

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

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

JUL 08 2010

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD**Facility/Project Identification**

Facility Name: Kewanee Hospital		
Street Address: 1051 W. South Street, PO Box 747		
City and Zip Code: Kewanee 61443		
County: Henry	Health Service Area 10	Health Planning Area: C-05

Applicant /Co-Applicant Identification

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

Exact Legal Name: Kewanee Hospital
Address: 1051 W. South Street, PO Box 747, Kewanee, IL 61443
Name of Registered Agent: Margaret Gustafson
Name of Chief Executive Officer: Margaret Gustafson
CEO Address: 1051 W. South Street, PO Box 747, Kewanee, IL 61443
Telephone Number: 309-852-7520

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

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

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: Margaret Gustafson
Title: CEO
Company Name: Kewanee Hospital
Address: 1051 W. South Street, PO Box 747, Kewanee, IL 61443
Telephone Number: 309-852-7520
E-mail Address: mgustafson@kewaneehospital.com
Fax Number: 309-852-7759

Additional Contact

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

Name: Lynn Fulton
Title: COO
Company Name: Kewanee Hospital
Address: 1051 W. South Street, PO Box 747, Kewanee, IL 61443
Telephone Number: 309-852-7521
E-mail Address: lfulton@kewaneehospital.com
Fax Number: 309-852-7759

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: Lynn Fulton
Title: COO
Company Name: Kewanee Hospital
Address: 1051 W. South Street, PO Box 747, Kewanee, IL 61443
Telephone Number: 309-852-7521
E-mail Address: lfulton@kewaneehospital.com
Fax Number: 309-852-7759

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Kewanee Hospital
Address of Site Owner: 1051 W. South Street, PO Box 747, Kewanee, IL 61443
Street Address or Legal Description of Site: 1051 W. South Street, Kewanee, IL 61443
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: Kewanee Hospital
Address: 1051 W. South Street, PO Box 747, Kewanee, IL 61443
<input checked="" type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

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

Flood Plain Requirements

NOT APPLICABLE TO THIS PROJECT

[Refer to application instructions.]

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

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

Historic Resources Preservation Act Requirements NOT APPLICABLE TO THIS PROJECT

[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

Part 1120 Applicability or Classification:

[Check one only.]

- Part 1120 Not Applicable
- Category A Project
- Category B Project
- DHS or DVA Project

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.

This project proposes the discontinuation of the 3-bed Obstetric Category of Service at Kewanee Hospital "Hospital". The Hospital proposes to reclassify those 3 beds as Medical-Surgical-Pediatric. Thus the Hospital will continue to operate a total of 25 beds.

This project is "Non-Substantive" in accordance with 77 Ill. Adm. code 1110.40.b) because it is solely for the discontinuation of a category of service.

There are no capital costs associated with this project.

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.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$0	\$0	\$0
Site Survey and Soil Investigation	\$0	\$0	\$0
Site Preparation	\$0	\$0	\$0
Off Site Work	\$0	\$0	\$0
New Construction Contracts	\$0	\$0	\$0
Modernization Contracts	\$0	\$0	\$0
Contingencies	\$0	\$0	\$0
Architectural/Engineering Fees	\$0	\$0	\$0
Consulting and Other Fees	\$0	\$0	\$0
Movable or Other Equipment (not in construction contracts)	\$0	\$0	\$0
Bond Issuance Expense (project related)	\$0	\$0	\$0
Net Interest Expense During Construction (project related)	\$0	\$0	\$0
Fair Market Value of Leased Space or Equipment	\$0	\$0	\$0
Other Costs To Be Capitalized	\$0	\$0	\$0
Acquisition of Building or Other Property (excluding land)	\$0	\$0	\$0
TOTAL USES OF FUNDS	\$0	\$0	\$0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$0	\$0	\$0
Pledges	\$0	\$0	\$0
Gifts and Bequests	\$0	\$0	\$0
Bond Issues (project related)	\$0	\$0	\$0
Mortgages	\$0	\$0	\$0
Leases (fair market value)	\$0	\$0	\$0
Governmental Appropriations	\$0	\$0	\$0
Grants	\$0	\$0	\$0
Other Funds and Sources	\$0	\$0	\$0
TOTAL SOURCES OF FUNDS	\$0	\$0	\$0
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project 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

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): Date when CON Permit is issued.

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140): Upon receipt of Permit per 77 ILL. ADM. Code 1130.720.b

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.

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Cost Space Requirements

See Attachment 9

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage, either **DGSF** or **BGSF**, must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

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.

FACILITY NAME: Kewanee Hospital		CITY: Kewanee			
REPORTING PERIOD DATES: From: January 2009 to: December 2009					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	19	985	3183	3	22
Obstetrics	3	202	411	(3)	0
Pediatrics	0			0	0
Intensive Care	3	102	241	0	3
Comprehensive Physical Rehabilitation	0			0	0
Acute/Chronic Mental Illness	0			0	0
Neonatal Intensive Care	0			0	0
General Long Term Care	0			0	0
Specialized Long Term Care	0			0	0
Long Term Acute Care	0			0	0
Other ((identify))	0			0	0
TOTALS:	25	1289	3835	0	25

NOTE: Kewanee Hospital is a Critical Access Hospital and permitted under current federal law to operate no more than 25 beds.

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 Kewanee 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.

Margaret M. Gustafson *Lynn A. Fulton*

SIGNATURE

SIGNATURE

Margaret M. Gustafson

Lynn A. Fulton

PRINTED NAME

PRINTED NAME

Chief Executive Officer

Chief Operating Officer

PRINTED TITLE

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 6 day of July 2010

Notarization:

Subscribed and sworn to before me
this 6 day of July 2010

Michele L. Ince
 Signature of Notary

Michele L. Ince
 Signature of Notary

Seal

Seal

*Insert EXACT



SECTION II. DISCONTINUATION

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

Criterion 1110.130 - Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

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

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

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

Sections III-X Non Applicable

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 -42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

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

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

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

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Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

XII. Charity Care Information

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

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

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

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

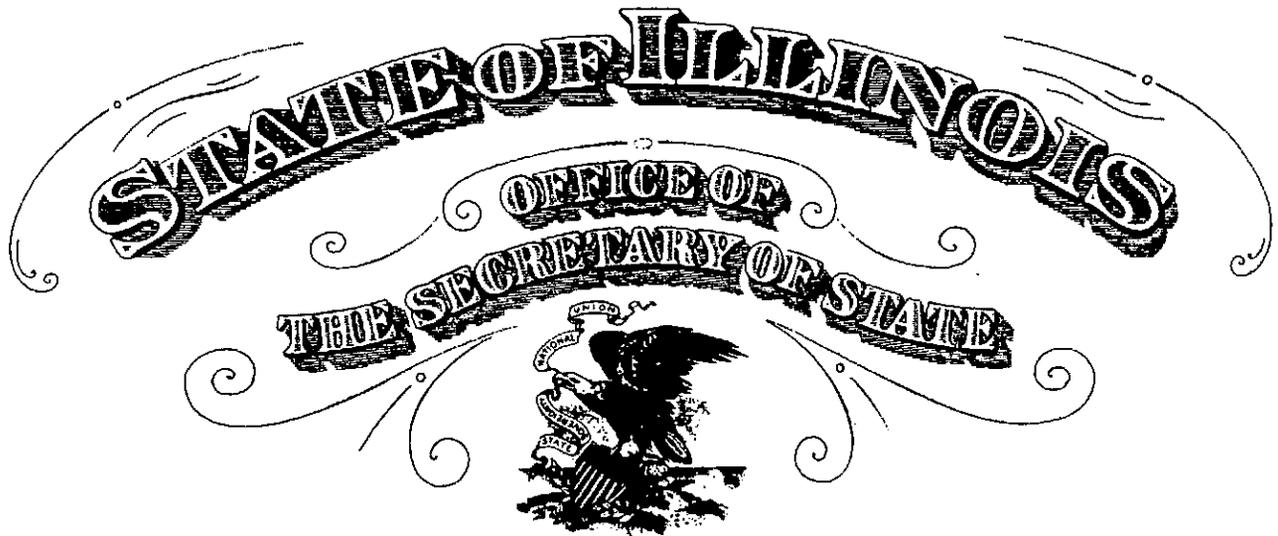
CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

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

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

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



To all to whom these Presents Shall Come, Greeting:

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

KEWANEE HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 13, 1902, 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 14TH day of JUNE A.D. 2010

Jesse White

SECRETARY

Authentication #: 1016500770

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

14

RICHARD C. VERHEECKE
HENRY COUNTY COLLECTOR
307 W. CENTER STREET
CAMBRIDGE, IL 61238

FIRST DUE DATE 06/10/2010	SECOND DUE DATE 09/10/2010
FIRST INSTALLMENT \$304,891.42	SECOND INSTALLMENT \$304,891.42
PRIOR TAX SOLD NO	FORFEITED NO

23451
HENRY COUNTY
REAL ESTATE TAX BILL

LOCATION: 1051 W SOUTH ST
 IL

LEGAL DESC: PT NE COR E NE SEC 8 T14N R5E LANDS INCORP

NAME:

HOSPITAL KEWANEE
 PO BOX 747
 KEWANEE IL 61443-

PERMANENT PARCEL NUMBER
 25-08-200-010

PROPERTY CLASS 0060

ACRES 16.93

FAIR CASH VALUE (NON-FARM) 20,514,831

FORMULATION FOR TAX CALCULATION

LAND ASMT 46,277

BUILDING ASMT 6,792,000

HOME IMP/VET EXEMPTION - 0

STATE MULTIPLIER X 1.0000

STATE EQUALIZED VALUE = 6,838,277

OWNER OCCUPIED EXEMPTION - 0

SENIOR CITIZEN EXEMPTION - 0

SENIOR ASSESSMENT FREEZE - 0

DISABLED VET HOMESTEAD - 0

DISABLED PERSONS EXEMPTION - 0

RETURNING VET EXEMPTION - 0

VET/FRAT EXEMPTIONS - 0

FARM LAND ASMT + 0

FARM BUILDING ASMT + 0

NET TAXABLE VALUE = 6,838,277

TAX RATE / PER \$100 EAV X 8.9172

ENTERPRISE ZONE ABATEMENT - \$0.00

DRAINAGE + \$0.00

TOTAL TAX = \$609,782.84

TOTAL AMOUNT DUE \$609,782.84

TAX CODE	HENRY COUNTY ITEMIZED STATEMENT		TOWNSHIP WETHERSFIELD		
	Prior Year Rate	Prior Year Tax	Current Rate	Current Tax	Pension Amount
250009					
Taxing Body					
HENRY COUNTY	0.8945	\$0.00	0.9173	\$62,727.51	\$15,187.83
WETHERSFIELD TOWNSHIP	0.2330	\$0.00	0.2077	\$14,203.10	\$1,875.37
BLACKHAWK COLLEGE #503	0.5354	\$0.00	0.5354	\$36,812.14	\$615.45
WETHERSFIELD ROAD DISTRICT	0.2808	\$0.00	0.2570	\$17,574.37	\$0.00
CITY OF KEWANEE	2.3552	\$0.00	2.2811	\$154,620.28	\$66,447.60
KEWANEE LIBRARY	0.6965	\$0.00	0.7524	\$51,451.20	\$5,887.23
KEWANEE AIRPORT	0.0127	\$0.00	0.0116	\$793.24	\$0.00
WETHERSFIELD SCHL UNIT 230	4.4486	\$0.00	3.9747	\$271,801.00	\$14,893.60
Totals	9.4567	\$0.00	8.9172	\$609,782.84	\$104,887.08

TAX DISTRICT PENSION AND SOCIAL SECURITY TAX AMOUNTS ARE INCLUDED IN ABOVE CURRENT TAX.

PLEASE SEE ENCLOSED INSERT FOR MORE DETAILS ABOUT YOUR TAXES.
PLEASE SEE REVERSE SIDE FOR PAYMENT INFORMATION.

RETURN THIS PORTION WITH PAYMENT

FOR THE YEAR 2009	PERMANENT PARCEL NUMBER 25-08-200-010	
DUE DATE 06/10/2010	FIRST INSTALLMENT \$304,891.42	PAID BY

IF POSTMARKED OR PAID ON OR AFTER THESE DATES, THE AMOUNT BELOW INCLUDES THE TAX AND PENALTY DUE.

06/11/2010	309,464.79
07/11/2010	314,038.18
08/11/2010	318,611.58
09/11/2010	323,184.97
10/11/2010	327,758.36



NAME: HOSPITAL KEWANEE
 ADDRESS: PO BOX 747
 KEWANEE IL 61443-

RETURN THIS PORTION WITH PAYMENT

FOR THE YEAR 2009	PERMANENT PARCEL NUMBER 25-08-200-010	
DUE DATE 09/10/2010	SECOND INSTALLMENT \$304,891.42	PAID BY

IF POSTMARKED OR PAID ON OR AFTER THESE DATES, THE AMOUNT BELOW INCLUDES THE TAX AND PENALTY DUE.

09/11/2010	\$309,464.79
09/25/2010	\$309,474.79
10/11/2010	\$314,038.18



NAME: HOSPITAL
 ADDRESS: PO BOX 74
 KEWANEE

15



To all to whom these Presents Shall Come, Greeting:

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

KEWANEE HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 13, 1902, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1016500770

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

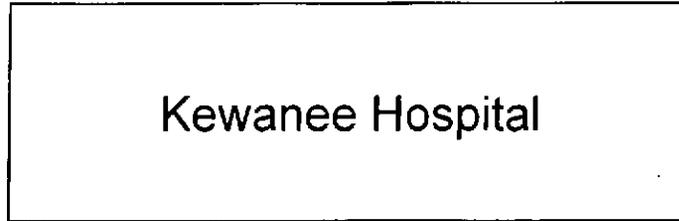
In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 14TH day of JUNE A.D. 2010 .

Jesse White

SECRETARY

110

Corporate Organizational Chart For Kewanee Hospital



Note: Kewanee Hospital is a private, not-for-profit 501(c) 3 organization and is not owned or affiliated with any other organization.

Cost Space Requirements

Department/Area	Gross Square Feet			Amt of Proposed that is:			
	Cost	Existing	Proposed	New Construction	Modern-ized	As Is	Vacated Space
<u>Clinical</u>							
Obstetrics	0	3,115	0	0	0	0	3,115
Total Clinical	0	3,115	0	0	0	0	3,115
<u>Non Clinical</u>	0	0	0	0	0	0	0
Total Non Clinical	0	0	0	0	0	0	0
Total	0	3,115	0	0	0	0	3,115

The discontinuation of the Obstetric Category of Service (OB) at Kewanee Hospital will result in 3,115 gross square feet of space being vacated. This space is currently occupied by OB and consists of an obstetric nursing station, newborn nursery, 3 Labor-Delivery-Recovery-Postpartum rooms, family lounge, and associated support space.

After OB is discontinued, Kewanee Hospital intends to convert the OB area to additional space for the medical-surgical-pediatric department without any associated capital costs. As a result of the conversion Kewanee Hospital will have 22 medical-surgical-pediatric rooms.

It should be noted that Kewanee Hospital has been designated a Critical Access Hospital and as such is not permitted to operate more than 25 acute care beds.

This project does not include the addition of any authorized beds to the hospital. After OB is discontinued, Kewanee Hospital will have 25 authorized beds, 22 in the medical-surgical-pediatric category of service and 3 designated in the critical care unit.

Section II. DISCONTINUATION

GENERAL INFORMATION REQUIREMENTS

1. Kewanee Hospital proposes to discontinue the Obstetrics Category of Service (OB) and to reclassify the 3 OB beds as medical-surgical-pediatric beds with no costs incurred.
2. Obstetrics is the only service that is to be discontinued.
3. Kewanee Hospital is closing OB effective July 31, 2010 via a notice of temporary suspension of OB submitted April 19, 2010. The service will be permanently closed upon receipt of the CON permit.
4. Kewanee Hospital will use the three patient rooms and associated space for medical-surgical-pediatric usage. The general use equipment will remain in the Hospital to be used by other departments. The equipment specific to OB will be sold.
5. All medical records pertaining to OB, including newborns will remain in Health Information Management at Kewanee Hospital.
6. N/A

REASONS FOR DISCONTINUATION

In accordance with Section 1110.130(b) of the Code, Kewanee Hospital cites the following as the reasons for discontinuation:

- 1) Insufficient volume or demand for the service;
- 3) The facility or service is not economically feasible, and continuation impairs the facility's financial viability;

Kewanee Hospital delivers a relatively small number of babies each year. In fiscal year 2009, 188 babies were delivered (with 202 admissions and 411 inpatient days). The overall market, which includes approximately a 25-mile radius around Kewanee, saw 337 babies born in 2009 resulting in a market share of 49%. In the 60 miles surrounding Kewanee Hospital, there are eleven hospitals providing OB services. The result is many hospitals sharing a piece of an already small pie. To compound the market conditions, 73% of the babies delivered at Kewanee Hospital were to mothers reliant on Medicaid. The Hospital receives less than twenty cents on the dollar in reimbursement from the State of Illinois for Medicaid. In three years, the Hospital has lost close to two-million dollars on the service.

The nearly two year recession has prompted a worsening situation with a growing number of Kewanee's expectant residents relying on Medicaid. The overall community is aging with only 19% of the population falling into the child-bearing age group. The result is a smaller patient base with growing dependence on Medicaid, which the state reimburses less than the cost to provide care. Currently over 45% of the community's population is at or below, the poverty guideline.

In order to effect a large enough change to make this service sustainable, an outside market dynamic would have to occur, i.e. large business entering the community or other area providers leaving the market. With the current state of the economy, it is unlikely a large business will open in the foreseeable future. In order to have enough profitable OB business to offset the losses, multiple local providers would need to cease the service, which again is unlikely in the near future.

There are currently fifty-one critical access hospitals in the State of Illinois; five of those have closed their OB services in the past five years leaving only ten who still offer OB. According to our interviews, many of them closed the service for similar reasons. It is increasingly difficult for small-rural hospitals to make this service sustainable.

Kewanee Hospital staff and leadership believe deeply in living the mission of *improving the health and care of those we serve*. The decision to discontinue OB services was difficult and emotional. Many of our staff, friends and family delivered their children at Kewanee Hospital. However in looking at the future of the hospital, the leadership team has realized that it is no longer sustainable without jeopardizing the overall organization and associated services for the community. Upon review of community members served, obstetrics is less than 3% of the overall patients treated—but is using up a disproportionate number of resources. The hospital is a not-for-profit organization, but with back-to-back losses in 2008 and 2009 something has to change in order to continue operations and to reinvest in staff, property, and equipment.

Kewanee Hospital will continue to deliver patients through July 31, 2010 and will be working with patients with post-July due dates on an alternative plan. Many of the current OB providers have privileges at other surrounding hospitals and currently refer patients from the community to those hospitals when desired.

IMPACT ON ACCESS

1. Kewanee Hospital does not believe that the closure of OB will have an adverse impact upon access to care for residents in the market area (Hospital defined as 25-miles surrounding Kewanee, IL). As articulated above there are eleven hospitals within a 60-mile radius that perform OB services. Over half of the delivering mothers in the Kewanee Hospital immediate market area chose to go elsewhere in 2009 to deliver their babies. Patients traveled to Geneseo, Princeton, Galesburg, Peoria, and the Quad Cities to deliver.
2. There are two hospitals in our immediate market area (within 45 minutes travel time according to MapQuest), as defined in 1110.130, that provide OB; Hammond-Henry Hospital in Geneseo, IL and OSF St. Mary's Medical Center in Galesburg, IL [See Appendices 1-10]. In addition Perry Memorial Hospital in Princeton, Illinois is located 32.66 miles from Kewanee Hospital however MapQuest shows a drive time of 52 minutes. It is generally known in this area that it takes less than 45 minutes to travel to Princeton so the Hospital included Perry Memorial in the mailing of the impact statements. The statements were received June 4, 2010. As of July 2, 2010, 28 days after receipt of letter, OSF St. Mary's in Galesburg IL has responded stating they are able to accommodate a portion or all of Kewanee Hospital's current caseload. In addition the CEO from Perry Memorial Hospital in Princeton, IL verbally confirmed with Kewanee Hospital CEO Margaret Gustafson that the closure would not adversely affect his organization and that they were prepared to handle the increased demand. Kewanee Hospital thus concludes a non-rebuttable assumption that the discontinuation will not have an adverse impact for that facility. Please see Appendices 1-10 for MapQuest print outs, impact letters, and proof of receipt.
3. None Received

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XI. Safety Net Impact Statement

1. Projects material impact on essential safety net services in the community:

As indicated previously in the permit application, Kewanee Hospital is one of 11 hospitals providing OB services within a 60-mile radius. Currently Kewanee Hospital has an overall market share at about 49%, so 51% of the births are already occurring outside of Kewanee.

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.

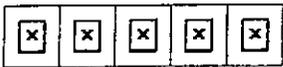
Kewanee Hospital has notified the area providers of OB of the pending closure. All have indicated that they are able to assume the births that would have previously occurred at Kewanee Hospital. Mr. Richard Kowalski, CEO of OSF St. Mary's Medical Center in Galesburg Illinois has submitted a letter [Appendix - 10] stating his organization is willing and able to accommodate a portion or all of Kewanee Hospital's experienced caseload.

Three of the delivering physicians in the Kewanee community have indicated that they have privileges at two other area facilities and will be able to continue to provide prenatal services in their local offices and will deliver at the hospital of the patient's choice.

3. Please see above statement.

XI. Safety Net Impact Statement			
CHARITY CARE			
Charity (# of patients)	2009	2008	2007
Inpatient	37	40	34
Outpatient	466	318	636
Total	503	358	670
Charity (cost in dollars)			
Inpatient	\$ 125,187	\$ 118,830	\$ 83,480
Outpatient	\$ 292,102	\$ 277,211	\$ 204,381
Total	\$ 417,289	\$ 396,041	\$ 287,861
MEDICAID			
Medicaid (# of patients)			
Inpatient	236	216	223
Outpatient	8,573	8,084	7,824
Total	8,809	8,300	8,047
Medicaid (revenue)			
Inpatient	\$ 956,043	\$ 308,752	\$ 297,078
Outpatient	\$ 3,326,349	\$ 3,931,271	\$ 3,844,648
Total	\$ 4,282,392	\$ 4,240,023	\$ 4,141,726

XII. Charity Care Information			
CHARITY CARE			
	2009	2008	2007
Net Patient Revenue	\$ 32,497,631	\$ 31,150,164	\$ 31,051,263
Amount of Charity Care (charges)	\$ 863,748	\$ 797,705	\$ 595,845
Cost of Charity Care	\$ 417,289	\$ 396,101	\$ 287,861
Ratio	1.28%	1.27%	0.93%



MAPQUEST.

Notes

Trip to 600 N College Ave

Geneseo, IL 61254-1091

27.95 miles - about 37 minutes

1051 W South St, Kewanee, IL 61443-8354



1. Start out going **WEST** on **W SOUTH ST / CR-41** toward **N 500TH AVE.** go 0.3 mi



2. Turn **RIGHT** onto **CR-41.** go 0.5 mi



3. Turn **LEFT** onto **CR-4.** go 4.1 mi



4. Turn **RIGHT** onto **CR-5.** go 12.8 mi



5. Merge onto **I-80 W** via the ramp on the **LEFT** toward **MOLINE / ROCK ISLAND.** go 7.6 mi



6. Take the **IL-82** exit, **EXIT 19**, toward **GENESEO / CAMBRIDGE.** go 0.2 mi



7. Take the ramp toward **GENESEO.** go 0.0 mi



8. Turn **SLIGHT RIGHT** onto **IL-82.** go 0.6 mi



9. Turn **LEFT** onto **US-6 / IL-82.** go 0.5 mi



10. Turn **LEFT** to stay on **US-6 / IL-82.** go 0.3 mi



11. Turn **RIGHT** onto **IL-82.** go 0.2 mi



12. Turn **RIGHT** to stay on **IL-82.**

24



13. Turn LEFT to stay on IL-82.

go 0.7 mi



14. 600 N COLLEGE AVE.

go 0.0 mi



600 N College Ave, Geneseo, IL 61254-1091

Total Travel Estimate : 27.95 miles - about 37 minutes

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1051 W. South St. • PO Box 747 • Kewanee, IL 61443
www.kewaneehospital.com • (309) 852-7500

June 3, 2010

Mr. Bradley Solberg, CEO
Hammond-Henry Hospital
600 North College Avenue
Geneseo, IL 61254

RE: Request for Impact Statement for Obstetric Services Closure

Dear Mr. Solberg:

In accordance with the requirements of 77 Ill. Adm Code 1110.130 C) 3) Kewanee Hospital is requesting an impact statement from your organization regarding the closure of the Hospital's obstetric (OB) services effective July 31, 2010. The code requires contact with all existing or approved health care facilities, providing the same services as those proposed for discontinuation, which are located within 45 minutes travel time of the requesting facility.

For your reference, included below is a table of the birth statistics for the last 31 months at Kewanee Hospital:

Year	Number of Births
2008	169
2009	188
YTD 2010 (seven months)	95

Please provide, as applicable, the following information with your impact statement:

- Capacity to accommodate a portion or all of Kewanee Hospital's experienced caseload.
- Explanation of any restrictions or limitations precluding providing services to the residents of Kewanee Hospital's market area.

If a response is not received within 15-days from the date of delivery, the Hospital will assume that the discontinuation will not have an adverse impact on your organization.

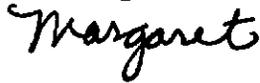
26

Responses should be directed to the following:

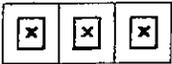
Margaret Gustafson, Chief Executive Officer
Kewanee Hospital
P.O. Box 747
Kewanee, IL 61443

I greatly appreciate your assistance with this. If you have any questions, please direct them to my attention at (309) 852-7520 or via e-mail at mgustafson@kewaneehospital.com.

Kind regards,



Margaret Gustafson
Chief Executive Officer



MAPQUEST.

Notes

Trip to 530 Park Ave E

Princeton, IL 61356-3901

32.66 miles - about 52 minutes

1051 W South St, Kewanee, IL 61443-8354



1. Start out going EAST on W SOUTH ST / CR-41 toward IL-229 / MIDLAND RD. Continue to follow W SOUTH ST. go 1.1 mi



2. Turn LEFT onto US-34 / IL-78. go 1.6 mi



3. Turn RIGHT onto US-34. go 0.5 mi



4. Turn LEFT to stay on US-34. go 13.3 mi



5. Turn RIGHT onto US-6 / US-34. Continue to follow US-6. go 15.7 mi



6. Turn RIGHT onto S HOMER ST. go 0.3 mi



7. Turn LEFT onto PARK AVE E. go 0.0 mi



8. 530 PARK AVE E is on the RIGHT. go 0.0 mi

530 Park Ave E, Princeton, IL 61356-3901

Total Travel Estimate : 32.66 miles - about 52 minutes

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www.kewaneehospital.com • (309) 852-7500

June 3, 2010

Mr. Rex Conger, President/CEO
Perry Memorial Hospital
530 Park Avenue East
Princeton, IL 61356

RE: Request for Impact Statement for Obstetric Services Closure

Dear Mr. Conger:

In accordance with the requirements of 77 Ill. Adm Code 1110.130 C) 3) Kewanee Hospital is requesting an impact statement from your organization regarding the closure of the Hospital's obstetric (OB) services effective July 31, 2010. The code requires contact with all existing or approved health care facilities, providing the same services as those proposed for discontinuation, which are located within 45 minutes travel time of the requesting facility.

For your reference, included below is a table of the birth statistics for the last 31 months at Kewanee Hospital:

Year	Number of Births
2008	169
2009	188
YTD 2010 (seven months)	95

Please provide, as applicable, the following information with your impact statement:

- Capacity to accommodate a portion or all of Kewanee Hospital's experienced caseload.
- Explanation of any restrictions or limitations precluding providing services to the residents of Kewanee Hospital's market area.

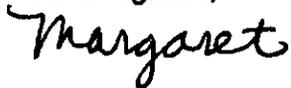
If a response is not received within 15-days from the date of delivery, the Hospital will assume that the discontinuation will not have an adverse impact on your organization.

Responses should be directed to the following:

Margaret Gustafson, Chief Executive Officer
Kewanee Hospital
P.O. Box 747
Kewanee, IL 61443

I greatly appreciate your assistance with this. If you have any questions, please direct them to my attention at (309) 852-7520 or via e-mail at mgustafson@kewaneehospital.com.

Kind regards,



Margaret Gustafson
Chief Executive Officer

1 From Please print and press hard.

Sender's FedEx Account Number 6-3-10

Sender's Name Margaret Gustafson Phone (303) 852-7500

Company KEMANEE HOSPITAL

Address 1051 W SOUTH ST

City KEWANEE State IL ZIP 61443-2711

2 Your Internal Billing Reference

First 2 characters will appear on invoice.

3 To Recipient's Name Mr. Rex Conger Phone (815) 876-4995

Company Perry Memorial Hospital Address 530 Park Avenue East We cannot deliver to P.O. boxes or P.O. ZIP codes.

Address Perry Memorial Hospital City Princeton State IL ZIP 61356

Use this line for the HOLD location address or for continuation of your shipping address.

City Princeton State IL ZIP 61356

0421624485



Simply your shipping. We make your account access all the tools you need.

0215

Standard Copy

4a Express Package Service Packages up to 150 lbs. FedEx Standard Overnight FedEx First Overnight

4b Express Freight Service Packages over 150 lbs. FedEx 10 Day Freight FedEx 30 Day Freight

5. Packaging FedEx Envelope FedEx Pak FedEx Box FedEx Tube

6 Special Handling and Delivery Signature Options SATURDAY Delivery

7 Payment Bill to: Sender Recipient Third Party Credit Card Cash/Check

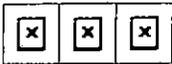
Total Packages Total Weight Total Declared Value

605

Ship and track packages at fedex.com

Simply your shipping. We make your account access all the tools you need.

0421624485



MAPQUEST.

Notes

Trip to 3333 N Seminary St
Galesburg, IL 61401-1251
34.14 miles - about 45 minutes

 1051 W South St, Kewanee, IL 61443-8354



1. Start out going WEST on W SOUTH ST / CR-41 toward N 500TH AVE. go 0.3 mi



2. Turn RIGHT onto CR-41. go 0.5 mi



3. Turn LEFT onto CR-4. go 4.1 mi



4. Turn LEFT onto CR-5 / CR-4. go 0.4 mi



5. Turn RIGHT onto CR-4. go 3.9 mi



6. Turn LEFT onto CR-39. go 2.1 mi



7. CR-39 becomes COUNTY ROAD 1700E. go 2.5 mi



8. Turn RIGHT onto US-34 / IL-17. Continue to follow US-34 W. go 19.8 mi



9. Take the SEMINARY ST exit. go 0.3 mi



10. Take the SEMINARY ST ramp. go 0.0 mi



11. Turn RIGHT onto N SEMINARY ST. go 0.1 mi



12. 3333 N SEMINARY ST is on the RIGHT.

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June 3, 2010

Mr. Richard Kowalski, President & CEO
OSF St. Mary's Medical Center
3333 North Seminary Street
Galesburg, IL 61401

RE: Request for Impact Statement for Obstetric Services Closure

Dear Mr. Kowalski:

In accordance with the requirements of 77 Ill. Adm Code 1110.130 C) 3) Kewanee Hospital is requesting an impact statement from your organization regarding the closure of the Hospital's obstetric (OB) services effective July 31, 2010. The code requires contact with all existing or approved health care facilities, providing the same services as those proposed for discontinuation, which are located within 45 minutes travel time of the requesting facility.

For your reference, included below is a table of the birth statistics for the last 31 months at Kewanee Hospital:

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- Capacity to accommodate a portion or all of Kewanee Hospital's experienced caseload.
- Explanation of any restrictions or limitations precluding providing services to the residents of Kewanee Hospital's market area.

If a response is not received within 15-days from the date of delivery, the Hospital will assume that the discontinuation will not have an adverse impact on your organization.

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Responses should be directed to the following:

Margaret Gustafson, Chief Executive Officer
Kewanee Hospital
P.O. Box 747
Kewanee, IL 61443

I greatly appreciate your assistance with this. If you have any questions, please direct them to my attention at (309) 852-7520 or via e-mail at mgustafson@kewaneehospital.com.

Kind regards,

Margaret

Margaret Gustafson
Chief Executive Officer



FedEx Express
Customer Support Trace
3875 Airways Boulevard
Module H, 4th Floor
Memphis, TN 38116

U.S. Mail: PO Box 727
Memphis, TN 38194-4643
Telephone: 901-369-3600

June 14, 2010

Dear Customer:

The following is the proof-of-delivery for tracking number 872412763124.

Delivery Information:

Status:	Delivered	Delivery date:	Jun 4, 2010 09:57
Signed for by:	V.WALTER		
Service type:	Priority Envelope		

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 FedEx FedEx FedEx FedEx FedEx FedEx FedEx FedEx FedEx FedEx
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 FedEx FedEx FedEx FedEx FedEx FedEx FedEx FedEx FedEx FedEx

Shipping Information:

Tracking number:	872412763124	Ship date:	Jun 3, 2010
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Recipient:		Shipper:	
US		US	

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 Tracking Number

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FedEx
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 US Airbill

1 From Please print and press hard.
 Date 6-3-10

Sender's FedEx Account Number 0612-0626-1

Sender's Name Margaret Gustafson Phone (309) 552-7500

Company KENANEE HOSPITAL

Address 1051 W SOUTH ST

City KENANEE State IL ZIP 61440-2711

2 Your Internal Billing Reference

3 To Recipient's Name Mr. Richard Kowalski Phone 309, 344-3161

Company OSF St. Mary's Medical Center

Address 3333 N. Seminary St.

City Galesburg State IL ZIP 61401



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 or let our pros pack for you with FedEx Office Pack & Ship.

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4a Express Package Service * To most locations.
 FedEx Priority Overnight
 FedEx Standard Overnight
 FedEx 2Day
 FedEx 2Day Freight
 FedEx 3Day Freight

4b Express Freight Service ** To most locations.
 FedEx 10Day Freight
 FedEx 2Day Freight
 FedEx 3Day Freight

5 Packaging * Declared value limit \$500.
 Envelope
 FedEx Pak
 FedEx Pak and Large Pak
 FedEx Tube
 Other

6 Special Handling and Delivery Signature Options
 SATURDAY Delivery
 No Signature Required
 Direct Signature
 Indirect Signature

7 Payment Bill to:
 Sender
 Recipient
 Third Party
 Credit Card
 Cash/Check

Total Packages Total Weight Total Declared Value
 \$ 00

605

300

fedex.com 1800.GoFedEx 1800.463.3339

39



REC'D JUN 16 2010

June 11, 2010

Ms. Margaret Gustafson
Chief Executive Officer
Kewanee Hospital
P.O. Box 747
Kewanee, IL 61443

Dear Ms. Gustafson:

Re: *Request for Impact Statement for Obstetric Services Closure*

In response to your letter dated June 3, 2010, OSF St. Mary Medical Center can accommodate a portion or all of Kewanee Hospital's experienced caseload. Also, we do not have any restrictions or limitations precluding providing services to the residents of Kewanee Hospital's market area.

Please contact me if you have any questions or require further assistance.

Thank you.

Sincerely,

Richard S. Kowalski, FACHE
President & CEO

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