

[ORIGINAL]

E-009-16
RECEIVED

ILLINOIS HEALTH FACILITIES PLANNING BOARD
APPLICATION FOR EXEMPTION FOR THE
CHANGE OF OWNERSHIP FOR AN EXISTING HEALTH CARE FACILITY

JAN 11 2016

HEALTH FACILITIES &
SERVICES REVIEW BOARD

1. INFORMATION FOR EXISTING FACILITY

Current Facility Name Community Memorial Hospital
Address 400 Caldwell
City Staunton Zip Code 62088 County Macoupin
Name of current licensed entity for the facility Community Memorial Hospital
Does the current licensee: own this facility OR lease this facility _____ (if leased, check if sublease)
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____
Illinois State Senator for the district where the facility is located: Sen. Andy Mahar
State Senate District Number 48 Mailing address of the State Senator
141 S. Main Street, Macon County Building, Decatur, IL 62561
Illinois State Representative for the district where the facility is located: Rep. Avery Bourne
State Representative District Number 95 Mailing address of the State Representative
301 N. Monroe, Litchfield, IL 62056

2. **OUTSTANDING PERMITS.** Does the facility have any projects for which the State Board issued a permit that will not be completed (refer to 1130.140 "Completion or Project Completion" for a definition of project completion) by the time of the proposed ownership change? Yes No . If yes, refer to Section 1130.520(f), and indicate the projects by Project # _____

3. **FACILITY'S OTHER CATEGORIES OF SERVICE AS DEFINED IN 77 IAC 1100** (Complete "APPENDIX A" attached to this application)

4. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).
Exact Legal Name of Applicant Southwestern Illinois Health Facilities, Inc., d/b/a Anderson Hospital
Address 6800 State Road 162
City, State & Zip Code Maryville, IL 62062
Type of ownership of the proposed licensed entity (check one of the following:) _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

5. **NAME OF LEGAL ENTITY THAT WILL BE THE LICENSEE/OPERATING ENTITY OF THE FACILITY NAMED IN THE APPLICATION AS A RESULT OF THIS TRANSACTION.**

Exact Legal Name of Entity to be Licensed Community Memorial Hospital Association
Address 400 Caldwell
City, State & Zip Code Staunton, IL 62088
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

6. **BUILDING/SITE OWNERSHIP. NAME OF LEGAL ENTITY THAT WILL OWN THE "BRICKS AND MORTAR" (BUILDING) OF THE FACILITY NAMED IN THIS APPLICATION IF DIFFERENT FROM THE OPERATING/LICENSED ENTITY)**

Exact Legal Name of Entity That Will Own the Site Community Memorial Hospital Association
Address 400 Caldwell
City, State & Zip Code Staunton, IL 62088
Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship
 Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental
_____ Limited Liability Company _____ Other, specify _____

4. **NAME OF CO-APPLICANT** (complete this information for each co-applicant and insert after this page).
Exact Legal Name of Co-Applicant Community Memorial Hospital Association
Address 400 Caldwell
City, State & Zip Code Staunton, IL 62088
Type of ownership of the proposed licensed entity (check one of the following:) Sole Proprietorship
 Not-for-Profit Corporation For Profit Corporation Partnership Governmental
 Limited Liability Company Other, specify _____

7. **TRANSACTION TYPE. CHECK THE FOLLOWING THAT APPLY TO THE TRANSACTION:**
- Purchase resulting in the issuance of a license to an entity different from current licensee;
 - Lease resulting in the issuance of a license to an entity different from current licensee;
 - Stock transfer resulting in the issuance of a license to a different entity from current licensee;
 - Stock transfer resulting in no change from current licensee;
 - Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee;
 - Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee;
 - Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity;
 - Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets;
 - Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility;
 - Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee;
 - Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets, and explain in "Attachment 3 Narrative Description"
8. **APPLICATION FEE.** Submit the application fee in the form of a check or money order for \$2,500 payable to the Illinois Department of Public Health and append as **ATTACHMENT #1**.
9. **FUNDING.** Indicate the type and source of funds which will be used to acquire the facility (e.g., mortgage through Health Facilities Authority; cash gift from parent company, etc.) and append as **ATTACHMENT #2**.
NOT APPLICABLE
10. **ANTICIPATED ACQUISITION PRICE:** \$ 0
11. **FAIR MARKET VALUE OF THE FACILITY:** \$ 24,000,000
(to determine fair market value, refer to 77 IAC 1130.140)
12. **DATE OF PROPOSED TRANSACTION:** March 31, 2016
13. **NARRATIVE DESCRIPTION.** Provide a narrative description explaining the transaction, and append it to the application as **ATTACHMENT #3**.
14. **BACKGROUND OF APPLICANT** (co-applicants must also provide this information). Corporations and Limited Liability Companies must provide a current Certificate of Good Standing from the Illinois Secretary of State. Limited Liability Companies and Partnerships must provide the name and address of each partner/ member and specify the percentage of ownership of each. Append this information to the application as **ATTACHMENT #4**.
15. **TRANSACTION DOCUMENTS.** Provide a copy of the complete transaction document(s) including schedules and exhibits which detail the terms and conditions of the proposed transaction (purchase, lease, stock transfer, etc). Applicants should note that the document(s) submitted should reflect the applicant's (and co-applicant's, if applicable) involvement in the transaction. The document must be signed by both parties and contain language stating that the transaction is contingent upon approval of the Illinois Health Facilities Planning Board. Append this document(s) to the application as **ATTACHMENT #5**.
17. **FINANCIAL STATEMENTS.** (Coapplicants must also provide this information) Provide a copy of the applicants latest audited financial statements, and append it to this application as **ATTACHMENT #6**. If the applicant is a newly formed entity and financial statements are not available, please indicate by checking YES , and indicate the date the entity was formed **NO LONGER APPLICABLE**
18. **PRIMARY CONTACT PERSON.** Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).
- Name: Mr. Keith Page, President and CEO, Anderson Hospital
Address: 6800 State Road 162
City, State & Zip Code: Maryville, Illinois 62062
Telephone: (618)391-6406 Ext.

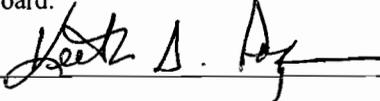
19. **ADDITIONAL CONTACT PERSONS.** Consultant, attorney, other individual who is also authorized to discuss this application and act on behalf of the applicant.

Name: Sue Campbell, Chief Executive Officer, Community Memorial Hospital
Address: 400 Caldwell Street
City, State & Zip Code: Staunton, Illinois 62088
Telephone: (618) 635-4241

Name: Andrea R. Rozran, Principal, Diversified Health Resources, Inc.
Address: 65 E. Scott Street, Suite 9A
City, State & Zip Code: Chicago, Illinois 60610-5274
Telephone: (312) 266-0466

18. **CERTIFICATION**

I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the number of beds within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

Signature of Authorized Officer 

Typed or Printed Name of Authorized Officer Keith A. Page

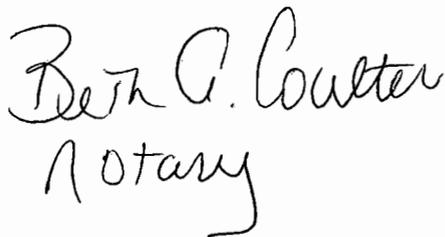
Title of Authorized Officer: President/CEO

Address: Southwestern Illinois Health Facilities, Inc., d/b/a Anderson Hospital, 6800 State Road 162

City, State & Zip Code: Maryville, IL 62062

Telephone: (618) 391-6406 Date: 01-08-2016

NOTE: complete a separate signature page for each co-applicant and insert following this page.


Beth A. Coulter
Notary



APPENDIX A

Appendix A
Categories of Service at Community Memorial Hospital

Community Memorial Hospital provides the following Categories of Service as defined in 77 IAC 1100.

- Medical/Surgery Category of Service
- Intensive Care Category of Service

ATTACHMENT 1

ATTACHMENT 1

Attachment 1
Application Fee

The check for the application fee of \$2,500, payable to the Illinois Department of Public Health, is attached to this page.

ATTACHMENT 2

Attachment 2
Funding

This item is not applicable because the acquisition price is \$0.

ATTACHMENT 3

ATTACHMENT 3

Attachment 3
Narrative Description

This application is for a Certificate of Exemption for a Change of Ownership of Community Memorial Hospital Association ("Community Memorial Hospital"), a not-for-profit hospital in Staunton, Illinois.

The transaction will be accomplished by designating Southwestern Illinois Health Facilities d/b/a Anderson Hospital ("Anderson Hospital") as the sole corporate member of Community Memorial Hospital Association.

After this transaction is completed, Community Memorial Hospital will maintain its current name, Medicare provider enrollment and identifying number, and it will continue to operate as a Critical Access Hospital in accordance with Medicare regulations. Anderson Hospital will assume all current financial assets and liabilities of Community Memorial Hospital.

Additional information regarding this transaction is found in the Affiliation Letter of Intent that appears as Attachment 5 of this application.

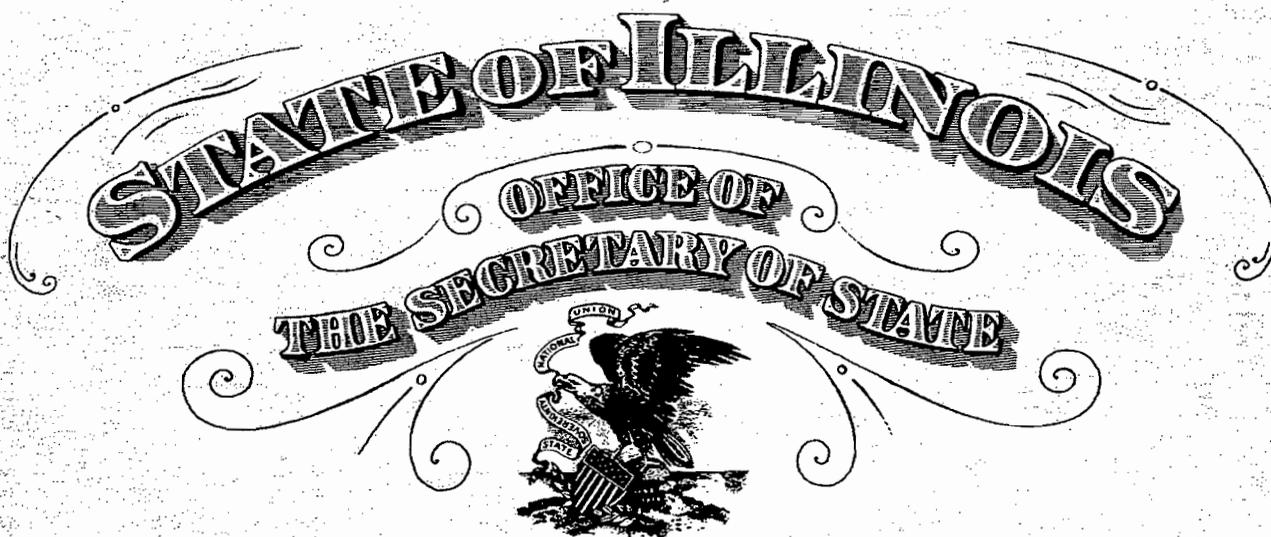
ATTACHMENT 4

ATTACHMENT 4

Attachment 4
Background of Applicant

The following documents are found in this Attachment.

- Certificate of Good Standing for Southwestern Illinois Health Facilities, Inc., d/b/a Anderson Hospital, the applicant
- Certificate of Good Standing for Community Memorial Hospital Association, the existing health care facility undergoing a change of ownership
- Current Illinois Hospital License for Community Memorial Hospital, the existing facility undergoing a change of ownership



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

SOUTHWESTERN ILLINOIS HEALTH FACILITIES, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 20, 1929, ADOPTED THE ASSUMED NAME ANDERSON HOSPITAL ON APRIL 22, 1987, 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 6TH day of JANUARY A.D. 2016 .



Authentication #: 1600603426 verifiable until 01/06/2017
Authenticate at: <http://www.cyberdriveillinois.com>

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

COMMUNITY MEMORIAL HOSPITAL ASSOCIATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 26, 1946, 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 6TH day of JANUARY A.D. 2016 .



Authentication #: 1600603450 verifiable until 01/06/2017
Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE

HF 108259

**Illinois Department of
PUBLIC HEALTH**



LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Nirav D. Shah, M.D. J.D.
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	IC NUMBER
06/30/2016		0000414
Critical Access Hospital		
Effective: 07/01/2015		

Community Memorial Hospital
400 Caldwell
Staunton, IL 62088

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

ATTACHMENT 5



September 15, 2015

Sue E. Campbell, CEO
Don Kasubke, Board Chair
Community Memorial Hospital Association
400 Caldwell
Staunton, Illinois 62088

Re: Affiliation Letter of Intent

Dear Sue and Don:

The purpose of this letter of intent ("Letter of Intent") is to express the intent of Southwestern Illinois Health Facilities, Inc. d/b/a Anderson Hospital, an Illinois not-for-profit corporation ("Anderson") and Community Memorial Hospital Association, an Illinois not-for-profit corporation ("Staunton") to affiliate through either a merger or acquisition of membership rights (the "Transaction"). Each of Anderson and Staunton are referred to herein as a "Party" and collectively as the "Parties."

1. Transaction Terms and Best Efforts. Based on the information currently available to the Parties, it is proposed that the Transaction would include the terms set forth in the Term Sheet attached hereto as Exhibit A, it being understood that the final terms of the Transaction shall be subject to further due diligence review as contemplated under Section 4 below, and negotiation of the definitive agreements as contemplated under Section 5 below. Subject to the terms and conditions of this Letter of Intent, each Party shall use its commercially reasonable efforts to take all actions necessary, desirable or appropriate to consummate the Transaction provided for in this Letter of Intent, and shall not take or omit to take any action that delays, impairs or impedes the negotiation and execution of the definitive agreements.

2. Confidentiality of Information. The Parties hereto shall hold in confidence the information contained in this Letter of Intent, and all information related to this Letter of Intent, that is not otherwise known to the public, shall be held by each Party hereto as confidential and proprietary information and shall not be disclosed without the prior written consent of the other Party, it being understood that the terms of this Letter of Intent shall be subject to the terms of that certain Confidentiality Agreement between the parties, dated April 14, 2015 (the "Confidentiality Agreement").

3. Communication Plan. The Parties agree to work cooperatively to develop a communication plan related to the Transaction. The communication plan will include, at a minimum, the following elements: (a) internal and external communications relating to the execution of this Letter of Intent, (b) meetings with respective medical staff, employees, and community stakeholders regarding the proposed Transaction, (c) the development of any press releases relating to the execution of the Letter of Intent and progress on the Transaction, and (d) any other communications deemed necessary or beneficial by the Parties. Both Parties must approve any communication plan before the release of any confidential information as defined in the Confidentiality Agreement.

6800 State Route 162
Maryville, Illinois 62062
618-288-5711

Attachment 5, Page 1

4. Due Diligence and Access. Each Party shall make available to the other Party and its representatives such documents, records, financial statements, and other information as the other Party may reasonably request to conduct its due diligence investigation for the Transaction. In addition, each Party shall allow the other Party reasonable access to its hospital facility and key personnel as needed to facilitate the due diligence process, provided that such access does not disrupt hospital business operations or care of patients.

5. Definitive Agreements and Approvals. The obligations of the Parties to close the Transaction are subject to (a) the negotiation of mutually acceptable definitive agreements necessary to implement the Transaction structured in a manner which complies strictly with all applicable Federal, State and local laws and regulations, and (b) the receipt of all applicable Federal and State regulatory approvals and all internal approvals required for the Parties to consummate the Transaction.

6. Costs and Expenses. Except as may be expressly agreed upon by the Parties, each Party shall be responsible for and bear all of its costs and expenses incurred at any time in connection with pursuing or consummating the Transaction.

7. Termination. This Letter of Intent shall terminate upon the earlier to occur of (a) execution by the Parties of a document confirming termination, and (b) delivery by either Party of notice of termination if the definitive agreements contemplated under Section 5 above have not been executed on or prior to December 31, 2015. Upon termination of this Letter of Intent, the Parties shall have no further obligations hereunder, except as stated in Sections 2, 3, 6 and 10, which shall survive any such termination.

8. Entire Agreement. The binding provisions of this Letter of Intent as set forth in Section 10 below and the Confidentiality Agreement shall constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealings among the Parties with respect to the subject matter hereof. Except as otherwise provided herein, this Letter of Intent may be amended or modified only by a writing executed by both Parties.

9. Governing Law. This Letter of Intent shall be governed by and construed under the laws of the State of Illinois without regard to conflict of laws principles.

10. Effects of this Letter. This Letter of Intent is an expression of the Parties' respective intentions and interests, and their willingness to continue to negotiate in good faith to reach definitive agreements regarding the Transaction. This Letter of Intent is not intended to be relied on by the Parties as constituting a final agreement. This Letter of Intent is written with the understanding that the Parties shall not be bound by any of its provisions, with the exception of Sections 2, 3, 4, 6 and this Section 10 (which are enforceable agreements between the Parties and intended to be binding obligations), until negotiations have been concluded and definitive agreements have been executed. Except as expressly provided herein (or as expressly provided

Sue E. Campbell and Don Kasubke
September 15, 2015
Page 3

in any binding written agreement that the Parties may enter into in the future), no past or future action, course of conduct, or failure to act relating to the Transaction, or relating to the negotiation of the terms of the Transaction or any definitive agreement, shall give rise to or serve as a basis for any obligation or other liability on the part of the Parties.

11. Notices. Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed sufficiently given if (a) delivered personally, (b) sent by certified U.S. Mail, return receipt requested, postage prepaid, or (c) sent by a national overnight delivery service (such as Federal Express), in each instance addressed, sent for delivery or delivered personally to the respective Party at its current business address or to such other address or to the attention of such other person as shall be furnished by like notice from a Party to the other Party.

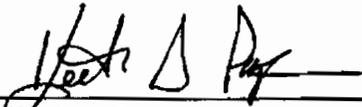
If the foregoing is acceptable to Staunton, please indicate your agreement on the terms and conditions herein by signing and returning one copy of this Letter of Intent to the undersigned. This Letter of Intent may be executed by facsimile or pdf signature and any such signature shall be deemed an original. We look forward to working with you on the Transaction.

[SIGNATURE PAGE FOLLOWS]

Sue E. Campbell and Don Kasubke
September 15, 2015
Page 4

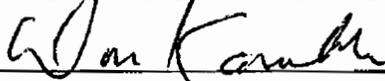
Very truly yours,

**SOUTHWESTERN ILLINOIS HEALTH
FACILITIES, INC.**

By: 
Keith A. Page
Chief Executive Officer

AGREED AND ACCEPTED as of
Sept 15, 2015

COMMUNITY MEMORIAL HOSPITAL ASSOCIATION

By: 

Name: Don Kasubke

Title: Chairman of Board

Exhibit A

<p>1. Purposes of Affiliation</p>	<p>Based on our discussions and our common interests, the purposes of the affiliation would be to:</p> <ul style="list-style-type: none"> • Continue to maintain acute care services in the Staunton community • Align Anderson and Staunton in a manner which enhances their respective financial performance and the quality and scope of care provided to their communities • Increase efficiencies and reduce costs through the consolidation of certain operations • Position the combined organizations to operate on a consolidated basis in a manner which allows them to excel in the future health care environment
<p>2. Transaction Structure</p>	<p>Through the due diligence process, the parties would make a determination regarding the exact structure of the Transaction. The Transaction likely would be accomplished by either: (i) designating Anderson as the sole corporate member of Staunton, or (ii) merging Anderson and Staunton, with Anderson being the surviving entity. The Transaction will be evidenced by definitive agreements indicating the structure of the transaction and the other elements in this term sheet. In addition, the organizing documents for the Parties will be amended to reflect the changes in corporate organization necessary to effect the Transaction.</p> <p>Staunton will maintain its Medicare provider enrollment and identifying number and continue to operate as a Critical Access Hospital in accordance with Medicare regulations.</p>
<p>3. Governance – Anderson Board</p>	<p>The Anderson Board would oversee operations of Staunton:</p> <ul style="list-style-type: none"> • Anderson Board would have ultimate authority on significant matters through the exercise of reserved powers • Staunton would nominate two individuals to serve as members of the Anderson Board whose appointment would be subject to approval by the Anderson Board
<p>4. Governance – Staunton Board</p>	<p>The Staunton Board would remain intact (or transition to an advisory committee, if merger):</p> <ul style="list-style-type: none"> • Staunton Board members would be approved by Anderson Board • Staunton Board would focus primarily on (i) local hospital quality oversight, (ii) medical staff credentialing, and (iii) local philanthropy and fundraising • Staunton capital and operating budgets would be reviewed locally but subject to approval by Anderson Board

<p>5. Financial Commitments</p>	<ul style="list-style-type: none"> • Anderson would assume all current financial assets and liabilities of Staunton • Any existing philanthropic commitments to Staunton would be maintained in a restricted fund for use at Staunton • Restricted Staunton fund also could be established for additional local philanthropy
<p>6. Management and Employee Commitment</p>	<ul style="list-style-type: none"> • Anderson would offer employment to all current employees providing services at Staunton, subject to customary Anderson background screening to ensure eligibility of employees • Following the closing of the Transaction, Anderson would oversee management personnel at Staunton and integrate leadership of Staunton into the “system” leadership as appropriate to encourage efficiencies and cultural integration
<p>7. Medical Staff and Other Physicians</p>	<ul style="list-style-type: none"> • The status of existing medical staff members would continue in effect • All current contracts with physician employees and independent contractors would remain in full force and effect, subject to due diligence review
<p>8. Hospital Name</p>	<ul style="list-style-type: none"> • Anderson would commit to maintaining the current name of Staunton to achieve continuity of brand in the local Staunton community • Anderson and Staunton would agree on a joint branding approach which would involve the use of the Anderson name in conjunction with Staunton’s current name to allow for public recognition of the affiliation
<p>9. Approvals</p>	<p>The Transaction will be subject to final approvals from both Parties’ respective governing boards and all required regulatory approvals.</p>

ATTACHMENT 6

Attachment 6
Maintaining Charitable Care and Current Services

The certification found on the next page documents that Community Memorial Hospital will maintain its same level of charity care after the change of ownership takes place as has been provided in recent years.

The chart on Page 3 of this Attachment indicates the level of charity care provided by Community Memorial Hospital for Fiscal Years 2012 through 2014, the three most recent years for which data have been provided on the Illinois Department of Public Health's Annual Hospital Questionnaire.

As a federally-designated Critical Access Hospital, Community Memorial Hospital will maintain its current beds and services. The hospital has 21 authorized Medical/Surgical beds and 4 Intensive Care beds, and it operates a Swing Bed Program.

The transaction will be accomplished by designating Southwestern Illinois Health Facilities d/b/a Anderson Hospital ("Anderson Hospital") as the sole corporate member of Community Memorial Hospital Association.

After this transaction is completed, Community Memorial Hospital will maintain its current name, Medicare provider enrollment and identifying number, and it will continue to operate as a Critical Access Hospital in accordance with Medicare regulations. Anderson Hospital will assume all current financial assets and liabilities of Community Memorial Hospital.

Additional information regarding this transaction is found in the Affiliation Letter of Intent that appears as Attachment 5 of this application.



November 13, 2015

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Second Floor
Springfield, Illinois 62702

Dear Ms. Avery:

Southwestern Illinois Health Facilities, Inc., d/b/a Anderson Hospital is a licensed, Joint Commission-accredited hospital in Maryville, Illinois.

Community Memorial Hospital Association is a licensed Critical Access Hospital in Staunton, Illinois.

Southwestern Illinois Health Facilities, Inc., is proposing to acquire membership rights of Community Memorial Hospital Association by becoming its sole corporate member and is submitting an application for a Certificate of Exemption to do so, as required under the Illinois Health Facilities Planning Act (20 ILCS 3960/6, 8.5).

Southwestern Illinois Health Facilities, Inc., hereby certifies that Community Memorial Hospital in Staunton will continue to maintain the same level of charity care after the change of ownership takes place as has been provided in recent years.

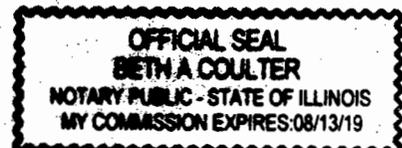
Sincerely,

A handwritten signature in black ink that reads "Keith A. Page".

Keith A. Page, FACHE
President & Chief Executive Officer

Notary Public: Beth A. Coulter
November 13, 2015

6800 State Route 162
Maryville, Illinois 62062
618-288-5711



Attachment 6, Page 2

COMMUNITY MEMORIAL HOSPITAL ASSOCIATION
CHARITY CARE INFORMATION

Charity (# of Patients)	FY2012	FY2013	FY2014
Inpatients	2	1	1
Outpatients	52	50	67
Total Patients	54	51	68
Amount of Charity Care (Charges)	FY2012	FY2013	FY2014
	\$107,384	\$108,725	\$44,631
Charity (Cost in dollars)	FY2012	FY2013	FY2014
Inpatients	\$11,127	\$3,090	\$3,600
Outpatients	\$58,726	\$50,910	\$41,400
Total Patients	\$69,853	\$54,000	\$45,000
Net Patient Revenue	FY2012	FY2013	FY2014
	\$14,464,000	\$14,215,997	\$15,240,997