



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 • FAX: (217) 785-4111

May 24, 2013

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jeffrey So
Director of Business Development
Advocate Health Care Network
9401 South Pulaski, Suite 201
Evergreen Park, Illinois 60805

Re: Exemption Approval
EXEMPTION NUMBER: 001-13
FACILITY NAME: Sherman Hospital
APPLICANTS: Advocate Health and Hospitals Corporation, Advocate Health Care Network, Sherman Health Systems, Sherman Hospital

Dear Mr. So:

On May 14, 2013, the Illinois Health Facilities and Services Review Board (State Board) approved the exemption application for the referenced project based upon the project's substantial conformance with the applicable standards and criteria of 77 Ill Adm. Code 1130. In arriving at a decision, the State Board considered the findings contained in the State Board Staff Report, the exemption application material, public hearing testimony and documents, any testimony made before the State Board, and the Illinois Health Facilities Planning Act (20 ILCS 3960).

The operating entity licensee and the owner of the site is Sherman Hospital, 1425 North Randall Road, Elgin, Illinois. The exemption change of ownership involves a transaction resulting in the affiliation of Advocate Health Care Network and Sherman Hospital and Sherman Health Systems. The transaction results in the change of control of a health care facility.

Please be reminded that this exemption is only valid for 12-months from the date of approval and is not transferable or assignable and must be completed within this time period. To demonstrate completion of this transaction, the exemption holder must provide the State Agency with the date that the ownership change occurred and also provide a copy of the license or certification issued pursuant to the change of ownership. Failure to provide the required notification shall subject the exemption holder to the sanctions provided under Section 14 of the Illinois Health Facilities Planning Act. The exemption holder is also reminded that 77 IAC 1130.140 defines transactions that constitute a change of ownership of a health care facility. The facility administrator should become familiar with the exemption definitions.

The State Board's approval does not exempt the transaction from any other regulatory, certification or licensure requirements that may be applicable prior to acquisition. The exemption will be invalid should the facility for which the change of ownership was granted cease to be an existing health care facility as defined in 77 IAC 1130.140.

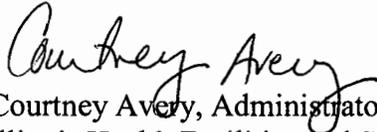
Exemption Permit Letter

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This permit does not exempt the project or permit holder from licensing and certification requirements, including approval of applicable architectural plans and specifications prior to construction.

Should you have any questions regarding the permit requirements, please contact Mike Constantino at 217-782-3516.

Sincerely,

A handwritten signature in cursive script that reads "Courtney Avery".

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board

cc: Dale Galassie, Chairman