

From: Jack Axel [jacobmaxel@msn.com]
Sent: Monday, March 14, 2011 1:24 PM
To: Roate, George
Cc: anne murphy
Subject: RE: Question

George,
Kindred's acquisition of all of RehabCare's facilities includes only one facility in Illinois, Greater Peoria Specialty Hospital. The acquisition price for the entire company, \$885M, was the result of an EBITDA-based formula. RehabCare's ownership interest in the Peoria facility accounted for 1.35% of the that of the entire company. The \$11,981,000 represents 1.35% of the acquisition cost of the entire company.
jack

From: George.Roate@Illinois.gov
To: jacobmaxel@msn.com
Date: Mon, 14 Mar 2011 09:11:01 -0500
Subject: RE: Question

I have a question:

I am doing some preliminary work on the SAR for this project, (11-011) and need a brief narrative explaining how the applicants arrived at the \$11,981,000 figure as being 51% interest in Greater Peoria Specialty Hospital. Is it from the determined FMV of the facility on a whole? Or was there another angle to this?
As always, if I missed something that is already in the application, I apologize in advance. Thanks.

From: Jack Axel [mailto:jacobmaxel@msn.com]
Sent: Monday, March 14, 2011 9:02 AM
To: Roate, George
Subject: RE: Question

yes

From: George.Roate@Illinois.gov
To: jacobmaxel@msn.com
Date: Mon, 14 Mar 2011 08:59:56 -0500
Subject: Question

Good morning, Jack:
Are you in any way affiliated with project 11-011, Greater Peoria Specialty Hospital?

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