860,000	$8,071,000	$5,605,000	$5,024,000	$5,116,000

4. The following chart sets forth the amount of care provided to Medicaid patients by Silver Cross Hospital in the last five fiscal years.

Silver Cross Hospital					
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Number of Inpatient Medicaid Patients	2,186	2,611	2,997	2,948	2,479
Number of Outpatient Medicaid Patients	31,092	31,670	32,024	32,400	26,480
Total Number of Medicaid Patients	33,278	34,281	35,021	35,348	28,959
Net Inpatient Medicaid Revenues	$15,714,000	$14,091,000	$12,190,000	$20,015,000	$19,854,000
Net Outpatient Medicaid Revenues	$13,985,000	$21,165,000	$26,560,000	$24,553,000	$24,027,000
Total Net Medicaid Revenues	$29,699,000	$35,256,000	$38,750,000	$44,568,000	$43,881,000

5. The following chart sets forth the amount of care provided to self-pay patients by Silver Cross Hospital in the last five fiscal years.

Silver Cross Hospital					
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Number of Inpatient Self-Pay Patients	274	413	348	358	220
Number of Outpatient Self-Pay Patients	12,068	10,627	8,188	6,789	6,013
Total Number of Self-Pay Patients	12,342	11,040	8,536	7,147	6,223
Inpatient Self-Pay Revenues	$818,000	$614,000	$600,000	$573,000	$632,000
Outpatient					

Self-Pay Revenues	$9,371,000	$3,236,000	$1,140,000	$2,439,000	$1,028,000
Total Self-Pay Revenues	$10,189,000	$3,850,000	$1,740,000	$3,012,000	$1,660,000

Section X
Attachment 21
Charity Care Information

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

Silver Cross Hospital Charity Care					
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Total Net Patient Revenue	$289,786,000	$309,018,000	$323,175,000	$351,053,000	$367,152,051
Amount of Charity Care (Charges)	$28,075,000	$27,115,000	$19,647,000	$17,715,000	$17,765,000
Cost of Charity Care	$8,860,000	$8,071,000	$5,605,000	$5,024,000	$5,116,000
Cost of Charity Care/Total Net Patient Ratio	3.1%	2.61%	1.73%	1.43%	1.39%

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

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3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	21
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	22-23
5	Flood Plain Requirements	N/A
6	Historic Preservation Act Requirements	N/A
7	Project and Sources of Funds Itemization	N/A
8	Financial Commitment Document if required	N/A
9	Cost Space Requirements	N/A
10	Discontinuation	24-27
11	Background of the Applicant	N/A
12	Purpose of the Project	N/A
13	Alternatives to the Project	N/A
		N/A
	Service Specific:	N/A
14	Neonatal Intensive Care Services	N/A
15	Change of Ownership	N/A
		N/A
	Financial and Economic Feasibility:	N/A
16	Availability of Funds	N/A
17	Financial Waiver	N/A
18	Financial Viability	N/A
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