

Constantino, Mike

From: Jack Axel [jacobmaxel@msn.com]
Sent: Monday, August 30, 2010 2:43 PM
To: Constantino, Mike
Subject: RE: UHS Hargrove

When making an offer to PSI, UHS offered a multiple of the the individual hospital's EMITDAs. In developing their offer, UHS, in conjunction with their outside advisors, elected to offer 8.3 times the hospitals' EBITDAs.

Subject: RE: UHS Hargrove
Date: Mon, 30 Aug 2010 14:21:52 -0500
From: Mike.Constantino@Illinois.gov
To: jacobmaxel@msn.com
CC: miskinner@sidley.com

And what does 8.3 signify?

Mike Constantino
Illinois Department of Public Health
525 West Jefferson
Springfield, Illinois 62761
Fax:(217) 785-4111
Phone:(217) 785-1557

PLEASE NOTE MY EMAIL ADDRESS HAS BEEN CHANGED TO
MIKE.CONSTANTINO@ILLINOIS.GOV

From: Jack Axel [mailto:jacobmaxel@msn.com]
Sent: Monday, August 30, 2010 2:19 PM
To: Constantino, Mike
Cc: miskinner@sidley.com
Subject: RE: UHS Hargrove

Mike,
The formula used was 2009 EBITDA for the individual hospitals X 8.3, with some very minor adjustments for anticipated expenses.

Below is a break-out of the consulting and other costs.

CON Review Fee	\$100,000	\$70,000
CON-Related Costs	\$50,000	\$50,000
Legal/Transactional	\$2,250,000	\$2,250,000
Misc.	<u>\$200,000</u>	<u>\$230,000</u>
	\$2,600,000	\$2,260,000

Please let me know, if you need any further information.

Jack

Subject: UHS Hargrove
Date: Tue, 24 Aug 2010 14:14:10 -0500
From: Mike.Constantino@Illinois.gov
To: jacobmaxel@msn.com

Jack:

Can you give me the allocation of the acquisition prices for the three hospitals and the detail of the consulting and other costs.? thanks

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Springfield, Illinois 62761
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