15-006

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED
FEB 03 2015
HEALTH FACILITIES & SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:**Bloomington-Normal Birthing Center**
Street Address: **6 Westport Court**
City and Zip Code: **Bloomington, IL 61704**
County: **McLean** Health Service Area **Obstetrics** Health Planning Area: **D-02**

Applicant /Co-Applicant Identification
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: **Bloomington-Normal Birthing Center, LLC and BNBC Land, LLC**
Address: **2107 Crimson Lane, Bloomington, IL 61704**
Name of Registered Agent: **Joseph A. Santiago Jr, M.D.**
Name of Chief Executive Officer: **Joseph A. Santiago Jr, M.D.**
CEO Address: c/o **OB Gyn Care & Associates, 505 Eastland Drive, #500; Bloomington, IL 61701**
Telephone Number: **(309) 662-2273**

Type of Ownership of Applicant/Co-Applicant

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- 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 including post permit) THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960

Name: **Kathleen Lorenz**
Title: **Consultant**
Company Name: **Bloomington-Normal Birthing Center, LLC**
Street Address: c/o **OB Gyn Care & Associates, 505 Eastland Drive, Suite 500**
City Zip Code **Bloomington, IL 61701**
Telephone Number: **309-531-1884**
E-mail Address: **ktlorenz18@gmail.com**
Fax Number: **(309) 662-2014**

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:**BNBC Land, LLC**

Address of Site Owner: : **2107 Crimson Lane, Bloomington, IL 61704**

Street Address or Legal Description of Site: **6 Westport Court, Bloomington, IL 61704**

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: **Bloomington-Normal Birthing Center, LLC**

Address: **2107 Crimson Lane, Bloomington, IL 61704**

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- 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.
- **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

[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

[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

Part 1110 Classification:

✓ **SUBSTANTIVE**

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 is for the establishment of a freestanding birthing center in Bloomington, IL, to be owned and operated by the private entity known as Bloomington-Normal Birthing Center, LLC. In accordance with the Health Facilities Planning Act, the proposed birthing center is designed to reverse the trends of increasing costs of health care, while maintaining highest quality standards and enhancing choice and access for the population served by the center to receive the necessary health services.

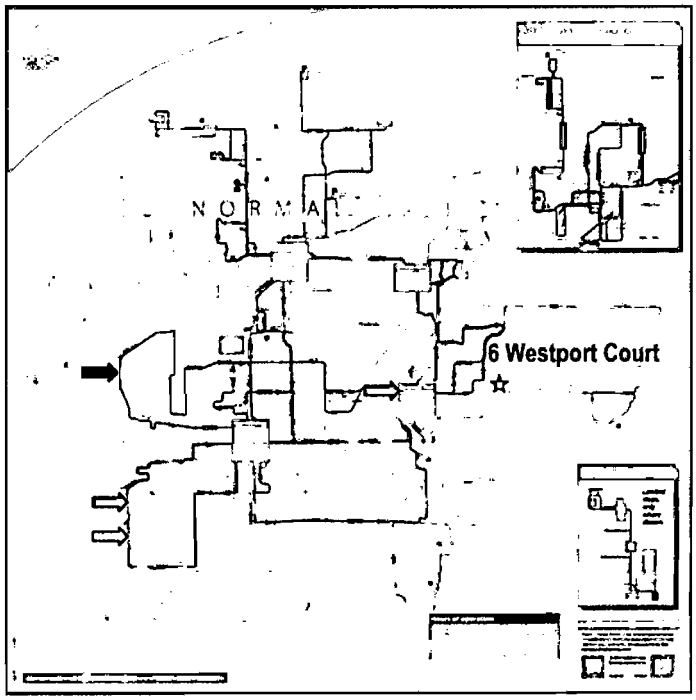
BNBC Land, LLC, a limited liability corporation comprised of the principle owners of Bloomington-Normal Birthing Center, LLC, has a signed letter of intent to purchase a building at 6 Westport Court in Bloomington, located in B-1 zoning and the site of a former daycare. The proposed birthing center will do business as Bloomington-Normal Birthing Center. As proposed, this project would be one of the *10 possible birth centers allowed as part of the demonstration project* set forth in Section 1110.3130 "Birth Center - Alternative Health Care Model – Review Criteria" of Title 77, Chapter II, Subchapter a of the Illinois General Assembly Administrative Code. More specifically, the proposed center would fulfill the requirement to be *one of three allowed sites to be located in a municipality with a population of 50,000 or more not otherwise located in Cook, DuPage, Kane, Lake, McHenry or Will counties.*

Figure 1: HPSA Bloomington-Normal, IL

The proposed site at 6 Westport Court will predominantly serve the residents of a health professional shortage area in accordance with Section 1110.3130 "Birth Center - Alternative Health Care Model – Review Criteria" of Title 77, Chapter II, Subchapter b of the Illinois General Assembly Administrative Code: *The first 3 birth centers authorized to be operated by IDPH shall be located in or provide service to a health professional shortage area, as determined by the U.S. Department of Health and Human Services.* [210 ILCS 3/30]. As shown in the map titled Figure 1, the Westport property for the proposed birthing center (denoted as a red star) is approximately 3 miles to the east of the designated primary care health provider shortage area (green shaded area), but it is part of the larger mental health shortage area (purple). The owners of Bloomington-Normal Birthing Center, LLC considered two other properties in south Bloomington which were in the HPSA designated area; however the Westport site proved to be the best overall choice when considering access to EMS, proximity to hospital, location along a major east-west thoroughfare, access to interstates, access to public transportation as well as best purchase value and renovation potential. It is also positioned in an area that is the directional growth for the community, to the east. The proposed site is a 22 year old, 6000 sf building in very good condition, being purchased for $50/sf. It is less than a 1/2 mile from the closest EMS (Bloomington Fire State 3, located on Empire Street), and under 2 miles from OSF St. Joseph Medical

Center, with which Bloomington-Normal Birthing Center, LLC has secured a contractual transfer agreement. Being close to EMS and OSF St. Joseph Medical Center is of utmost importance to the owners of Bloomington-Normal Birthing Center, LLC to ensure a patient immediate access to emergency surgical backup services and other such higher level care, as stipulated in Section 1110.3130 "Birth Center - Alternative Health Care Model – Review Criteria" of Title 77, Chapter II, Subchapter f of the Illinois General Assembly Administrative Code: *Birth centers shall be located within 30 minutes ground travel time from the licensed hospital to allow for an emergency caesarian delivery to be started within 30 minutes after the decision that a caesarian delivery is necessary.* [210 ILCS 3/35]

Figure 2: Local Bus Lines



Access to public transportation and other supportive services to the Center's intended patients and families are also important criteria. The property is situated along Empire St/Route 9, which is a major east-west thoroughfare that most directly connects the HPSA area to the west to this property. Figure 2 shows the local bus lines for in town public transportation that we expect to be of service to the Center's patients who rely on or prefer public transportation. The most direct route for the most underserved of the community would be taking the brown, yellow or red from the west or south to the Eastland Mall transfer point, and then getting on the teal to Westport. The distance covered in this trip is approximately 5-6 total miles. The proposed site will also be about a mile from the YWCA on Hershey and Empire, and about 4 miles from the McLean County Health Department, with which we expect to build relationships to help serve the needs of their clients needing maternity care.

Bloomington-Normal is fortunate to be located at the crossroads of several major highways: I-55, I-74, and I-39, as well as US-51 to the south, US-150 east/west, and IL-9 east/west which provide direct access to the most rural sections of the region. Such proximity to these highways will allow for easy access to the communities of the nearby counties of Logan, Dewitt, Tazewell and Woodford, all or significant portions of which are designated as HPSA areas.

The populations of Bloomington and Normal are 77,000 and 53,000 respectively; and the entire county population for McLean County is 170,000 and is expected to surpass 176,000 by 2017. Directionally the growth of the community is to the northeast in Normal and east/southeast in Bloomington, for which the proposed birthing center site is well positioned. The eastside of Bloomington-Normal is also still the focus of a possible eastside bypass study intended to improve the connectivity of I-55 and I-74 to the east.

The principle owners of Bloomington-Normal Birthing Center, LLC have secured the financing from Heartland Bank and Trust Company, Bloomington, IL to support the startup of the new proposed birthing center business, including startup expenses, as well as purchase and renovations of the property. Initially a line of credit will be extended to the principles of Bloomington-Normal Birthing Center, LLC to cover the

expenses incurred during the pre-approval phase of this project. If granted approval of the CON application for this project by the state, the principles will proceed with the purchase and renovation of the property at 6 Westport Court, Bloomington. Heartland Bank and Trust Company has already approved the financing for the principles to move forward with the purchase and renovation of the property.

The proposed birthing center is a substantive project because it is offering a new service not otherwise offered in McLean County (Illinois Health Planning Area D-04), or anywhere in downstate at this time. Bloomington-Normal Birthing Center will offer an out of hospital birthing service to those who are low risk and who want to choose a safe alternative in a comfortable environment that minimizes the use of technology and is cost effective. The proposed Bloomington-Normal Birthing Center facility will offer up to 3 birthing rooms, space for prenatal visits, educational space, along with private office space, and personal, home-like space for family to gather during the labor experience. All new patients will receive a consultation to ensure that the birthing center is the safest choice for mom and baby's needs. The Center's team of professionals will guide their patients through a very personal birth experience, from prenatal care, natural childbirth, and full postpartum care. The Center expects to deliver about 200 births per year, and offer an array of educational classes including childbirth education, diet/exercise, as well as pregnancy massage/yoga and support group options for our patients.

The Birthing Center, which will operate as a closed model for the professionals delivering the birthing services, will employ a staff of Registered Nurses, Certified Nurse Midwives, Techs, and Doulas. Two midwives are already employed as part of the owners' practices, and have interest in working for the Birthing Center. The pool of registered nurses in the community is boosted by the two College of Nursing programs in Bloomington-Normal: Mennonite College of Nursing at Illinois State University, and Illinois Wesleyan University College of Nursing. Furthermore, Heartland Community College offers an Associate Degree in Nursing, a Practical Nursing Certificate, or a Nursing Assistant Certificate; and the Bloomington Area Vocational Center offers numerous healthcare related programs, such as Nursing Assistant and Advanced CNA. These educational programs along with the pool of candidates from area hospitals and medical offices will be the primary source for our staff and clinical director for the Birthing Center. Additionally, the Central Illinois region boasts of a very engaged and enthusiastic network of midwives and doulas. This group has embraced the early discussions about bringing a birthing center to Bloomington-Normal. Over 100 attended an educational event held in November, and over 300 have engaged with the Bloomington-Normal Birthing Centers' Facebook page, BN Birthcenter, in less than 3 months. Several others are following the Center's news via Twitter, Instagram and Pinterest.

Bloomington-Normal Birthing Center will not discriminate against any patient requiring treatment because of the source of payment for services, including Medicare and Medicaid recipients; and it will be certified to participate in the Medicare and Medicaid programs. Furthermore, Bloomington-Normal Birthing Center will adhere to charitable care practices consistent with comparable health care providers in the area. Finally, Bloomington-Normal Birthing Center will adhere strictly to birth center practice standards as outlined by the American Association of Birth Centers (AABC), and will plan to obtain full accreditation from the AABC. Patients of the Birthing Center will be continually monitored during the course of their pregnancy to ensure they meet the criteria for a low risk pregnancy. The Center's certified nurse midwives will be highly trained in the process of natural childbirth, offering their patients a variety of labor and delivery options including water birth for laboring and delivery. The principle owners of Bloomington-Normal Birthing Center, LLC believe in the benefits of water birth and anticipate offering it as an option to patients. To honor the ACOG opinion statement on water births, however, the Center's Medical Director will remain in close collaboration with AABC and ongoing studies on this topic. All activities of the Center will be closely monitored for quality and compliance by the Center's team of board certified obstetricians.

References:

American Association of Birthing Centers

Bloomington-Normal Economic Development Council, 2014 Demographic Profile

http://quickfacts.census.gov/qfd/states/17/17113.html

https://suburbanstats.org/population/illinois/how-many-people-live-in-mclean-county

http://www.city-data.com/poverty/poverty-Bloomington-Illinois.html

http://www.connect-transit.com/

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 (29% total sf)**	**NONCLINICAL (71% total sf)**	**TOTAL**
Pre Planning Costs	$ 4,747	$ 11,621	$ 16,368
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	$ 114,736	$ 280,906	$ 395,642
Contingencies (10% @ Schematics)	$ 11,455	$ 28,045	$ 39,500
Architectural/Engineering Fees (Est 10% of Constr)	$ 11,455	$ 28,045	$ 39,500
Consulting and Other Fees	$ 13,195	$ 32,305	$ 45,500
Movable or Other Equipment (excl construction)	$ 17,125	$ 41,926	$ 59,050
Bond Issuance Expense (project related)			
Net Interest Exp During Construction (project related)	$ 9,997	$ 24,476	$ 34,473
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized		$ 15,200	$ 15,200
Acquisition of Building or Other Property (excl land)	$ 87,000	$ 213,000	$ 300,000
TOTAL USES OF FUNDS	**$ 269,710**	**$ 675,524**	**$ 945,233**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$ 105,918	$259,316	$ 365,233
Pledges	$0.00	$0.00	
Gifts and Bequests	$0.00	$0.00	
Bond Issues (project related)	$0.00	$0.00	
Mortgages/Construction Loan	$ 168,200	$411,800	$ 580,000
Leases (fair market value)	$0.00	$0.00	
Governmental Appropriations	$0.00	$0.00	
Grants	$0.00	$0.00	
Other Funds and Sources	$0.00	$0.00	
TOTAL SOURCES OF FUNDS	**$ 274,118**	**$671,116**	**$ 945,233**
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 **$ 398,701**[1]
[1]**reflects operating deficit through first full year (2016) of operating.**

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): **Within 1 year of date of permit issued**

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

☐ 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.

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.

Cost Space Requirements

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.**

The following square footage represents BGSF, for the building of the Bloomington-Normal Birthing Center. Cost estimates are based on proportion of the specific BGSF out of a total of 6,000sf for the building. A total cost of ~~$479,000~~ (construction, plus contingencies and A/E expenses) is used to calculate the proportional cost. $474,642 KH 2/2/15

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
Birthing Rooms	$73,800	0	933	0	933	0	0
Total Clinical	$138,109	0	1746	0	1746	0	0
NON REVIEWABLE							
Administrative	$65,503	0	828	0	828	0	0
Total Non-clinical	$336,534	6,000	4,254	0	4,254	0	0
TOTAL	**$474,642**	**6,000**	**6,000**	**0**	**6,000**	**0**	**0**

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- 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);
- 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);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Bloomington-Normal Birthing Center, LLC 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.

SIGNATURE	SIGNATURE
Jo Santiago	
PRINTED NAME	PRINTED NAME
CEO	
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 22 day of January 2015	Notarization: Subscribed and sworn to before me this _____ day of _____
Patricia D. Hart	
Signature of Notary	Signature of Notary
Seal	Seal

*Insert EXA

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2-2-15

SECTION II – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals, **as appropriate.**

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Report. APPEND DOCUMENTATION AS ATTACHMENT-10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 10.

ALTERNATIVES

1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

A) Proposing a project of greater or lesser scope and cost;

B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;

C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and

D) Provide the reasons why the chosen alternative was selected.

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION III - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**

2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following::

   a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;

   b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;

   c. The project involves the conversion of existing space that results in excess square footage.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 12.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Birthing Room	310-312 sf per birthing room	Max. 2750 bgsf per birthing room	Under by 2438-2440 sf	Yes, within standard

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 13.

UTILIZATION					
	DEPT./ SERVICE	**HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.**	**PROJECTED UTILIZATION**	**STATE STANDARD (1500 hours per room)**	**MET STANDARD?**
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE. APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage of the proposed shell space;

2. The anticipated use of the shell space, specifying the proposed GSF tot be allocated to each department, area or function;

3. Evidence that the shell space is being constructed due to
   a. Requirements of governmental or certification agencies; or
   b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.

4. Provide:
   a. Historical utilization for the area for the latest five-year period for which data are available; and
   b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.

2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and

3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV – BIRTH CENTER – REVIEW CRITERIA

READ EACH of the following review criteria
PROVIDE the required information specified under each review criterion.

SECTION IV – BIRTH CENTER – REVIEW CRITERIA

READ EACH of the following review criteria
PROVIDE the required information specified under each review criterion.

Criterion 77 IAC 1110.3120 (a) – "Location"

1. Document that the proposed birth center will be located in one of the geographic areas, as provided in the Alternative Healthcare Delivery Act.

2. Document that the proposed birth center is owned or operated by a hospital; or owned or operated by a federally qualified health center; or owned and operated by a private person or entity.

Criterion 77 IAC 1110.3120 (b) – "Service Provision to a Health Professional Shortage Area"

Document whether the proposed site is located in or will predominantly serve the residents of a health professional shortage area.

Criterion 77 IAC 1110.3120 (c) – "Admission Policies"

Provide admission policies that will be in effect at the facility and a signed statement that no restrictions on admissions due to these factors will occur.

Criterion 77 IAC 1110.3120 (d) – "Bed Capacity"

Document that the proposed birth center will have no more than 10 beds.

Criterion 77 IAC 1110.3120 (e) – "Staffing Availability"

Document that necessary staffing is available by providing letters of interest from prospective staff members, completed applications for employment, or a narrative explanation of how the proposed staffing will be achieved.

Criterion 77 IAC 1110.3120 (f) – "Emergency Surgical Backup"

Document that either:

1. The birth center will operate under a hospital license and will be located within 30 minutes ground travel time from the hospital; **OR**

2. A contractual agreement has been signed with a licensed hospital for the referral and transfer of patients in need of an emergency caesarian delivery.

Criterion 77 IAC 1110.3120 (g) – "Education"

A written narrative on the prenatal care and community education services offered by the birth center and how these services are being coordinated with other health services in the community.

Criterion 77 IAC 1110.3120 (h) – "Inclusion in Perinatal System"

1. Letter of agreement with a hospital designated under the Perinatal System and a copy of the hospital's maternity service; **OR**

2. An applicant that is not a hospital shall identify the regional perinatal center that will provide neonatal intensive care services, as needed to the applicant birth center patients; and a letter of intent, signed by both the administrator of the proposed birth center and the administrator of the regional perinatal center, shall be provided.

Criterion 77 IAC 1110.3120 (i) – "Medicare/Medicaid Certification"

The applicant shall document that the proposed birth center will be certified to participate in the Medicare and Medicaid programs under titles XVIII and XIX, respectively, of the federal Social Security Act.

Criterion 77 IAC 1110.3120 (j)- "Charity Care"

The applicant shall provide to HFSRB a copy of the charity care policy that will be adopted by the proposed birth center.

Criterion 77 IAC 1110.3120 (k) – "Quality Assurance"

The applicant shall provide to HFSRB a copy of the quality assurance program to be adopted by the birth center.

APPEND DOCUMENTATION AS ATTACHMENT-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION V – FINANCIAL AND ECONOMIC FEASIBILITY – REVIEW CRITERIA

The following Sections DO NOT need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- **Section 1120.120 Availability of Funds – Review Criteria**
- **Section 1120.130 Financial Viability – Review Criteria**
- **Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)**

Criterion 1120.120 – "Availability of Funds"

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

$365,233	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
$0	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
$0	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
$580,000	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
$0	e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
$0	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
$0	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
$945,233		**TOTAL FUNDS AVAILABLE**

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1120.130 – "Financial Viability"

All applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. **"A" Bond rating or better**
2. **All of the projects capital expenditures are completely funded through internal sources**
3. **The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent**
4. **The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.**

See Section 1120.130 – "Financial Waiver" for information to be provided.

APPEND DOCUMENTATION AS ATTACHMENT-18, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

Provide Data for Projects Classified as:				
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

2. Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 19, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1120.140 – "Economic Feasibility"

This section is applicable to ALL projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

1. That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or

2. That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

   A. A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or

   B. Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

1. That the selected form of debt financing for the project will be at the lowest net cost available;

2. That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;

3. That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-21, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1110.____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 22.

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

APPEND DOCUMENTATION AS ATTACHMENT-22, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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/Co-applicant Identification including Certificate of Good Standing	25-29
2	Site Ownership	29-30
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	31-33
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	34
5	Flood Plain Requirements	35-36
6	Historic Preservation Act Requirements	37-40
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9	Background of the Applicant	49
10	Purpose of the Project	50-57
11	Alternatives to the Project	58-62
12	Size of the Project	63
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15	Assurances for Unfinished/Shell Space	66
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Attachment 1: Applicant/Co-applicant Identification

Form **LLC-5.5**	**Illinois Limited Liability Company Act Articles of Organization**	**FILE # 04993713**
Secretary of State Jesse White Department of Business Services Limited Liability Division www.cyberdriveillinois.com	**Filing Fee:** $500 **Expedited Fee:** $100 **Approved By:** TLB	**FILED** **SEP 25 2014** **Jesse White** **Secretary of State**

1. Limited Liability Company Name: BLOOMINGTON-NORMAL BIRTHING CENTER, L.L.C.

2. Address of Principal Place of Business where records of the company will be kept:
   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

3. Articles of Organization effective on the filing date.

4. Registered Agent's Name and Registered Office Address:

   WILLIAM A. MUELLER, JR.
   202 NORTH CENTER STREET
   BLOOMINGTON, IL 61701

5. Purpose for which the Limited Liability Company is organized:
   "The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."

6. The LLC is to have perpetual existence.

7. The Limited Liability Company is managed by the manager(s).

   OGUNLEYE, DR. DELE A.
   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

   SANTIAGO, DR. JOSEPH
   1505 EASTLAND DRIVE, SUITE 505
   BLOOMINGTON, IL 61701

   TATTINI, DR. CHAD
   2502 EAST EMPIRE STREET
   BLOOMINGTON, IL 61701

8. **Name and Address of Organizer**
   I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

   Dated: SEPTEMBER 25, 2014

   DR. DELE A. OGUNLEYE
   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

This document was generated electronically at www.cyberdriveillinois.com

Attachment 1: Applicant/Co-applicant Identification

LLC FILE DETAIL REPORT

Entity Name	BLOOMINGTON-NORMAL BIRTHING CENTER, L.L.C.	**File Number**	04993713
Status	ACTIVE	**On**	09/25/2014
Entity Type	LLC	**Type of LLC**	Domestic
File Date	09/25/2014	**Jurisdiction**	IL
Agent Name	WILLIAM A. MUELLER, JR.	**Agent Change Date**	09/25/2014
Agent Street Address	202 NORTH CENTER STREET	**Principal Office**	2107 CRIMSON LANE BLOOMINGTON, IL 617010000
Agent City	BLOOMINGTON	**Management Type**	MGR View
Agent Zip	61701	**Duration**	PERPETUAL
Annual Report Filing Date	00/00/0000	**For Year**	
Series Name	NOT AUTHORIZED TO ESTABLISH SERIES		

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Attachment 1: Applicant/Co-applicant Identification

Form **LLC-5.5**	**Illinois** **Limited Liability Company Act** **Articles of Organization**	**FILE # 04993764**
Secretary of State Jesse White Department of Business Services Limited Liability Division www.cyberdriveillinois.com	**Filing Fee:** $500 **Expedited Fee:** $100 **Approved By:** TLB	**FILED** **SEP 25 2014** **Jesse White** **Secretary of State**

1. Limited Liability Company Name: BNBC LAND, L.L.C.

2. Address of Principal Place of Business where records of the company will be kept:
   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

3. Articles of Organization effective on the filing date.

4. Registered Agent's Name and Registered Office Address:

   WILLIAM A. MUELLER, JR.
   202 NORTH CENTER STREET
   BLOOMINGTON, IL 61701

5. Purpose for which the Limited Liability Company is organized:
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7. The Limited Liability Company is managed by the manager(s).

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   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

   SANTIAGO, DR. JOSEPH
   1505 EASTLAND DRIVE, SUITE 505
   BLOOMINGTON, IL 61701

   TATTINI, DR. CHAD
   2502 EAST EMPIRE STREET
   BLOOMINGTON, IL 61701

8. **Name and Address of Organizer**
   I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

   Dated: SEPTEMBER 25, 2014

   DR. DELE A. OGUNLEYE
   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

This document was generated electronically at www.cyberdriveillinois.com

Attachment 1: Applicant/Co-applicant Identification

LLC FILE DETAIL REPORT

Entity Name	BNBC LAND, L.L.C.	**File Number**	04993764
Status	ACTIVE	**On**	09/25/2014
Entity Type	LLC	**Type of LLC**	Domestic
File Date	09/25/2014	**Jurisdiction**	IL
Agent Name	WILLIAM A. MUELLER, JR.	**Agent Change Date**	09/25/2014
Agent Street Address	202 NORTH CENTER STREET	**Principal Office**	2107 CRIMSON LANE BLOOMINGTON, IL 617010000
Agent City	BLOOMINGTON	**Management Type**	MGR View
Agent Zip	61701	**Duration**	PERPETUAL
Annual Report Filing Date	00/00/0000	**For Year**	
Series Name	NOT AUTHORIZED TO ESTABLISH SERIES		

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Attachment 2: Proof of Site Ownership

COLDWELL BANKER COMMERCIAL

COLDWELL BANKER COMMERCIAL
HEART OF AMERICA REALTORS ®
802 S. Eldorado Road
Bloomington, IL 61704

PH: (309) 662-3377
FAX: (309) 664-3570

January 13, 2015

John Albee
Berkshire Hathaway Snyder
1 Brickyard Drive
Bloomington, IL 61701

Re: 6 Westport Ct.
Bloomington, Illinois

Dear John:

May this serve as a Letter of Intent for my client to purchase the above referenced property according to the following terms and conditions:

1. ***Property***	The building and property commonly known as 6 Westport Ct., Bloomington, IL
2. ***Buyer***	BNBC Land, LLC + dtt Agreed Acc Parties
3. ***Purchase Price***	~~$275,000~~ $ ~~300,000~~ 300,000 Buyer
4. ***Down Payment***	Upon execution of the Contract, Buyer will deposit $5,000.00 into an escrow account at Berkshire Hathaway Snyder. Money shall be held in escrow until closing and applied toward purchase price. Money shall be returned to Buyer if inspections are not satisfactory.
5. ***Closing***	Upon approval of Buyer's project by the State of Illinois, but no later than July 15, 2015.
6. ***Financing***	No financing contingency
7. ***Contingencies of Sale***	A. Buyer shall have a thirty (30) day due diligence period to determine, at Buyer's discretion, whether to proceed with the purchase of the property. B. Buyer may, at Buyer's expense, conduct inspections by contractors and advisors during the due diligence period with prior arrangement by Seller or Seller's Agent. In addition, Seller to provide any environmental audits, surveys, plats or building plans in their possession.

C. Contract to be prepared by Seller and reviewed by Buyer and Buyer's Attorney and executed within twenty one (21) days of acceptance of this Letter of Intent.

D. This purchase is contingent upon approval for Buyer's project by the State of Illinois. Buyer will have the right to terminate the contract with fifteen (15) days written notice at any time prior to closing if project is not approved, and escrow money will be returned to Buyer.

E. This Letter is meant to evidence Buyer's willingness to pursue the purchase of the Property on the general parameters set forth above. Upon execution, Buyer and Seller both agree that this property shall be held off the market until a contract can be executed as previously provided according to the terms of this Letter.

Bloomington Normal Birthing Center, LLC looks forward to working out a transaction with the owners. They have requested that a response be made on or before 5:00 pm on January 14, 2015.

Please let me know of any questions you may have.

Sincerely,

Laura I. Pritts
Broker/REALTOR®

Accepted and approved:

_____	_____
Buyer	Seller
_____	1-14-15
Date	Date

Attachment 3: Operating Identity/Licensee

Bloomington-Normal Birthing Center, LLC Articles of Organization is included in this attachment.

Bloomington-Normal Birthing Center, LLC has received an Illinois Certificate of Good Standing document, as included in this attachment.

The persons of Bloomington-Normal Birthing Center, LLC with 5 percent or greater interest in the entity are as follows:

Investor	% Interest
Joseph A. Santiago Jr, M.D.	33 1/3 %
Dele Ogunleye, M.D.	33 1/3 %
Chad Tattini, M.D.	33 1/3 %

Form **LLC-5.5**	**Illinois Limited Liability Company Act Articles of Organization**	**FILE # 04993713**
Secretary of State Jesse White Department of Business Services Limited Liability Division www.cyberdriveillinois.com	**Filing Fee:** $500 **Expedited Fee:** $100 **Approved By:** TLB	**FILED** **SEP 25 2014** **Jesse White** **Secretary of State**

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2. Address of Principal Place of Business where records of the company will be kept:
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   BLOOMINGTON, IL 61701

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   202 NORTH CENTER STREET
   BLOOMINGTON, IL 61701

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   OGUNLEYE, DR. DELE A.
   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

   SANTIAGO, DR. JOSEPH
   1505 EASTLAND DRIVE, SUITE 505
   BLOOMINGTON, IL 61701

   TATTINI, DR. CHAD
   2502 EAST EMPIRE STREET
   BLOOMINGTON, IL 61701

8. **Name and Address of Organizer**
   I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

   Dated: SEPTEMBER 25, 2014

   DR. DELE A. OGUNLEYE
   2107 CRIMSON LANE
   BLOOMINGTON, IL 61701

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Attachment 3: Operating Identity/Licensee

LLC FILE DETAIL REPORT

Entity Name	BLOOMINGTON-NORMAL BIRTHING CENTER, L.L.C.	**File Number**	04993713
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Agent City	BLOOMINGTON	**Management Type**	MGR View
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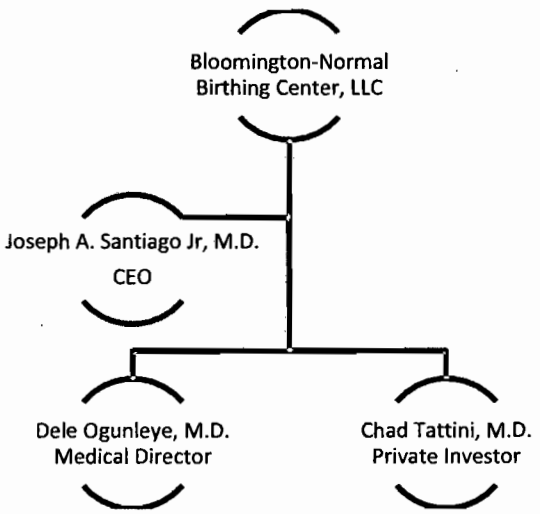
Attachment 4: Organizational Relationships

Provide for the applicant an organizational chart containing the name and relationship of any person or entity that 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

Note: "Related Person" as defined in Part 1130.140 means any person that is at least 50% owned, directly or indirectly, by either the health care facility or a person owning, directly or indirectly, at least 50% of the health care facility; or owns, directly or indirectly, at least 50% of the health care facility; or [20 ILCS 3960/3]; is otherwise controlled or managed by one or more health care facilities or controls or manages the health care facility; or otherwise controls or manages the health care facility; or is otherwise, directly or indirectly, under common management or control with one or more health care facilities.



- Joseph A. Santiago Jr, M.D. is an investor of 33 1/3 % and serving as the CEO for the newly formed Bloomington-Normal Birthing Center, LLC. Dr. Santiago is also the President/Owner of OB Gyn Care and Associates, SC; 505 Eastland Drive, Suite 500, Bloomington, IL 61701.
- Dele Ogunleye, M.D. is an investor of 33 1/3 % and will serve as the Medical Director for Bloomington-Normal Birthing Center, LLC. Dr. Ogunleye is also the President/Owner of Advanced Women's Healthcare, SC; 2111 East Oakland Avenue, Suite B; Bloomington, IL 61701
- Chad Tattini, M.D. is an investor of 33 1/3 %, and is maintaining a role as a silent investor with Bloomington-Normal Birthing Center, LLC. Dr. Tattini is the President/Owner of Chad M. Tattini, MD Cosmetic and Reconstructive Plastic Surgery, SC; 2502C East Empire, Bloomington, IL 61704.

No other entity is contributing to Bloomington-Normal Birthing Center, LLC or this project in any way.

Attachment 5: Flood Plain Requirements

Attachment 6: IHPA Review – Final Approval from IHPA Pending

Documentation of the request follows, on the following pages.

Gmail by Google

Kathleen Lorenz <ktlorenz18@gmail.com>

IHPA Review for CON Application

1 message

Kathleen Lorenz <ktlorenz18@gmail.com> Mon, Jan 19, 2015 at 2:54 PM
To: HPA.PROJECTSBOX@illinois.gov

Hello, I was instructed via phone from one of your staff members to request an IHPA Review by submitting the following information to this mailbox. If you have any questions with my submission, please contact me at the address or phone listed on my signature line.

1. Name of all funding, licensing or permitting agencies:
Bloomington-Normal Birthing Center, LLC is seeking approval for a free-standing birthing center, via the Certificate of Need process from the IL Health Facilities Services Review Board (IHFSB). If approved we will seek licensing to operate from the IDPH.

2. Complete description of the proposed undertaking:
This project is for the establishment of a freestanding birthing center in Bloomington, IL, to be owned and operated by the private entity known as Bloomington-Normal Birthing Center, LLC. In accordance with the Health Facilities Planning Act, the proposed birthing center is designed to reverse the trends of increasing costs of health care, while maintaining highest quality standards and enhancing choice and access for the population served by the center to receive the necessary health services.

BNBC Land, LLC, a limited liability corporation comprised of the principle owners of Bloomington-Normal Birthing Center, LLC, has a signed letter of intent to purchase a building at 6 Westport Court in Bloomington, located in B-1 zoning and the site of a former daycare. The proposed birthing center will do business as Bloomington-Normal Birthing Center. As proposed, this project would be one of the 10 possible birth centers allowed as part of the demonstration project set forth in Section 1110.3130 "Birth Center - Alternative Health Care Model – Review Criteria" of Title 77, Chapter II, Subchapter a of the Illinois General Assembly Administrative Code. More specifically, the proposed center would fulfill the requirement to be one of three allowed sites to be located in a municipality with a population of 50,000 or more not otherwise located in Cook, DuPage, Kane, Lake, McHenry or Will counties.

Bloomington-Normal Birthing Center will offer an out of hospital birthing service to those who are low risk and who want to choose a safe alternative in a comfortable environment that minimizes the use of technology and is cost effective. The proposed Bloomington-Normal Birthing Center facility will offer up to 3 birthing rooms, space for prenatal visits, educational space, along with private office space, and personal, home-like space for family to gather during the labor experience. All new patients will receive a consultation to ensure that the birthing center is the safest choice for mom and baby's needs. The Center's team of professionals will guide their patients through a very personal birth experience, from prenatal care, natural childbirth, and full postpartum care. The Center expects to deliver about 200 births per year, and offer an array of educational classes including childbirth education, diet/exercise, as well as pregnancy massage/yoga and support group options for our patients.

The proposed site at 6 Westport Court will predominantly serve the residents of a health professional shortage area in accordance with Section 1110.3130 "Birth Center - Alternative Health Care Model – Review Criteria" of Title 77, Chapter II, Subchapter b of the Illinois General Assembly Administrative Code: The first 3 birth centers authorized to be operated by IDPH shall be located in or provide service to a health professional shortage area, as determined by the U.S. Department of Health and Human Services. [210 ILCS 3/30]. Bloomington-Normal Birthing Center will not discriminate against any patient requiring treatment because of the source of payment for services, including Medicare and Medicaid recipients; and it will be certified to participate in the Medicare and Medicaid programs. Furthermore, Bloomington-Normal Birthing Center will adhere to charitable care practices consistent with comparable health care providers in the area. Finally, Bloomington-Normal Birthing Center will adhere strictly to birth center practice standards as outlined by the [illegible] (AABC), and will plan to obtain full accreditation from the AABC. P[illegible]

Attachment 6 Page 38

continually monitored during the course of their pregnancy to ensure they meet the criteria for a low risk pregnancy. The Center's certified nurse midwives will be highly trained in the process of natural childbirth, offering their patients a variety of labor and delivery options including water birth for laboring and delivery. The principle owners of Bloomington-Normal Birthing Center, LLC believe in the benefits of water birth and anticipate offering it as an option to patients. To honor the ACOG opinion statement on water births, however, the Center's Medical Director will remain in close collaboration with AABC and ongoing studies on this topic. All activities of the Center will be closely monitored for quality and compliance by the Center's team of board certified obstetricians.

The proposed site is 35 year old, 6000 sf building in very good condition, being purchased for $50/sf. It is less than a 1/2 mile from the closest EMS (Bloomington Fire State 3, located on Empire Street), and under 2 miles from OSF St. Joseph Medical Center, with which Bloomington-Normal Birthing Center, LLC has secured a contractual transfer agreement. Being close to EMS and OSF St. Joseph Medical Center is of utmost importance to the owners of Bloomington-Normal Birthing Center, LLC to ensure a patient immediate access to emergency surgical backup services and other such higher level care, as stipulated in Section 1110.3130 "Birth Center - Alternative Health Care Model – Review Criteria" of Title 77, Chapter II, Subchapter f of the Illinois General Assembly Administrative Code: Birth centers shall be located within 30 minutes ground travel time from the licensed hospital to allow for an emergency caesarian delivery to be started within 30 minutes after the decision that a caesarian delivery is necessary. [210 ILCS 3/35]

The principle owners of Bloomington-Normal Birthing Center, LLC have secured the financing from Heartland Bank and Trust Company, Bloomington, IL to support the startup of the new proposed birthing center business, including startup expenses, as well as purchase and renovations of the property. Initially a line of credit will be extended to the principles of Bloomington-Normal Birthing Center, LLC to cover the expenses incurred during the pre-approval phase of this project. If granted approval of the CON application for this project by the state, the principles will proceed with the purchase and renovation of the property at 6 Westport Court, Bloomington. Heartland Bank and Trust Company has already approved the financing for the principles to move forward with the purchase and renovation of the property.

3. Previous IHPA log numbers:
None that we are aware of.

4. Map indicating project location:
See attached map

5. Instructed to skip #5

6. Project Address:
Proposed location of the birthing center is at 6 Westport Drive, Bloomington, IL 61704

Additional Information required if structure is to be impacted:
The owners of Bloomington-Normal Birthing Center, LLC do plan to renovate the interior and exterior of the building. The building is 22 years old, built in 1992. A current exterior photo is included in the attached real estate listing, along with other particulars about the property. The property was previously owned and operated as a day care.

Thanks,

Kathleen Lorenz
Project Consultant
Bloomington Normal Birthing Center, LLC
ktlorenz18@gmail.com
309-531-1884

Laura Pritts
Main: (309) 824-0507
LPritts@cbhoa.com
Coldwell Banker HOA Commercial

Coldwell Banker
Heart of America REALTORS®, Ltd

Pending

6 Westport Court **Bloomington** **$350,000**

MLS #	2141531	**Area:** East Bloomington	**Status:** Pending
Property Type:	COMMERCIAL	**County:**	McLean
Grid #	731	**Loc:**	Bloomington-Normal
Bldg Ft. Print:		**Current Usage:**	Vacant
Office S.F:		**Occupied/Vacant:**	Available
Manuf S.F:		**Business Only:**	
Whse S.F:		**No of Units:**	1
Retail S.F:		**Total S.F:**	6,000
Possession:	at closing	**Terms:**	Conventional

Directions: Empire North on Eastport West on Westport
Virtual Tour

Office: Berkshire Hathaway Snyder Real Estate **Agent:** John Albee **Co Agent:**

Tax ID:	14-36-351-005	**Brief Legal:**	Eastport Development Lot 5				
Yr Built:	1992	**Age:** 22		**Heating:**	Forced Air		
Ext Finish:	Brick/Wood			**Lot Size:**	120 x 180		
Constr:	Wood Frame	**Cooling:**	Central	**Equipment:**	No	**Frontage:**	120
Parking:	21	**Elec Amps:**		**Truck Docks:**		**Zoning:**	B1
Foundation:	Slab w/Frost Footings	**Elec Volt:**		**O/H Doors:**		**Sewer:**	Public
Roof Type:	Asphalt Shingle	**Elec Phase:**		**Floor Load:**		**Water:**	Public
Ceiling Height:	9	**Gas Supplier:**	N I Gas	**Restrooms:**	7	**Topography:**	Level
No of Stories:	1	**Elec Supplier:**	Ameren	**Fixtures:**		**Fire / Security:**	City Fire Depart...
ADA Compliant:	No	**Undergrnd Tanks:**	No	**EPA Reports:**	No	**Other:**	Free Standing Building(s)

Space	# Units	Total SF	Total Rms	Usage(T)	V/O/L	Rent/Yr	Lease Term (Yrs)	Lease Expiration Date:

R.E. Taxes:	$14,767.00	**Vacancy Rate:**		**Business Name:**	
Capitalization Rate:		**Property Insurance Expense:**	$2,100	**Business Type:**	Multi-Use
Gross Annual Income:		**Utility Expense:**		**Fixtures:**	
Operating Expense		**Maintenance Expense:**		**Inventory:**	
Net Income:		**Other Expenses:**		**Machinery:**	

Remarks: Commercial Kitchen - HVAC less than 3 years old

----------**Sale Information**----------

Buyer:	**Close Date:** 7/15/2015	**Sale Price:**	**Seller Con:**
How Sold:	**Co-Op Ofc:** Coldwell Banker HOA Commercial		**Co-Op Agt:** Laura Pritts

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Attachment 7: Project and Sources of Funds Itemization

PRE PLANNING COSTS	CLINICAL	NON CLINICAL	TOTAL
COMMUNITY EDUCATION		**$ 7,295.61**	**$ 7,295.61**
Speaking Fee		*$ 3,600.00*	*$ 3,600.00*
Parke Hotel Conference & Catering		*$ 1,690.00*	*$ 1,690.00*
Travel		*$ 630.20*	*$ 630.20*
Room Accomodations/Expenses		*$ 166.88*	*$ 166.88*
Printing		*$ 708.53*	*$ 708.53*
Audio/Visual Recording		*$ 500.00*	*$ 500.00*
BIRTH CENTER EDUCATION		**$ 1,572.00**	**$ 1,572.00**
AABC Workshop Registration		*$ 595.00*	*$ 595.00*
AABC Workshop Travel & Expenses		*$ 977.00*	*$ 977.00*
LEGAL FEES		**$ 7,500.00**	**$ 7,500.00**
Articles of Incorporation		*$ 2,500.00*	*$ 2,500.00*
Real Estate Contract		*$ 5,000.00*	*$ 5,000.00*
GRAND TOTAL		**$ 16,367.61**	**$ 16,367.61**

Attachment 7: Project and Sources of Funds Itemization

CONSULTING AND OTHER FEES	CLINICAL	NON CLINICAL	TOTAL
CONSULTING FEES		**$ 34,000.00**	**$ 34,000.00**
Project Consulting Svc		*$ 25,000.00*	*$ 25,000.00*
Accounting		*$ 5,000.00*	*$ 5,000.00*
Healthcare Law Review		*$ 4,000.00*	*$ 4,000.00*
MARKETING/PROMOTION		**$ 8,000.00**	**$ 8,000.00**
Marketing / Advertising Design Services		*$ 5,000.00*	*$ 5,000.00*
Website Design		*$ 3,000.00*	*$ 3,000.00*
OTHER FEES		**$ 3,500.00**	**$ 3,500.00**
CON Application Fee		*$ 2,500.00*	*$ 2,500.00*
Project Consultant CON Travel Expenses		*$ 1,000.00*	*$ 1,000.00*
GRAND TOTAL		**$ 45,500.00**	**$ 45,500.00**

TARTER
CONSTRUCTION, LLC
PROFESSIONAL DESIGN/BUILD

1912 Ekstam Dr., Suite 1
Bloomington, IL 61704
Phone | 309-261-9049
Fax | 309-661-2033

January 30, 2015

Dr. Dele Ogunleye
2111 E. Oakland
Bloomington, IL 61701

Re: Birthing Center
#6 Westport Court

Dear Dr. Ogunleye,

Based upon our interpretation of the sketch of the Birthing Center, dated 1/21/15 as prepared by eA Architecture & Design as well as discussion with Russ Arbuckle our budgetary price is below.

Comparable projects of this size and nature are typically in the range of $400,000 to $450,000.

Optional budgetary pricing has also been provided, please see below:

Canopy at entrance, please add $ 21,000.
Landscaping and walk path on the North side, please add $10,100
Exterior finish esthetics on the South and East side elevations, please add $30,000.

We have excluded site work in this budget price as discussion has not been addressed.

Please feel free to contact us with any questions or comments.

Sincerely,

Scott Browning
Estimator / Project Manager

Cc: File

Enclosure

Attachment 7: Project and Sources of Funds Itemization

Birthing Center
Bloomington, IL

Estimate Breakdown | Date: January 20, 2015

5,744 Square Feet | Schematic Budget - 1

Section	Description	Cost	Cost/SF	% of Job
	Construction Estimate	39,500		
00001	~~General Requirements~~ Arch/Engr Fees @ 10%	$ ~~29,245~~	$5.07	6.90%
00002	Existing Conditions - Demolition	$ 5,200	$0.55	0.75%
00003	Concrete	$ -	$0.00	0.00%
00004	Masonry	$	$0.00	0.00%
00005	Metals	$ -	$0.00	0.00%
00006	Wood, Plastics & Composites	$ 29,260	$5.09	9.24%
00007	Thermal & Moisture Protection	$ 2,170	$0.54	0.74%
00008	Openings	$ 10,650	$7.34	9.57%
00009	Finishes	$ 84,121	$14.55	19.79%
00010	Specialties	$ 10,075	$1.74	2.36%
00011	Equipment	$ -	$0.00	0.00%
00012	Furnishings	$ 2,500	$0.43	0.59%
00013	Special Construction	$ -	$0.00	0.00%
00014	Conveying Equipment	$ -	$0.00	0.00%
00021	Fire Suppression	$ 8,673	$1.50	2.04%
00022	Plumbing	$ 73,700	$12.75	17.34%
00025	Heating, Ventilating & Cooling	$ 63,830	$11.04	15.02%
00026	Integrated Automation	$ -	$0.00	0.00%
00026	Electrical	$ 46,255	$8.00	10.88%
00027	Communications	$ -	$0.00	0.00%
00028	Electronic Safety & Security	$ -	$0.00	0.00%
00031	Earthwork	$ -	$0.00	0.00%
00032	Site Work	$ -	$0.00	0.00%
00033	Utilities	$ -	$0.00	0.00%
	Trailer Fees (5%)	$ 20,237	$3.50	4.76%
10% - 15%	Contingency Add 10% Contingencies	$ 39,500	$0.00	0.00%
	Construction Subtotal	$ ~~424,985~~	$75.50	100.00%
	Design Fees	$474,642		
00000	Design Fees	$ -	$0.00	0.00%
	Design Subtotal	$ -	$0.00	0.00%
		$ ~~424,985~~	$75.50	100.00%

$474,642

Attachment 7: Project and Sources of Funds Itemization

EQUIPMENT - NON CONSTRUCTION	CLINICAL	NON CLINICAL	TOTAL
PER BIRTH ROOM			
Bed /Matress and Frame	*$1,500.00*		*$1,500.00*
Tub	*$5,000.00*		*$5,000.00*
Other Bedroom Furnishings/Décor	*$3,500.00*		*$3,500.00*
Bed Linens /Cover	*$300.00*		*$300.00*
Bathroom Linens	*$150.00*		*$150.00*
Blanket Warmer	*$125.00*		*$125.00*
Birth Stool	*$300.00*		*$300.00*
Birth Ball	*$50.00*		*$50.00*
Shower Stool	*$50.00*		*$50.00*
Equipment Cart	*$500.00*		*$500.00*
Hot Packs	*$250.00*		*$250.00*
Sharps Container Dispenser	*$50.00*		*$50.00*
Soap Dispenser	*$25.00*		*$25.00*
Glove Dispenser	*$25.00*		*$25.00*
Bio Hazard Bins	*$50.00*		*$50.00*
Oxygen Tanks	*$500.00*		*$500.00*
Ambu Bag/Setup	*$500.00*		*$500.00*
O2 Cylinder Carts	*$75.00*		*$75.00*
Infant Scale	*$500.00*		*$500.00*
Bassinet	*$300.00*		*$300.00*
Changing Table/Flat Surface	*$250.00*		*$250.00*
Infant Transport Blanket	*$150.00*		*$150.00*
Aspirator	*$250.00*		*$250.00*
Crash Cart/Manual Resuscitator	*$350.00*		*$350.00*
TOTAL PER BIRTH ROOM	**$ 14,750.00**		**$ 14,750.00**
TOTAL 2 BIRTH ROOMS*	**$29,500.00**		**$29,500.00**
PER EXAM ROOM			
Exam Table	*$5,000.00*		*$5,000.00*
Vital Signs Monitor	*$3,500.00*		*$3,500.00*
Fetal Monitor	*$5,500.00*		*$5,500.00*
Doppler	*$600.00*		*$600.00*
Lamp	*$150.00*		*$150.00*
Provider Stool	*$150.00*		*$150.00*
Task Chair/Side Chair	*$500.00*		*$500.00*
Sharps Container Dispenser	*$50.00*		*$50.00*
Soap Dispenser	*$25.00*		*$25.00*
Glove Dispenser	*$25.00*		*$25.00*
Bio Hazard Bins	*$50.00*		*$50.00*
Scale	*$200.00*		*$200.00*
TOTAL PER EXAM ROOM	**$ 15,750.00**		**$ 15,750.00**
TOTAL EXAM ROOMS*	**$ 15,750.00**		**$ 15,750.00**

Attachment 7: Project and Sources of Funds Itemization

KITCHEN AREA			
Refrigerator		*$1,500.00*	*$1,500.00*
Oven Range/Microwave		*$1,000.00*	*$1,000.00*
Dishes/Utensils/Towels		*$300.00*	*$300.00*
Table/Chairs		*$500.00*	*$500.00*
Linens/Décor		*$150.00*	*$150.00*
TOTAL KITCHEN AREA		**$ 3,450.00**	**$ 3,450.00**
RECEPTION/KIDS SPACE			
Furnishing		*$2,500.00*	*$2,500.00*
Play Area Furnishings		*$350.00*	*$350.00*
TV		*$1,000.00*	*$1,000.00*
TOTAL RECEPTION/KIDS SPACE		**$3,850.00**	**$3,850.00**
CLASSROOM/AV ROOM			
Furnishings		*$2,500.00*	*$2,500.00*
TOTAL CLASSROOM/AV ROOM		**$ 2,500.00**	**$ 2,500.00**
PER OFFICE			
Furnishings/Décor		*$750.00*	*$750.00*
TOTAL PER OFFICE		*$750.00*	*$750.00*
TOTAL OFFICES		**$1,500.00**	**$1,500.00**
NURSING STATION/ONCALL SPACE			
Furnishing/Décor		*$2,000.00*	*$2,000.00*
Nursing Station Equipment		*$500.00*	*$500.00*
TOTAL NRS STATION/ON CALL		**$2,500.00**	**$2,500.00**
OTHER CAPTILIZED COSTS			
Computer/Printer (Multiple)		*$5,000.00*	*$5,000.00*
Software Licenses (Multiple)		*$1,000.00*	*$1,000.00*
Telephone / Conferencing System		*$7,500.00*	*$7,500.00*
Fire Extinguisher		*$300.00*	*$300.00*
AED		*$1,000.00*	*$1,000.00*
Shelving Units for Storage		*$400.00*	*$400.00*
TOTAL OTHER CAPITAL COSTS		**$15,200.00**	**$15,200.00**
GRAND TOTAL	**$45,250.00**	**$29,000.00**	**$74,250.00**

Attachment 7: Project and Sources of Funds Itemization

SOURCE OF FUNDS	CLINICAL	NON CLINICAL	TOTAL
BANK FINANCING			**$ 800,000**
Line of Credit, Heartland Bank (12/2014)			*$ 200,000*
Contruction Loan/Property Purchase			*$ 600,000*
PERSONAL INVESTMENT			**$ 145,233**
Joe Santiago, MD			*$ 48,411.00*
Dele Ogunleye, MD			*$ 48,196.67*
Chad Tattini, MD			*$ 48,196.67*
TOTAL SOURCES OF FUNDS			**$ 945,233**

Attachment 8: Cost Space Requirements

$474,642 kh 2/2/15

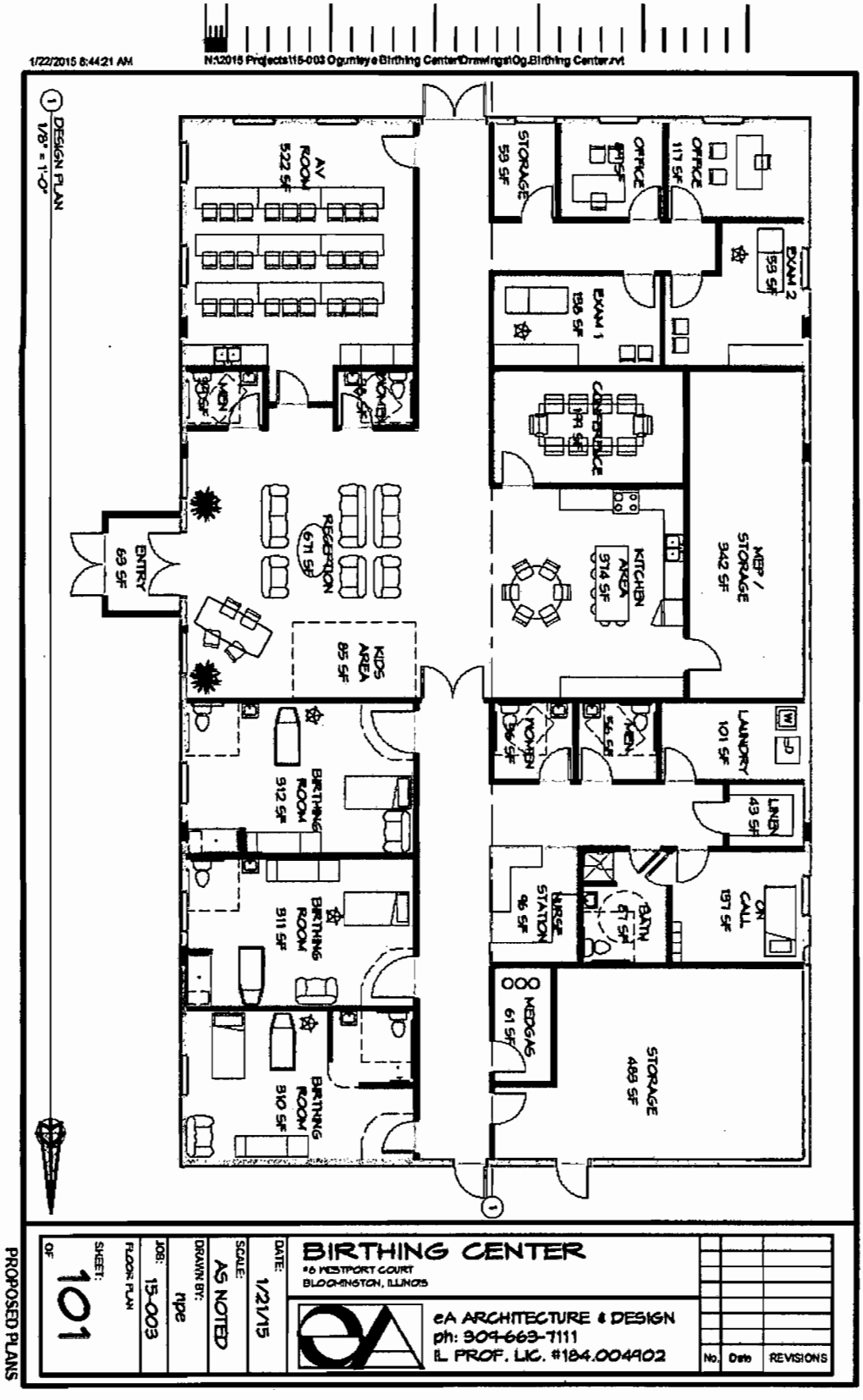
The following square footage represents BGSF, for the building of the Bloomington-Normal Birthing Center. Cost estimates are based on proportion of the specific BGSF out of a total of 6,000sf for the building. A total cost of ~~$479,000~~ (construction, plus contingencies and A/E expenses) is used to calculate the proportional cost. ~~See also Attachment 8 for proposed plans~~.

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE	73,800						
Birthing Rooms	~~$73,707~~	0	933	0	933	0	0
Total Clinical	~~$137,934~~ 138,109	0	1746	0	1746	0	0
NON REVIEWABLE	65,503						
Administrative	~~$65,412~~	0	828	0	828	0	0
Total Non-clinical	~~$336,966~~ 336,533	6,000	4,254	0	4,254	0	0
TOTAL	~~**$474,000**~~ $474,642	**6,000**	**6,000**	**0**	**6,000**	**0**	**0**

kh 2/2/15

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Attachment 8: Cost Space Requirements



Attachment 9: Background of Applicant

Bloomington-Normal Birthing Center, LLC is a limited liability corporation comprised of 3 investors, as follows:

- Joseph A. Santiago Jr, M.D. is an investor of 33 1/3% and serving as the CEO for the newly formed Bloomington-Normal Birthing Center, LLC.
- Dele Ogunleye, M.D. is an investor of 33 1/3% and will serve as the Medical Director for Bloomington-Normal Birthing Center, LLC.
- Chad Tattini, M.D. is an investor of 33 1/3%, and is maintaining a role as a silent investor with Bloomington-Normal Birthing Center, LLC.

1. Bloomington-Normal Birthing Center, LLC does not own or operate any other healthcare facilities.

2. Bloomington-Normal Birthing Center, LLC is a newly created entity in October 2014, and as such does not have any history of any adverse action taken against it.

3. Bloomington-Normal Birthing Center, LLC gives authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

4. Heretofore, Bloomington-Normal Birthing Center, LLC has not submitted any other applications for permit.

Additional Information regarding the character, background, and track record of success of the investors: All of these investors have been in successful practice in the Bloomington-Normal community for nearly 20 years. Together they bring a blend of medical expertise, business acumen, and a commitment to the community within which they practice.

- Joe Santiago, M.D., is board certified by the American Board of Obstetrics and Gynecology and a Fellow of the American Congress of Obstetricians and Gynecologists. Dr. Santiago provides a full range of obstetric and gynecologic services. Dr. Santiago received his medical from the University of Illinois, College of Medicine, Peoria, Illinois, and completed his Obstetrics and Gynecology residency at St. Louis University Medical Center, St. Louis, Missouri.
- Dele Ogunleye, M.D., is board certified by the American Board of Obstetrics and Gynecology and is a Fellow of the American Congress of Obstetricians and Gynecologists. Dr. Ogunleye provides a full range of obstetric and gynecologic services including managing fertility issues. Dr. Ogunleye completed his training both in England and Good Samaritan Hospital in Cincinnati, OH.
- Chad Tattini, M.D. is a board-certified plastic and reconstructive surgeon who performs all facets of cosmetic and reconstructive procedures. He has been practicing in Central Illinois for over 10 years and has recently been named as one of the "Top 20 under 40" professionals in the area. He has also recently been named to the Board of Directors for the newly formed Illinois Society of Plastic Surgeons. Dr. Tattini is committed to making his patients as comfortable and knowledgeable as possible.

Attachment 10: Purpose of Project

1. How will the project provide health services that improve the health care or well-being of the market area population to be served?

The proposed Bloomington-Normal Birthing Center will offer a new service not otherwise offered in McLean County (Illinois Health Planning Area D-04), or anywhere in downstate at this time. Bloomington-Normal Birthing Center will offer an out of hospital birthing service to those who are low risk and who want to choose a safe alternative in a comfortable environment that minimizes the use of technology and is cost effective. It will address the need to control the upward spiraling trend of healthcare costs without compromising quality of care.

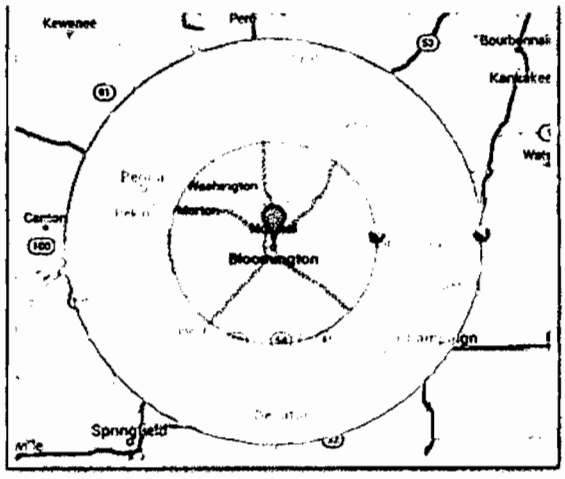
In 2013, Illinois had $7.6 billion in unpaid hospital bills, and as such Illinois realizes that healthcare spending is not sustainable and must change. Illinois enacted the "Alternative Health Care Delivery Act" permitting new facilities to be established on a demonstration basis. The cost of maternity and newborn care are one of the biggest contributors to state-funded healthcare bills, making the concept of a freestanding birth center especially appropriate for serious consideration of alternative models of healthcare delivery. According to a study done in 2013, commissioned by Childbirth Connection, Catalyst for Payment Reform, and the Center for Health Care Quality and Payment Reform, (transform.childbirthconnection) the cost to Medicaid for a vaginal delivery is approximately $9,000. Another study done in the Medicare & Medicaid Research Review in 2014 calculated the average costs of care for childbirth at a freestanding birth center to be $2,780 less than that of a hospital (Howell et al. E7), or a savings of nearly 30% per birth.

And yet, the most redeeming quality of the birthing center is that it is a safe alternative that delivers quality of care comparable to that of the hospital. According to the National Birth Center Study I, fetal and neonatal outcomes were similar as hospital births: Fetal mortality rate was 0.47/1000; Neonatal mortality rate was 0.40/1000. Furthermore, The National Birth Center Study I, which is a study conducted on 12,000 women who were admitted to 84 birthing centers from 1985 to 1987, retrospectively concluded, "Few innovations in health service promise lower cost, greater availability and a high degree of satisfaction with comparable degree of safety". Another study, "San Diego Birth Center Study – A Prospective Study" done in 1998, backed up the National Birth Center Study I, as it concluded, "Current results suggest similar morbidity and mortality between the birth center model and traditional care model, with less resource utilization translating to lower costs in the collaborative practice model. Results suggest that collaborative practice using a freestanding birth center as an adjunct to an integrated perinatal health care system may provide a quality, lower cost alternative for the provision of perinatal services."

Attachment 10: Purpose of Project

2. Define the planning area or market area, or other, per the applicant's definition.

Figure 1: Birth Centers Increase Obstetrics Market by 25 Mi



Bloomington-Normal is ideally located in the central part of the state, at the crossroads of I-74, I-39, I-55, and US-51. According to the American Association of Birthing Centers (AABC), birthing centers typically increase market share for obstetrics patients by about 25 miles. Traditionally the market share for both hospitals has been McLean County. Expanding the radius beyond the county by 25 miles shows that Bloomington is ideally situated to serve the major communities in Central Illinois: Peoria to the west, Streator and Pontiac to the north, Champaign to the east and Decatur and Lincoln to the south.

Bloomington and Normal combine for a population of approximately 130,000, while the county is on track to top 176,000 by 2017. Bloomington-Normal has always enjoyed a vibrant economy, with a varied portfolio of industries including insurance/financial, education, manufacturing and agriculture. It is home for State Farm headquarters and Country Financial. It is also home to several higher education institutions: Illinois State University, Illinois Wesleyan University, Heartland Community College and Lincoln College. The community has traditionally boasted of a younger community, with an average age of 32, compared to 35 statewide and upwards of 40 in some of the more rural areas in the region. The community has earned a reputation as being a good place to raise a family. In 2011, Bloomington-Normal was named one of the 100 Best Communities for Young People, according to The America's Promise Alliance and ING. Bloomington-Normal was the only community in Illinois to receive the designation. Movoto.com, a real-estate research blog, recently ranked Illinois' 50 most-populated cities looking at factors including crime, education, home values, amenities, cost of living and employment. Normal was considered the best place to live in downstate Illinois. Bloomington followed closely in the #2 position. In 2013, Bloomington was rated #4 on a list of cities you should live (Vox.com), and #3 on a list of cities in the US to look for a job in healthcare, sales, the trucking industry, or restaurant business (Beyond.com). Bloomington was ranked #1 in the State of Illinois and #28 nationally on Forbes list of "The Best Small Places for Business and Careers." Normal has gained notoriety for its proactive stance on sustainability and quality of life. The town was recognized in November 2014 by the League of American Bicyclists as a Bronze Level Bicycle Friendly Community, joining more than 325 visionary communities from across the country. Normal has also been recognized for its development of its Uptown business district, most notably its new traffic circle. The space has been awarded one of the USEPA's highest honor in 2011 - the National Award for Smart Growth Achievement for a Civic Place; and it received the 2012 Transportation Planning Excellence Award by the Federal Highway Administration and Federal Transit Administration. Normal was featured recently in a Chevy Volt commercial as being an "EV Town USA", as both Bloomington and Normal set out on a mission years ago to become the most EV-friendly place in the United States.

All of these accolades illustrate the health and vibrancy of the Bloomington-Normal twin cities, making it a ripe setting for a new business such as the birthing center to locate.

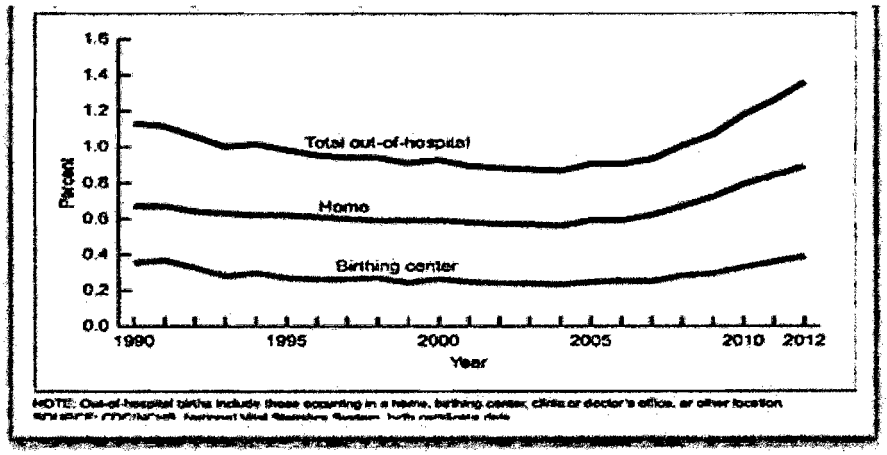
Attachment 10: Purpose of Project

3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]

The freestanding birth center such as Bloomington-Normal Birthing Center addresses the growing trend of out-of-hospital births. Figure 2 illustrates how this trend of out-of-hospital births has risen over the past 10 years.

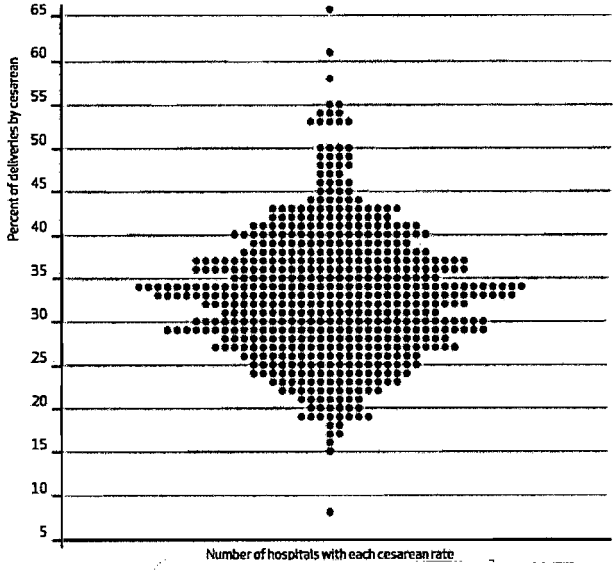
The greatest increase has been seen among non-Hispanic white women, who are two to four times more likely to give birth out-of-hospital compared to other racial and ethnic groups. While home births are clearly not a recommended option; the properly accredited birthing centers staffed by certified nurse midwives do have the support of American College of Obstetrics and Gynecology (ACOG) and American Academy of Pediatrics (AAP). In this same time period, the number of U.S. birthing centers increased from 170 in 2004, to nearly 250 in early 2013.

Figure 2: 1990-2012 Trend of Out of Hospital Birth, United States



In a 2012 report, published the *Journal of Midwifery & Women's Health*, researchers analyzed two decades of CDC data that showed a greater proportion of women are choosing to rely on midwives. Experts think this trend is a direct reaction to rising rates of C-section births. "Midwives approach birth differently than many physicians: they shy away from inducing labor in most situations, which can lead to a greater likelihood of cesarean delivery. Starting early in the prenatal period, they may take a more holistic approach, emphasizing diet. In labor, they spend much more time in the delivery room, encouraging a woman to try different positions or to walk around to get labor moving." (Rochman, 2012)

Figure 3: 2009 Distribution of US Hospital Cesarean Rates

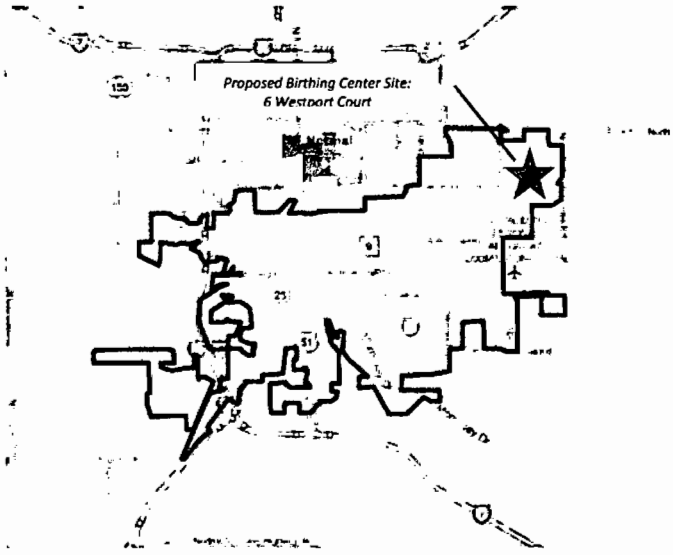


In Bloomington-Normal, c-section rates have typically been very high. Both hospitals reported overall c-section rates from 33.8% (310/916) to 39.1% (616/1576) according to their 2013 Annual Hospital Questionnaire, which places them on the upper half of the range of reported c-section rates nationally, as shown in Figure 3.

Attachment 10: Purpose of Project

According to an article published in *Health Affairs* in 2013, by Kozhimannil, Law, Virnig, hospital cesarean rates vary substantially across the U.S. Hospital cesarean rates varied 10-fold across the U.S., from 7% to 70%, and can vary as much as 15-fold for low-risk hospital cesarean delivery rates in facilities with at least 100 deliveries. Such large variations around cesarean rates indicate that differences in practice patterns may be driving costly potential overuse of cesarean in many U.S. hospitals, and ultimately give the consumer concern over an "over-medicalized" birth. The birthing center would give women who meet the low-risk criteria for an out-of-hospital birth the option to have a natural physiological birth. The *National Birth Center Study II* shows that less than 1 in 16 had a cesarean birth (a 6% CS rate) compared to the nearly 30% nationally, and upwards of 35- 40% locally. Having a birthing center in Bloomington-Normal, therefore, would positively impact the local c-section rate.

Figure 4: Area of B-N with Residents Under Poverty Level



Given that the cost for a c-section can be 50% higher than a vaginal delivery (transform.childbirthconnection), a birth center in Bloomington-Normal would also help to curtail the costs associated with giving birth. The sticker shock of healthcare is arguably a concern regardless of socio-economic status, but it is especially so for those who fall below poverty level. In the figure to the left, the area outlined represents areas with residents living under the poverty level. Bloomington and Normal rank about even with the state in residents at or below poverty level (14% of population), and by some estimates that figure has been growing steadily in the past 10 years. As shown earlier in this report, much of Bloomington and Normal also fall within a health provider shortage area.

Bloomington-Normal Birthing Center, therefore, can be the agent of change needed in Central Illinois to:

a. provide a safe alternative for an out-of-hospital birth experience;
b. bring some real change to the practice patterns in this community surrounding prevalence of c-sections, and
c. better align costs with the actual needs of the low-risk maternity patients, who are generally healthy, as well as motivated and engaged to seek the best possible care for themselves and their baby for this episode of care.

Attachment 10: Purpose of Project

4. Cite the sources of the information provided as documentation.

American Association of Birthing Centers

Bloomington-Normal Economic Development Council, 2014 Demographic Profile

Bonnie Rochman, "Midwife Mania? More U.S. Babies than Ever Are Delivered by Midwives", TIME, June 25, 2012

Childbirth Connection, Catalyst for Payment Reform, and the Center for Health Care Quality and Payment Reform, (transform.childbirthconnection)

http://datawarehouse.hrsa.gov/GeoAdvisor/ShortageDesignationAdvisor.aspxHowell, Embry, et al. "Potential Medicaid Cost Savings From Maternity Care Based At A Freestanding Birth Center." Medicare & Medicaid Research Review 4.3 (2014): E1-E13. Health Business FullTEXT. Web. 6 Nov. 2014.

http://normal.il.us.mennonite.net/.cWtools/download.php/mnF=Poverty-Sep2011.pdf,mnOD=Blog%20PJ,mnOD=My%20Documents,dc=normal,dc=il,dc=us,dc=mennonite,dc=net

http://www.heartlandalliance.org/research/quick-data/data/mcleancounty07.pdf

http://quickfacts.census.gov/qfd/states/17/17113.html

https://suburbanstats.org/population/illinois/how-many-people-live-in-mclean-county

http://www.city-data.com/poverty/poverty-Bloomington-Illinois.html

Kozhimannil KB, Law MR, Virnig BA. Cesarean delivery rates vary 10-fold among US hospitals; reducing variation may address quality and cost issues. *Health Affairs*. 2013;32(3)527-535

National Birth Center Study I, 1989

National Birth Center Study II, 2013

Attachment 10: Purpose of Project

5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.

Opening Bloomington-Normal Birthing Center in Bloomington-Normal will offer an out of hospital birthing service to Central Illinois women within a 60 miles radius of the twin cities. Having this option available will curtail both the growing trend of at-home births nationally that was substantiated by our own community event; and it will help curtail the alarmingly high c-section rate and associated costs in this community. Furthermore, placing a birthing center in Bloomington-Normal fulfills the need to address an area designated as a healthcare provider shortage area, as follows: *...[S]hall be located in or provide service to a health professional shortage area, as determined by the U.S. Department of Health and Human Services.* [210 ILCS 3/30] Those who are low risk and are looking to minimize cost and overuse of technology will finally have a safe alternative in a comfortable environment of a birthing center.

The proposed Bloomington-Normal Birthing Center facility will offer 3 birthing rooms, space for prenatal visits, educational space, along with private office space, and personal, home-like space for family to gather during the labor experience. All new patients will receive a consultation to ensure that the birthing center is the safest choice for mom and baby's needs. The Center's team of professionals will guide their patients through a very personal birth experience, from prenatal care, natural childbirth, and full postpartum care. The Center also plans to offer an array of educational classes including childbirth education, diet/exercise, as well as pregnancy massage/yoga and support group options for our patients.

The owners of Bloomington-Normal Birthing Center, LLC anticipate a healthy collaboration with the two hospitals in the community as well as with the area's medical community. In the spring of 2014, the owners reached out to both hospital administrators, and by fall, they secured a contractual transfer agreement with OSF St. Joseph Medical Center. In November 2014, Bloomington-Normal Birthing Center, LLC held an educational event for the medical community to educate and begin a dialogue with their colleagues on this topic. Over 40 members attended this event where keynote speaker, Dr. Steve Calvin, a perinatologist of Minneapolis MN and director of two Minneapolis birthing centers gave an educational talk on "Birthing Centers: Why the Time Has Come". The goal of this event was to help all to see that the addition of birth center(s) in a community will allow hospitals to provide more productive and smart utilization of resources to care for the more acute patient.

Finally, the owners of Bloomington-Normal Birthing Center, LLC would like to devote a portion of the prenatal clinic space of the birthing center to the re-establishment of a community prenatal clinic. Such a clinic had been operated in the community with funding from the local hospitals; however, it has recently ceased operations. The Center's midwife staff would help to fill this void, by using the Center's clinic space for prenatal care to the uninsured and underinsured pregnant mothers in Bloomington-Normal and the surrounding area. The owners and staff of the Bloomington-Normal Birthing Center believe that such a community clinic for prenatal care would be an important extension of the Center's mission to ensure the best outcomes for pregnant mothers and babies.

Attachment 10: Purpose of Project

6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals, as appropriate.

For Bloomington-Normal Birthing Center, the total market is defined, according to American Association of Birthing Center (AABC) standards, as 25 miles beyond the boundaries of McLean County, which traditionally has been the market for the Bloomington-Normal hospital-based obstetric services. Numerically speaking the total potential birth center market breaks down as follows, using estimates for *partial* counties that may cross the "plus 25 mile" radius. The estimate, therefore, for the base year market potential is 211 total births, which is derived by taking the total births, less industry standards that account for only low risk (83%)and only those who would choose a birth center experience (4%). See Table 1.

Table 1: Potential Birth Center Market

Volume of Births by County (2009)	# Births	BC Projected Market Share	Total
Champaign	2398	30%	719
McLean	2129	100%	2129
Dewitt	183	100%	183
Livingston	492	100%	492
Logan	309	100%	309
Tazewell	1577	60%	946
Woodford	504	100%	504
Ford	156	20%	31
Peoria	2791	10%	279
Piatt	167	20%	33
Macon	1454	50%	727
Total Potential BC Market: 25 miles beyond McLean County			6352
83% of all Pregnancies are Low Risk			5273
4-6% of Low Risk Choose Birth Center Experience			**211**

Table 2: Birth Center Utilization (20% Annual Growth, AABC Risk Out Statistics)

Total Case Load	Risk Out %	Year 1	Year 2	Year 3
@Orientation		**211**	253	304
@Registration	-10%	190	228	273
Attrition by Choice	-19%	154	185	221
Pregnancies Due This Year	-50%	77	92	111
Carried Over From Previous Year			77	92
Total Potential BC Caseload		**77**	**169**	**203**
Less: Transfers AP / Preadmit	-18%	-14	-30	-37
Admitted To BC		63	139	166
Less: Transfers After Admission	-12%	-8	-17	-20
Total Births At Birth Center		**55**	**122**	**147**
Total Risked Out: Transfer To Hospital		**+22**	**+47**	**+57**

Attachment 10: Purpose of Project

Starting with the base figure of 211, birth center volume is estimated by applying national birth center utilization statistics from AABC. The term "risked out" is used to reflect the attrition that occurs among patients who may start out at the birth center, but due to a variety of clinical factors, the patients no longer meet the birth center risk criteria. The term "transfer" is used to reflect the patients who require a transfer to higher level care either when they present or during labor. See Table 2.

Therefore, by Year3 Bloomington-Normal Birthing Center would expect to be operating at 150 births/year, and by Year 5, that number stretches over 200. At 150-200+ births per year, the Center could comfortably support two full-time Certified Nurse Midwives, a third CNM part-time/registry, a clinical director and an administrative director. Additional support staff of receptionist and additional birthing assistants (RN's, LPN's and Doulas) would be added in Years 2-5 to support the additional volume, and the clinical and experiential needs of the patients and families. The Bloomington-Normal Birthing Center would expect to achieve a positive net margin between Year 2 and 3, and maintain approximately a 15% net margin annually.

Also noteworthy is the overall growth in obstetrics volume for the hospital with which Bloomington-Normal Birthing Center has a contractual transfer agreement. Because birthing centers typically draw from a larger geographic area than the hospitals (+ 25 miles), the hospital, OSF St. Joseph Medical Center, will potentially gain by Year 3 over 50 patients who "risk out" of the birthing center and require the higher level care of the hospital.

Attachment 11: Alternatives

The alternatives considered for this project include the following:

A. Proposed: Start an independently owned birthing center (with 3 birthing rooms)

B. Joint Venture: Start a birthing center as part of a joint venture with a hospital/health system.

C. Existing Resources: Do not start a birthing center and continue with current in-hospital services.

The decision to bring a birthing center to the Bloomington-Normal medical community (option A or B) or not (option C) is based on 3 qualitative factors: c-section rate, cost of care, and quality outcomes.

Factor	Birth Center	No Birth Center
C-Section Rate	1 out of 16 (6%) nat'l avg for birthing center[1]	33.8%-39.1% locally, as reported in 2013 Hosp Questionnaire
Cost of Care	70% of hospital[2]	$9,000[3]
Quality Outcomes[4]	Fetal mortality .47/1000 Neonatal mortality: .40/1000	Fetal mortality: .47/1000 Neonatal mortality: .40/1000

1 *National Birth Center Study II*, 2013
2 Vaginal delivery, Medicare and Medicaid Research Study, 2014
3 Center for Health Care Quality and Payment Reform (www.transform.childbirthconnection)
4 *National Birth Center Study I*, 1989

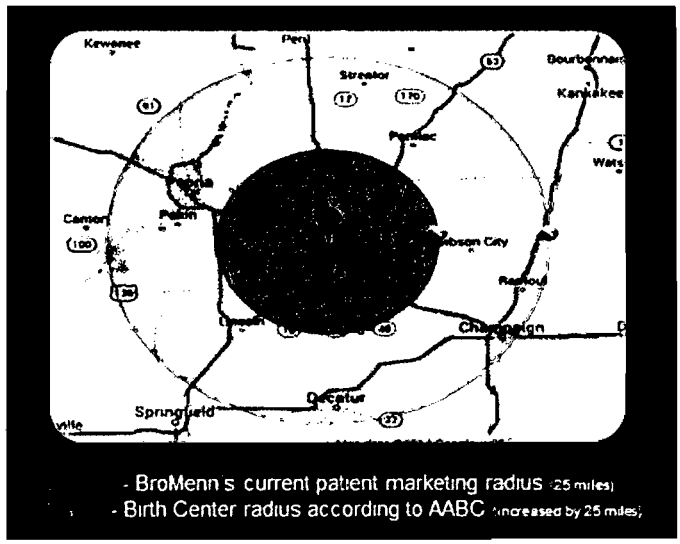
Another study, "San Diego Birth Center Study – A Prospective Study" done in 1998, backed up the National Birth Center Study I, as it concluded, "Current results suggest similar morbidity and mortality between the birth center model and traditional care model, with less resource utilization translating to lower costs in the collaborative practice model. Results suggest that collaborative practice using a freestanding birth center as an adjunct to an integrated perinatal health care system may provide a quality, lower cost alternative for the provision of perinatal services."

With Quality Outcomes for fetal and neonatal mortality comparable among hospitals and accredited birthing centers following best practices, the deciding factors for pursuing a birth center or not become cost and practice patterns regarding c-section rate. A birthing center is a lower cost operation than a hospital in that it is operating only when patients are present, and thus the national data showing birthing center births costs at 70% of hospital births stand to reason. Arguably the most compelling reason to bring a birthing center specifically to the Bloomington-Normal area is to address the practice patterns in this community concerning the over- medicalized tendencies, as reflected in the higher than national average c-section rate.

Therefore, Option C (not bring a birthing center) to Bloomington-Normal was eliminated from further consideration.

Attachment 11: Alternatives

Figure 1: New Markets of Birthing Center



Confident that bringing a birthing center to Bloomington-Normal is the right idea based on the above discussion, the owners next evaluated whether to pursue the venture independently or as part of a joint agreement. In April 2014, the owners made presentations to both hospital administrations about bringing a birthing center to the community. The owners shared data with each hospital's administrative team that showed how a birthing center could actually open up new markets and produce new volume for the hospital (Figure 1) and bring new revenue to the hospital from those birthing center patients who risk out of the birthing center option (Figure 2). While the hospitals may lose a small percentage of their current business to the birthing center (8 births in one year, shown in the table below), they have the opportunity to gain business from those patients who come from outside the hospital's normal market, seeking a birthing center experience but who risk out of the birth center option and therefore transfer into the hospital for higher level services.

Figure 2: Business Impact of Birthing Center on Hospital

20% Projection Growth Over the 1st Three Years

Utilization		St Joes	Year 1	St Joe	Year 2	St Joe	Year 3
Orientation		30	211	35	253	43	304
Registration	-10%	27	190	32	228	39	273
Attrition	-19%	22	154	26	185	31	221
Due this Year	-50%	11	77	13	92	16	111
Carried over from last year				11	77	15	92
Total Caseload this year		11	77	24	169	31	203
Transfers: AP and PreAdmit	-18%	-2	-14	-4	-30	-6	-37
admitted to BC		9	63	19	139	26	166
Transfers: IP after Admission	-12%	-1	-8	-2	-17	-3	-20
Births at Birth Center		8	55	17	122	23	146
transfer to OSF vag 94%	$ 10,657	94% x 22 =	$ 220,387	94% x 47 =	$ 470,826	94% x 57 =	$ 571,002
transfer to OSF csec 6%	$ 17,889	6% x 22 =	$ 23,613	6% x 47 =	$ 50,447	6% x 57 =	$ 61,180
Loss / Profit		**$84,091**	**$ 244,000**	**$182,697**	**$ 521,273**	**$241,061**	**$ 632,182**
Patients Lost / Gain		**-8**	**+22**	**-17**	**+47**	**-23**	**+57**
TOTAL REVENUE		**$159,909**		**$338,576**		**$ 391,121**	

Attachment 11: Alternatives

OSF St. Joseph Medical Center has expressed interest in the project, and as such it has entered into a contractual agreement with Bloomington-Normal Birthing Center, LLC to accept transfers from the birthing center. While conversations between the leadership of Bloomington-Normal Birthing Center, LLC and OSF St. Joseph Medical Center are ongoing regarding how to strengthen the relationship between the hospital and birthing center, no joint venture agreement has been reached.

The owners of Bloomington-Normal Birthing Center, LLC received the financial backing from Heartland Bank in December 2014, and at that time, decided to move ahead with the birthing center as an independently owned entity in the interest of time. Time is of the essence to submit a request for a birthing center, not only to be part of the state's demonstration project for birthing centers, but (and perhaps more importantly) to bring a much needed service to the community that will enhance the obstetric services of this region. The leaders of Bloomington-Normal Birthing Center, LLC believe so strongly in the mission of the birthing center that they are committed to leading the efforts to realize this service. Once the Center is established, the leaders of the Birthing Center will be open to evolving the ownership structure, should any opportunities present themselves, for the advancement of the Center.

Finally, the decision regarding scope/size of the birthing center stems largely from research and advice received from industry experts. Representatives from Bloomington-Normal Birthing Center, LLC have attended the "How to Start a Birthing Center" Workshop offered by the American Association of Birthing Centers. They have also sought the advice of Dr. Steve Calvin, MD, perinatologist from the Minneapolis area and leading expert in birth center start-ups. These experts recommend that a 2- or 3-bed model is a very manageable size for opening a birthing center. Representatives from Bloomington-Normal Birthing Center had the opportunity to speak with owners of birthing centers during the AABC Workshop, and all were pursuing 2- or 3-bed centers initially.

In the tables below, Figure 3 Part 1 and Part 2, the business proforma for Bloomington-Normal Birthing Center bears out what the experts and others were advising: 2-3 beds supports approximately 200-250 births/year, which nets a very conservatively a safe 3 year return on investment. Two hundred births per year coincides with the results of the market research conducted for this area, which projects approximately 211 births in the third year, with growth upwards of 250 in 5 years.

BIRTH CENTER
OPERATING EXPENSE WORKSHEET

FIGURE 3/PART 1

EXPENSES	14-15	2016	2017	2018	2019	2020
	Start - Up Cost	Year 1	Year 2	Year 3	Year 4	Year 5
PERSONNEL						
Administrator / Director (1 full-time)	$35,000	$50,000	$52,500	$55,125	$57,881	$60,775
Midwifery Director (stipend then 1 full-time)	$15,000	$15,000	$15,750	$100,000	$105,000	$110,250
Midwives (1,2, 3, 4 part-time)	$0	$50,000	$100,000	$150,000	$200,000	$210,000
Nurses (2, 3 part-time & PRN)	$0	$52,000	$100,000	$105,000	$150,000	$157,500
Receptionist (1, 2 full-time)	$0	$25,000	$50,000	$52,000	$54,600	$57,330
Maintenance / Housekeeping	$0	$20,000	$30,000	$31,500	$40,000	$42,000
Subtotal	**$50,000**	**$212,000**	**$348,250**	**$493,625**	**$607,481**	**$637,855**
Personnel Taxes - 20%	$10,000	$42,400	$69,650	$98,725	$121,496	$127,571
Benefits - 20%	$0	$42,400	$69,650	$98,725	$121,496	$127,571
TOTAL PERSONNEL	**$60,000**	**$296,800**	**$487,550**	**$691,075**	**$850,474**	**$892,997**
CONTRACTED SERVICES						
Medical Director	$0	$20,000	$24,000	$25,200	$24,001	$25,201
Ultrasound	$0	$26,000	$35,000	$36,750	$38,588	$40,517
Consulting Fees (Project and Marketing)	$36,500	$4,000	$4,200	$4,410	$4,631	$4,862
Legal	$11,500	$2,500	$2,625	$2,756	$2,894	$3,039
Accounting/Billing Services	$5,000	$6,451	$11,553	$13,570	$15,854	$18,546
TOTAL CONTRACTED SERVICES	**$53,000**	**$58,951**	**$77,378**	**$82,687**	**$85,967**	**$92,165**
FACILITY EXPENSES						
Real Estate Closing Fees	$25,000					
Mortgage Payment, Taxes	$32,500	$63,000	$63,225	$63,453	$63,685	$63,920
Utilities	$500	$5,000	$5,250	$5,513	$5,788	$6,078
Telephone	$500	$5,000	$5,250	$5,513	$5,788	$6,078
IT	$5,000	$4,000	$4,200	$4,410	$4,631	$4,862
Maintenance / Repairs	$0	$2,500	$2,625	$2,756	$2,894	$3,039
Non Capital Furnishing / Equipment / Fixtures	$10,000	$3,500	$3,675	$10,000	$3,675	$3,859
Postage	$1,000	$3,000	$3,150	$3,308	$3,473	$3,647
Printing / Copying	$1,000	$3,000	$3,150	$3,308	$3,473	$3,647
Office supplies	$2,500	$2,500	$2,625	$2,756	$2,894	$3,039
Housekeeping Supplies	$500	$2,500	$3,000	$3,150	$3,001	$3,151
Recruitment	$2,500	$1,000	$1,050	$1,103	$1,158	$1,216
Insurance - Professional	$20,000	$100,000	$105,000	$110,250	$115,763	$121,551
Insurance - General	$2,500	$5,000	$5,250	$5,513	$5,788	$6,078
Marketing / PR	$15,000	$12,000	$12,600	$13,230	$13,892	$14,586
Membership / Dues / Subscriptions	$1,000	$5,000	$5,250	$5,513	$5,788	$6,078
Licenses and Fees	$7,500	$2,500	$2,625	$2,756	$2,894	$3,039
Accreditations	$5,000	$2,500	$2,625	$2,756	$2,894	$3,039
TOTAL FACILITY EXPENSES	**$132,000**	**$222,000**	**$230,550**	**$245,286**	**$247,478**	**$256,903**
CLIENT CARE EXPENSES						
Medical supplies and Drugs	$10,000	$20,000	$30,000	$31,500	$33,075	$34,729
Home Visit Mileage	$0	$6,000	$12,000	$12,600	$13,230	$13,892
TOTAL CLIENT CARE EXPENESE	**$10,000**	**$26,000**	**$42,000**	**$44,100**	**$46,305**	**$48,620**
TOTAL EXPENSE	**$255,000**	**$603,751**	**$837,478**	**$1,063,148**	**$1,230,223**	**$1,290,686**
TOTAL REVENUE	**$0**	**$460,050**	**$971,034**	**$ 1,173,584**	**$ 1,402,720**	**$ 1,672,880**
TOTAL PROFIT / (LOSS)	**($255,000)**	**($143,701)**	**$133,556**	**$110,436**	**$172,497**	**$382,194**
NET OPERATING MARGIN		**-31%**	**14%**	**9%**	**12%**	**23%**

Attachment 11 Page 61

BIRTH CENTER REVENUE WORKSHEET

FIGURE 3 / PART 2

Patient Revenue	% Clients	Amount Paid	Year 1 Volume	Year 1 Revenue	Year 2 Volume	Year 2 Revenue	Year 3 Volume	Year 3 Revenue	Year 4 Volume	Year 4 Revenue
TOTAL OB CARE			**55**		**122**		**147**		**176**	
insurance payment BCBS	**40%**	$ 3,525	22	$ 77,550	49	$ 172,725	59	$ 207,975	70	$ 246,750
insurance payment Hamp	**10%**	$ 2,706	6	$ 16,236	12	$ 32,472	15	$ 40,590	18	$ 48,708
insurance payment UHC	**10%**	$ 3,202	6	$ 19,212	12	$ 38,424	15	$ 48,030	18	$ 57,636
insurance payment multiplan	**5%**	$ 5,070	3	$ 15,210	6	$ 30,420	7	$ 35,490	9	$ 45,630
IDPA	**25%**	$ 1,653	14	$ 23,142	31	$ 51,243	37	$ 61,161	44	$ 72,732
Self Pay	**10%**	$ 2,200	6	$ 13,200	12	$ 26,400	15	$ 33,000	18	$ 39,600
Facility SERVICE FEE			**55**	$ -	**122**		**147**		**176**	
insurance payment BCBS	**40%**	$ 3,300	22	$ 72,600	49	$ 161,700	59	$ 194,700	70	$ 231,000
insurance payment Hamp	**10%**	$ 3,300	6	$ 19,800	12	$ 39,600	15	$ 49,500	18	$ 59,400
insurance payment UHC	**10%**	$ 3,300	6	$ 19,800	12	$ 39,600	15	$ 49,500	18	$ 59,400
insurance payment multiplan	**5%**	$ 3,300	3	$ 9,900	6	$ 19,800	7	$ 23,100	9	$ 29,700
IDPA	**25%**	$ 2,500	14	$ 35,000	31	$ 77,500	37	$ 92,500	44	$ 110,000
Self Pay	**10%**	$ 2,500	6	$ 15,000	12	$ 30,000	15	$ 37,500	18	$ 45,000
Transfers & Attrition Infant Care				$ -						
AP Attrition Initial OB Visit		$ 100	36	$ 3,600	43	$ 4,300	52	$ 5,200	62	$ 6,200
AP Transfer Prenaanl & PreAdmit		$ 800	14	$ 11,200	30	$ 24,000	37	$ 29,600	44	$ 35,200
IP Transfer Facility Services Fee		$ 700	8	$ 5,600	17	$ 11,900	20	$ 14,000	24	$ 16,800
Infant Care		$ 1,600	55	$ 88,000	122	$ 195,200	147	$ 235,200	176	$ 281,600
Office Procedures		$ -		$ -		$ -		$ -		$ -
TOTAL PATIENT REVENUE				**$ 445,050**		**$ 955,284**		**$ 1,157,046**		**$ 1,386,356**
Other Revenue				$ -		$ -		$ -		
Fundraising				$ -		$ -		$ -		$ -
Donors				$ -		$ -		$ -		$ -
Grants				$ -		$ -		$ -		$ -
Education / Classes				$ 15,000		$ 15,750		$ 16,538		$ 17,364
Special Events						$ -		$ -		$ -
TOTAL OTHER REVENUE				**$ 15,000**		**$ 15,750**		**$ 16,538**		**$ 17,364**
TOTAL REVENUE				**$ 460,050**		**$ 971,034**		**$ 1,173,584**		**$ 1,402,720**

Attachment 11

Attachment 12: Size Of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Birthing Room	310-312 sf per birthing room	Max. 2750 bgsf per birthing room	Under by 2438-2440 sf	Yes, within standard

The amount of physical space proposed for the proposed project is necessary and not excessive, as it adequately meets the forecasted 3 year market need.

Volume of Births by County (2009)	# Births	BC Projected Market Share	Total
Champaign	2398	30%	719
McLean	2129	100%	2129
Dewitt	183	100%	183
Livingston	492	100%	492
Logan	309	100%	309
Tazwell	1577	60%	946
Woodford	504	100%	504
Ford	156	20%	31
Peoria	2791	10%	279
Piatt	167	20%	33
Macon	1454	50%	727
Total Potential BC Market: 25 miles beyond McLean County			6352
83% of all Pregnancies are Low Risk			5273
4-6% of Low Risk Choose Birth Center Experience			**211**

Utilization (20% Growth over 1st 3 yrs)	Risk Out %	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6*
Orientation		211	253	304	364	437	452
Registration	-10%	190	228	273	328	394	407
Attrition	-19%	154	185	221	266	319	329
Due this Year	-50%	77	92	111	133	159	165
Carried over from last year			77	92	111	133	159
Total Caseload this year		77	169	203	244	292	324
Transfers: AP and PreAdmit	-18%	-14	-30	-37	-44	-53	-58
admitted to BC		63	139	166	200	240	266
Transfers: IP after Admission	-12%	-8	-17	-20	-24	-29	-32
Births at Birth Center		55	122	147	176	211	234
TOTAL RISKED OUT: TRANSFER TO HOSPITAL		**+22**	**+47**	**+57**	**68**	**+82**	**+90**

The decision regarding scope/size of the birthing center stems from research and advice received from industry experts, as well as local market analysis.

- Representatives from Bloomington-Normal Birthing Center, LLC attended the "How to Start a Birthing Center" Workshop offered by the American Association of Birthing Centers. They also sought the advice of Dr. Steve Calvin, MD, perinatologist from the Minneapolis area and leading expert in birth center start-ups. These experts recommended that a 2- or 3-bed model is a very manageable size for opening a birthing center. Representatives from Bloomington-Normal Birthing Center had the opportunity to speak with owners of birthing centers during the AABC Workshop, and all were pursuing 2- or 3-bed centers initially.

- Market studies of the Bloomington-Normal Birthing Center market bore out what the experts and others were advising. As shown above, the market research for this area projects approximately 211 births in the third year, with growth upwards of 250 in 5 years.

Conservatively assuming approximately 30 hour turnover rate per bed (12-18 hours per every labor/delivery/recovery/postpartum and 4-8 hours for room cleaning/restocking), each bed could support a birth approximately every other day, or 180-200 births per year. To account for the possibility of two births simultaneously, each bed should be expected to serve about 90-100 births per year. In Year 1, primarily one bed will be used to support the anticipated volume of 55 births; by Year 2, the second bed will be necessary to support the 122 births; and by Year 3, the third bed will be necessary to support growth beyond 200 births annually. Should the Center's volume reach 300 and more births per year, the owners would consider expanding to a fourth bed or applying for additional birth center license.

Attachment 13: Project Services Utilization

Not applicable due to no utilization standards.

Attachment 14: Unfinished Shell Space

Not applicable due to no shell space.

Attachment 15: Assurances

Not applicable due to no shell space.

Attachment 13: Project Services Utilization

Not applicable due to no utilization standards.

Attachment 14: Unfinished Shell Space

Not applicable due to no shell space.

Attachment 15: Assurances

Not applicable due to no shell space.

Attachment 13: Project Services Utilization

Not applicable due to no utilization standards.

Attachment 14: Unfinished Shell Space

Not applicable due to no shell space.

Attachment 15: Assurances

Not applicable due to no shell space.

Attachment 16

RE: Criterion 77 IAC 1110.3120 (a) Location

1. Bloomington-Normal Birthing Center will be located at 6 Westport Court, Bloomington, IL 61704. In accordance with Health Facilities And Regulation (210 ILCS 3/) Alternative Health Care Delivery Act, this project would be one of the *10 possible birth centers allowed as part of the demonstration project* set forth in Section 1110.3130 "Birth Center - Alternative Health Care Model – Review Criteria" of Title 77, Chapter II, Subchapter a of the Illinois General Assembly Administrative Code. More specifically, the proposed center would fulfill the requirement to be *one of three allowed sites to be located in a municipality with a population of 50,000 or more not otherwise located in Cook, DuPage, Kane, Lake, McHenry or Will counties.* The proposed Bloomington-Normal Birthing Center is applying to be the first center downstate, in McLean County. Given that the Center will be among the first 3 birth centers authorized to operate by the Department, its location is such that the Center will predominantly serve the residents of a health professional shortage area, as determined by the United States Department of Health and Human Services.

2. Bloomington-Normal Birthing Center is owned and operated by a private entity known as Bloomington-Normal Birthing Center, LLC, as shown in the articles of incorporation included on the following page.

Attachment 16

Form LLC-5.5	Illinois Limited Liability Company Act Articles of Organization	FILE # 04993713
Secretary of State Jesse White Department of Business Services Limited Liability Division www.cyberdriveIllinois.com	Filing Fee: $500 Expedited Fee: $100 Approved By: TLB	FILED SEP 25 2014 Jesse White Secretary of State

1. Limited Liability Company Name: BLOOMINGTON-NORMAL BIRTHING CENTER, L.L.C.

2. Address of Principal Place of Business where records of the company will be kept:
2107 CRIMSON LANE

BLOOMINGTON, IL 61701

3. Articles of Organization effective on the filing date.

4. Registered Agent's Name and Registered Office Address:

WILLIAM A. MUELLER, JR.
202 NORTH CENTER STREET
BLOOMINGTON, IL 61701

5. Purpose for which the Limited Liability Company is organized:
"The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."

6. The LLC is to have perpetual existence.

7. The Limited Liability Company is managed by the manager(s).

OGUNLEYE, DR. DELE A.
2107 CRIMSON LANE
BLOOMINGTON, IL 61701

SANTIAGO, DR. JOSEPH
1505 EASTLAND DRIVE, SUITE 505
BLOOMINGTON, IL 61701

TATTINI, DR. CHAD
2502 EAST EMPIRE STREET
BLOOMINGTON, IL 61701

8. **Name and Address of Organizer**
I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

Dated: SEPTEMBER 25, 2014

DR. DELE A. OGUNLEYE
2107 CRIMSON LANE
BLOOMINGTON, IL 61701

This document was generated electronically at www.cyberdriveillinois.com

Attachment 16

RE: Criterion 77 IAC 1110.3120 (b) Health Professional Shortage Area

The location of Bloomington-Normal Birthing Center will be located in and will predominantly serve the residents of a health professional shortage area.

As documented in Section I of this application, the Westport property for the proposed birthing center (designated as a red star in the figure to the right) is approximately 3 miles to the east of the designated primary care health provider shortage area (green shaded area), but it is part of the larger mental health shortage area (purple shaded area).

The Westport site proved to be the best overall choice when considering access to EMS, proximity to hospital, location along a major east-west thoroughfare, access to interstates, access to public transportation as well as best purchase value and renovation potential. The property is situated along Empire St/Route 9, which is a major east-west thoroughfare that most directly connects the HPSA area to the west to this property. The distance covered in this trip is approximately 5-6 total miles and it along a major route of the local bus system. The proposed site will also be about a mile from the YWCA on Hershey and Empire, which presents opportunities to collaborate with the YWCA women's programs. The property's close proximity to several major highways, I-55, I-74, and I-39, as well as US-51 to the south, US-150 east/west, and IL-9 east/west, will allow for easy access to the communities of the nearby counties of Logan, Dewitt, Tazewell and Woodford, all or significant portions of which are designated as HPSA areas.

Attachment 16

RE: Criterion 77 IAC 1110.3120 (c) Admissions Policies

Bloomington-Normal Birthing Center, LLC

2107 Crimson Lane
Bloomington, IL 61704

To Whom It May Concern

We the undersigned confirm that the Admission Policies included with this Certificate of Need Application as part of Attachment 16, will be followed by the Bloomington-Normal Birthing Center.

Sincerely,

Joe Santiago, MD
CEO
Bloomington-Normal Birthing Center, LLC
January 23, 2015

Bloomington-Normal Birthing Center

Admission Criteria

The Admission Criteria for Bloomington-Normal Birthing Center, LLC establishes the policies and procedures for determining the medical and social risk factors that would exclude women from the low-risk intrapartum group.

As of the date on this policy, the Admission Criteria for Bloomington-Normal Birthing Center, LLC is as follows, in accordance with the Birth Center Demonstration Program Code, Section 265.1550 Admission Protocols for Acceptance for Birth Center Clients. Any revisions to this policy shall be made and approved by the birth center's governing body.

1) Bloomington-Normal Birthing Center will not discriminate against clients based on disability, race, religion, source of payment, sexual preference/orientation or any other basis recognized by applicable State and federal laws.
2) Bloomington-Normal Birthing Center will accept only clients whose births are planned to occur following a normal, uncomplicated, and low-risk pregnancy shall be allowed to receive services at the birth center.
3) Bloomington-Normal Birthing Center will accept only clients who meet criteria for general health and low risk, as determined by a physician or a certified nurse midwife of Bloomington-Normal Birthing Center, using the following criteria for exclusion as a birth center client. These criteria shall be applied to all clients prior to acceptance for birth center services and throughout the pregnancy for continuation of services. Bloomington-Normal Birthing Center's Medical Director and Director of Nursing and Midwifery Services shall make the final determination of each client's risk.
   - Body mass index of less than 18 or greater than 40 (client will not be accepted).
   - Medical problems, including, but not limited to:
     a) Heart disease, pulmonary embolus, or chronic hypertension not controlled by medication;
     b) Congenital heart defects assessed as pathological by a cardiologist, placing mother and/or fetus at risk;
     c) Severe renal disease;
     d) Current drug or alcohol addiction;
     e) Diabetes mellitus or gestational diabetes not controlled by diet;
     f) Thyroid disease that is not maintained in a euthyroid state;
     g) Bleeding disorder or hemolytic disease;
     h) Adrenal disease;
     i) Systemic collagen, connective tissue and autoimmune diseases (e.g., systemic lupus erythematosis, anti-phospholipid syndrome, progressive system sclerosis, and periarteritis nodosa);
     j) Acute or chronic liver disease;
     k) Neurological disorder or seizure disorder requiring use of anticonvulsant drugs;
     l) Active HIV positive or confirmed active genital herpes at term;
     m) Active subarachnoid hemorrhage, aneurysm;
     n) Active hernia of the nucleus pulposus;

Admission Criteria (continued)

Eff date: January 2015

o) Active lung function disorder/COPD;
p) Active moderate to severe asthma;
q) Tuberculosis, active; or
r) Active inflammatory bowel disease, including ulcerative colitis and Crohn's disease.
s) Previous history of obstetrical complications, including, but not limited to:
    i) Previous gynecologic uterine wall surgery where uterine cavity was entered;
    ii) Two previous caesarean sections;
    iii) Previous caesarean section with documented conditions: vertical scar, placenta anterior and low lying;
    iv) Cervical insufficiency (and/or Shirodkar-procedure);
    v) Placental abruption;
    vi) Postpartum hemorrhage as a result of cervical tear;
    vii) Postpartum hemorrhage, other causes;
    viii) Manual removal of a placenta.
    ix) Risk factors in prenatal course of current pregnancy, including, but not limited to:
        1. Anemia (less than 9 gm hemoglobin concentration and not responding to therapy);
        2. Complete placenta previa in third trimester;
        3. Nonvertex presentation in labor;
        4. Pre-eclampsia;
        5. Known multiple gestation;
        6. Hypertension – resting blood pressure 140/90 or an increase of 30 systolic or 15 diastolic over the client's baseline pressure;
        7. Premature labor at less than 37 weeks; the client may return to the birth center if undelivered at 37 weeks;
        8. Premature rupture of membrane at less than 37 weeks;
        9. Prolonged rupture of membranes requiring Pitocin induction/augmentation:
        10. Prolonged pregnancy (at 42 completed weeks or more);
        11. Significant isoimmunization against Rh or other antigen that may affect the fetus with rising titres;
        12. Pyelonephritis;
        13. Toxoplasmosis;
        14. Rubella;
        15. Cytomegalovirus;
        16. Parvovirus infection;
        17. Tuberculosis, active;
        18. Syphilis;
        19. Ectopic pregnancy;
        20. Deep venous thrombosis;
        21. Placental abruption; or
        22. Dead fetus.

Admission Criteria (continued)

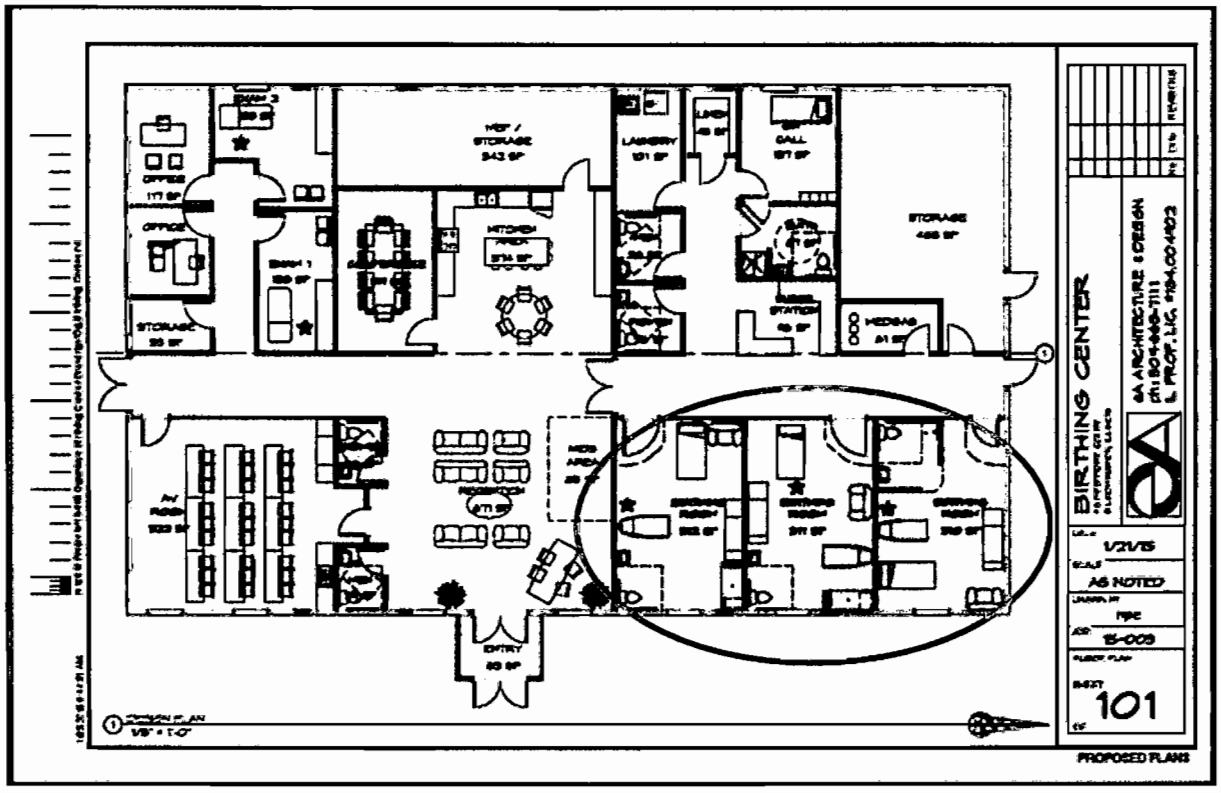
Eff date: January 2015

4) Bloomington-Normal Birthing Center will exclude women who fail to register for acceptance with the birth center before 32 weeks gestation and who have not received prenatal care shall be excluded from admission, unless a written, signed exception is made by the Center's Medical Director on an individual basis. The woman shall otherwise meet the criteria for the risk assessment that are set forth in this policy, the birth center shall have documentation of prenatal care, and the birth center shall comply with the letter of agreement between the birth center and the hospital in the Perinatal System.
   a) Any pregnant walk-in person who is beyond 32 weeks of gestation or is ready to deliver her baby, and who has not previously been approved for admission, shall be immediately transferred to a hospital.
5) Bloomington-Normal Birthing Center will not accept a number of women in active labor who have been admitted to the birth center at any given point in time that is greater than the number of birth rooms in the birth center.
6) Bloomington-Normal Birthing Center will require all clients who are accepted to agree to the following practices of the Center, and failure to do so would exclude a client from services at the Center:
   a) All clients must have an obstetrician, family practitioner/physician, or certified nurse midwife attend each woman in labor from the time of admission through birth and throughout the immediate postpartum period.
   b) All clients must fully understand and accept the Center's practice of no general anesthesia, which includes spinal/epidural, or regional, may be administered at the birth center.
   c) All clients must fully understand and accept the Center's practice of no pharmacologic agents permitted to induce or enhance labor.
7) Before acceptance and admission to services, a client will be informed of:
   a) The qualifications of the birth center clinical staff;
   b) The risks related to out-of-hospital childbirth;
   c) The benefits of out-of-hospital childbirth; and
   d) The possibility of referral or transfer if complications arise during pregnancy or labor, with additional costs for services rendered.
   e) The Center's protocol for antepartum acceptance and transfer to a hospital, and intrapartum and postpartum transfer to a hospital, in accordance with the letter of transfer agreement established between Bloomington-Normal Birthing Center, LLC and OSF St. Joseph Medical Center.
8) Bloomington-Normal Birthing Center will obtain the client's written consent for birth center services, and a copy of the signed consent shall be included in the client's individual clinical record.
   9) Bloomington-Normal Birthing Center will provide prospective clients with the Center's admission criteria upon request.

Attachment 16

RE: Criterion 77 IAC 1110.3120 (d) Bed Capacity

As shown in the preliminary architectural drawing below, Bloomington-Normal Birthing Center will have 3 birthing room beds to support 200 births annually. Conservatively assuming approximately 30 hour turnover rate per bed (12-18 hours labor/delivery/recovery/postpartum and 4-8 hours for room cleaning/restocking), each bed could support a birth approximately every other day, or 180-200 births per year. To account for the possibility of two births simultaneously, each bed should be expected to serve about 90-100 births per year. In Year 1, primarily one bed will be used to support the anticipated volume of 55 births; by Year 2, the second bed will be necessary to support the 122 births; and by Year 3, the third bed will be necessary to support growth beyond 200 births annually. Should the Center's volume reach 300 and more births per year, the owners would consider expanding to a fourth bed or applying for additional birth center license.



Attachment 16

RE: Criterion 77 IAC 1110.3120 (e) Staffing Availability

According to a recent article in the *Pantagraph* (December 23, 2014) employment trends in McLean County are improving along with the rest of the state. While the decrease in unemployment suggests an improving economy, the good news is tempered somewhat by the facts posted in the same article that McLean County lost about 1,000 jobs from the previous year. While much of the loss is in jobs occurred in business-professional and financial jobs, a deeper dive into data published by Bloomington-Normal Economic Development Council's "2014 Demographic Profile" show a contraction from 2011 to 2013 of about 6% in educational and health services (10,700 to 10,100 employees). It stands to reason that such contraction might occur in health services given the growing financial pressures faced by the entire healthcare industry. (http://www.bnbiz.org/Home.aspx) Bringing an alternative healthcare delivery model such as a birth center to the community will help stimulate job opportunities in health services, and also give a dedicated place for certified nurse midwives and doulas to practice their profession.

Bloomington-Normal is home to two Bachelors and Masters level nursing programs: the Mennonite College of Nursing at Illinois State University and the Illinois Wesleyan University College of Nursing. Furthermore, Heartland Community College offers an Associate Degree in Nursing, a Practical Nursing Certificate, and a Nursing Assistant Certificate; and the Bloomington Area Vocational Center offers numerous healthcare related programs, such as Nursing Assistant and Advanced CNA.

These educational programs along with the pool of candidates from area hospitals and medical offices will be the primary source for our staff and clinical director for the Birthing Center. Additionally, the Central Illinois region boasts of a very engaged and enthusiastic network of midwives and doulas. With over 100 attending a birthing center educational event in November, and over 300 engaged with the Bloomington-Normal Birthing Centers' Facebook page, the Bloomington-Normal Birthing Center can expect plenty of interest when it begins recruiting efforts for its director and staff.

RE: Criterion 77 IAC 1110.3120 (f) Emergency Surgical Backup

Bloomington-Normal Birthing Center, LLC has a signed contractual agreement with OSF St. Joseph Medical Center, Bloomington, IL for the referral and transfer of patients in need of an emergency caesarian delivery, as shown on the following pages.

LETTER OF TRANSFER AGREEMENT

This Letter of Transfer Agreement ("Agreement") is made and entered into as of the execution of the Agreement by both parties (the "Effective Date") by and between OSF St. Joseph Medical Center ("Hospital"), and The Bloomington Normal Birthing Center, LLC (Birthing Center).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows;

The Birthing Center and Hospital enter into a contractual agreement where the Hospital agree to provide Emergency Surgical Backup care for Birthing Center patients who are in need of emergency caesarian delivery, and the Hospital provides care for Birthing Center patients needing any of the services available via the Hospital's services and its Perinatal System. The Hospital agrees to provide a copy of the Hospital's maternity services to the Birthing Center and any updates made to their services. Both parties agree to the Illinois Health Facilities and Services Review Board recommendation and EMTALA terms. Both parties agree to the terms set forth in the following sections regarding transfer of patients, relationship of parties and general provisions of the agreement.

1. **DEFINITIONS**
   - 1.1 **Emergency Surgical Backup** and **Inclusion in Perinatal System** defined by Illinois Health Facilities and Services Review Board, Certificate of Need Permit Birth Center Application, January 2012 Edition
     - 1.1.1 Criterion 77 IAC 1110.3120 (f) – **"Emergency Surgical Backup"**
       - 1.1.1.1 Document that either: The birth center will operate under a hospital license and will be located within 30 minutes ground travel time from the hospital; **OR**
       - **1.1.1.2 A contractual agreement has been signed with a licensed hospital for the referral and transfer of patients in need of an emergency caesarian delivery.**
     - **1.1.2** Criterion 77 IAC 1110.3120 (h) – **"Inclusion in Perinatal System"**
       - 1.1.2.1 **Letter of agreement with a hospital designated under the Perinatal System and a copy of the hospital's maternity service; OR**
       - 1.1.2.2 An applicant that is not a hospital shall identify the regional perinatal center that will provide neonatal intensive care services, as needed to the applicant birth center patients; and a letter of intent, signed by both the administrator of the proposed birth center and the administrator of the regional perinatal center, shall be provided.
   - 1.2 EMTALA: The Emergency Medical Treatment and Active Labor Act (Title 42, U.S.C. § 1395D(D)).
   - 1.3 Emergency Medical Condition

a. A medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain, psychiatric disturbances and/or symptoms of substance abuse) such that the absence of immediate medical attention could reasonably be expected to result in
    i. placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;
    ii. serious impairment to bodily functions; or
    iii. serious dysfunction of any bodily organ or part.
b. With respect to a pregnant woman who is having contractions:
    i. that there is inadequate time to effect a safe transfer to another hospital before delivery; or
    ii. that transfer may pose a threat to the health or safety of the woman or her unborn child.

1.4 Transferring Facility: The facility that is transferring a patient pursuant to this Agreement.

1.5 Receiving Facility: The facility that is receiving a patient pursuant to this Agreement.

1.6 Capability: The physical space, equipment, supplies, specialized services that the facility provides and the level of care that the personnel of the facility can provide within the training and scope of their professional licenses.

1.7 Capacity: The ability of the facility to accommodate the individual requesting examination or treatment of the transferred individual. Capacity encompasses such things as numbers and availability of qualified staff, beds, and equipment and the facility's past practices of accommodating additional patients in excess of its occupancy limits.

2. TRANSFER OF PATIENTS

2.1 A provider or personnel at the Transferring Facility shall determine and document that the patient is appropriate for transfer in accordance with all applicable federal and state laws and regulations regarding transfer as well as with applicable requirements of the Transferring Facility's transfer policies.

2.2 A provider or personnel at the Transferring Facility shall notify the Receiving Facility and obtain consent to transfer and confirmation that the patient meets the Receiving Facility's admissions criteria relating to appropriate bed, personnel and equipment, and confirm the Receiving Facility feels that it has the capability to treat the patient.

2.3 The Transferring Facility shall arrange and coordinate the method of transportation of the patient to the Receiving Facility and shall assume responsibility for the patient's care and safety during transport. A provider or personnel at the Transferring Facility shall, given the patient's condition, designate the appropriate level of care, including qualified personnel and appropriate equipment, needed during transfer. Receiving Facility shall not be responsible for the patient until arrival at the Receiving Facility.

2.4 A provider or personnel at the Transferring Facility shall send to the Receiving Facility with the patient all information concerning the patient which is required to ensure continuity of care,

including but not limited to a transfer summary, copies of appropriate portions of the patient's medical record, and any other information which is appropriate or required by federal or state law or regulation. Medical records maintained by each party shall remain the property or that party.

2.5 A provider or personnel at Transferring Facility shall notify the patient or the patient's legal representative of the transfer and shall provide any additional information required by state or federal law or regulation. Where reasonable efforts have been made to locate a representative of the patient, and notification of the patient is not possible due to the patient's physical or mental condition, notification shall not be required where the patient is unaccompanied. Written acknowledgement of notification shall be appropriately documented and obtained in writing in accordance with appropriate federal or state laws or regulations.

2.6 Personnel or personnel at Transferring Facility shall be responsible for assuring that the patient is accompanied by any personal effects which the patient brought to the Transferring Facility, or shall otherwise make appropriate disposition of the patient's personal effects to the patient's legal representative or family.

2.7 Receiving Facility agrees to accept and provide appropriate medical treatment to each patient for whom a provider at Receiving Facility and Transferring Facility have consented and confirmed acceptance of transfer.

2.8 The Transferring Facility will document patient transfer information using the attached Bloomington Normal Birthing Center Transfer Form.

3. RELATIONSHIP OF PARTIES

3.1 Transferring Facility and Receiving Facility shall bill in accordance with their usual and customary practices those parties financially responsible for the care rendered to the patient by their respective facility. Neither party shall have liability to the other for the other party's charges.

3.2 In the performance of the work, duties, and obligations under this Agreement, it is mutually understood and agreed that both parties are at all times acting and performing as independent contractors. Neither party is authorized or permitted to act as an agent or employee of the other. Each party shall be responsible for its own acts, omissions, debts and obligations and shall not be responsible for the acts, omissions, debts and obligations of the other party.

3.3 The parties agree that they shall each maintain professional and comprehensive general liability insurance at a minimum of one million dollars ($1 million) per incident / three million dollars ($3 million) per aggregate. The parties shall furnish each other evidence of such insurance within sixty (60) days following execution of the Agreement and thereafter on or before the renewal date of each such policy of insurance. Each or these policies of insurance shall not be canceled until at least thirty (30) days prior written notice has been given to the other party.

3.4 Each party agrees to indemnify, defend and hold the other harmless from and against all loss, claims or liability of any kind, including reasonable attorneys' fees, arising from or relating to

their actions or inactions or those of their respective agents, employees or representatives acting under their control, supervision or direction in performing under this Agreement.

3.5 Nothing in this Agreement shall be construed to require the referral of a patient by or to either party.

4. **GENERAL PROVISIONS**

4.1 This Agreement may be amended any time by mutual agreement of the parties provided that such agreement is reduced to writing and signed and dated by the parties' authorized representatives.

4.2 In the performance of acts pursuant to this Agreement, the parties shall comply with all applicable federal, state and local laws, regulations, and ordinances.

4.3 Nothing in this Agreement shall be construed as limiting the rights of either facility to contract with any other facility on a limited or general basis.

4.4 This Agreement states the entire contract between the parties in respect to the subject matter of this Agreement and supersedes any oral or written proposals, statements, discussions, negotiations, or other agreements before or contemporaneous to this Agreement. The parties acknowledge that they have not been induced to enter into this Agreement by any oral or written representations or statement not expressly contained in this Agreement.

4.5 If any provision of this Agreement is deemed invalid or unenforceable by court of appropriate jurisdiction, then the unenforceable or invalid provisions shall be deemed to be deleted from this Agreement, All remaining provisions of this Agreement shall be deemed to be in full force and effect.

4.6 Birthing Center and each of its providers, practitioners, employees, agents, contractors, subcontractors, and servants (hereinafter collectively referred to as "Staff") represents and certifies that neither it nor any healthcare practitioner who provides services on Birthing Center's behalf has been convicted of any conduct that constitutes grounds for mandatory exclusion as identified in 42 U.S.C. § 1320a-7(a). Birthing Center further represents and certifies that it is not ineligible to participate in Federal health care programs including but not limited to Medicare, Medicaid, or in any other state or federal government payment program, and that no such proceeding is pending. Birthing Center agrees that if DHHS/OIG excludes it, or any of Birthing Center's staff who provides Birthing Center services, from participation in Federal health care programs, Birthing Center must notify the Hospital within ten (10) days of knowledge of such fact. In the event that an investigation of Birthing Center or its staff is initiated by any state or federal governmental agency, the Hospital reserves the right at its sole discretion to immediately terminate this Agreement. It is understood and agreed to by the parties that the ability to verify if Birthing Center or any or its Staff are currently debarred is dependent upon the accuracy of the information contained on the DHHS/OIG list of excluded persons and the representations of Birthing Center's Staff.

Signature page to follow:

OSF St. Joseph Medical Center
"Hospital"

By: _____

Title: President

Date: 9/22/14

Bloomington-Normal Birthing Center LLC

By: _____

Title: Medical Director

Date: 9 - 11 - 14

By: _____

Title: Medical Director

Date: September 11th 2014

BLOOMINGTON-NORMAL BIRTHING CENTER TRANSFER FORM

Patient's Name: _____ Date: _____

Type of Transfer: ❑Intrapartum ❑Postpartum ❑Newborn Emergency? ❑No ❑Yes

Mode of Transportation: ❑Car ❑Ambulance ❑Other _____

Time of Decision to Transfer: _____

Time of Call to Ambulance: _____

Time of call to Physician: _____ Name: _____

Time of Call to Hospital: _____ ❑ L&D ❑NICU ❑ER

Time Left Birth Center: _____ Accompanied By: _____

Time Arrived at Receiving: _____ ❑ L&D ❑NICU ❑ER

Time in Hospital before Delivery: _____

FHT's	Time		Maternal BP/Pulse	Time		Newborn T/P/R	Time

IV Started: Time _____ Type/Size_____ Location_____Rate _____

MEDS: ❑Pitocin _____Units Time_____ ❑IM ❑IV

❑Methergine _____mg Time_____ ❑IM ❑PO

❑Misoprostol _____mcg Time_____ ❑ Rectal ❑ Vaginal ❑PO

Other_____

Oxygen: ❑ Mask ❑Cannula Rate _____

Notes:_____

_____

Who is primary care provider after transfer to hospital? _____

Collaborative management by physician and midwife: ❑Yes ❑No Time transferred to physician: _____

Maternal Outcome: ❑SVD ❑Vacuum ❑Forceps ❑C-Section

PP Interventions: ❑Laceration/Repair ❑Manual Removal of Placenta ❑D&C&E ❑Total EBL

Other _____

Newborn Outcome: Apgar: _____1 Minute _____5 Minute _____10 Minute

Gender ❑Female ❑Male Weight _____ NICU Admission ❑No ❑Yes

Other_____

Signature_____ Date_____ Time_____

Attachment 16

RE: Criterion 77 IAC 1110.3120 (g) Education

The Bloomington-Normal Birth Center will use a group care model for its prenatal care and education. This model is often referred to as Centering Pregnancy, and will encompass health assessments, education and support of pregnant women who plan to birth at the birth center. Under the direction of a birthing center practitioner, 8-12 women of similar gestational ages will meet together, receive care skills, participate in discussions, and develop a support network with other group members. Each pregnancy group meets throughout pregnancy and early postpartum. The practitioner, within the group, completes standard physical health assessments. Patients meet with their midwife and other group participants for an extended period of time, usually 90-120 minutes, at regularly scheduled visits over the course of their care. This model of care promotes greater patient engagement, personal empowerment and community-building. Other services that will be provided to the community would be childbirth preparation, childbirth refresher courses, doula services, newborn care classes and breastfeeding classes.

In the fall 2014, representatives of Bloomington-Normal Birthing Center, LLC met with leadership of the McLean County Health Department to discuss ways that the Center can be a resource for the Health Department's Family Case Management staff. Family Case Management is a free program offered in cooperation with the Illinois Department of Human Services that connects pregnant women to health and wellness services. Bloomington-Normal Birthing Center expects to work closely with the case managers and their clients as an option for wellness-based maternity services.

RE: Criterion 77 IAC 1110.3120 (h) Inclusion in Perinatal System

On the following pages are transfer policies from OSF St. Joseph Medical Center, with which the Bloomington-Normal Birthing Center has a transfer agreement.

OSF HEALTHCARE

OSF St. Joseph Medical Center	Setting: OB	Areas/Dept:OB
Title: OB Policy- Standards for Maternal Care		
Chapter:		

KEYWORDS: Maternal, Transport, Consult, Transfer

PURPOSE:
To provide a safe and appropriate transfer to a higher level of care.

POLICY:
To provide consultation and/or transport of mothers to an appropriate facility to meet the needs of both the mother and unborn child.

PROCESS:

1. The following maternal patients are considered to be appropriate for management and delivery by the primary physician at Level II hospitals without requirement for a maternal-fetal medicine consultation.
   a. Normal current pregnancy although obstetric history may suggest potential difficulties;
   b. Selected medical conditions controlled with medical treatment such as mild chronic hypertension, thyroid disease, illicit drug use, urinary tract infection, and non-systemic steroid-dependent reactive airway disease;
   c. Selected obstetric complications that present after 32 weeks gestation, such as, mild pre-eclampsia/pregnancy induced hypertension, placenta previa, abrupto placenta, premature rupture of membranes or premature labor;
   d. Other selected obstetric conditions that do not adversely affect maternal health or fetal well-being, such as, normal twin gestation, hyperemesis gravidium, suspected fetal macrosomia, or incompetent cervical os;
   e. Gestational diabetes, Class A1 (White's criteria).

2. The attending health care provider shall consult a maternal-fetal medicine subspecialist, for each of, but not limited to, the current pregnancy conditions listed. Subsequent patient management and site of delivery shall be determined by mutual collaboration between the patient's physician and the maternal-fetal medicine subspecialist.
   1) Maternal Conditions (Consultation)
      a. Asthma; Severe (multiple hospitalizations)
      b. Cardiac disease (Cyanotic, prior MI, aortic stenosis, pulmonary hypertension, Marfan syndrome, prosthetic valve, AHA Class II or greater)
      c. Diabetes mellitus (Class D or greater)
      d. Family history of genetic problems (Down syndrome, Tay-Sachs disease, PKU)
      e. Hemoglobinopathy (SS, SC, S-thal)
      f. Hypertension (Chronic, with renal or heart disease)

g. Pulmonary disease (Severe obstructive or restrictive)
h. Renal disease (Chronic, creatinine ≥ 3 with or without hypertension, requirement for prolonged anticoagulation, severe systemic disease)
i. Prior fetal structural or chromosomal abnormality
j. HIV (Symptomatic or low CD4 count)
k. CDE (Rh) or other blood group isoimmunization (excluding ABO, Lewis)
l. Severe systemic disease that adversely affects pregnancy
m. Fetal abnormality suspected by ultrasonography – other than anencephaly

2) Maternal Conditions (Transfer)
   a. Patients from the above consultation list, for who transfer is deemed advisable by mutual collaboration between the maternal-fetal medicine physician at the Level III hospital and the obstetrician at the referring office of the hospital.
   b. Isoimmunization with possible need for intrauterine transfusion.
   c. Suspected congenital anomaly compatible with life.
   d. Insulin-dependent diabetes mellitus.
   e. Cardiopulmonary disease with functional impairment.
   f. Multiple gestations with exception of twins.
   g. Premature labor prior to 32 weeks
   h. Premature rupture of membranes prior to 32 weeks
   i. Medical and obstetrical complication of pregnancy, possibly requiring induction of labor or cesarean section for maternal or fetal conditions prior to 32 weeks gestation.
   j. Severe pre-eclampsia or eclampsia.

REFERENCES: Guidelines for Perinatal Care 6th edition 2007
Illinois administrative Code Title 77 Part 640 Regionalized Perinatal Health Code

Approved By: OB	**Effective Date: 7/23/12**
Reviewed By OB	**Revision Dates 7/23/12**
Responsible Party: OB Manager	**Revision Effective Date: 7/23/12**
	Review Date: 8/13

OSF HEALTHCARE

OSF St. Joseph Medical Center	Setting: OB	Areas/Dept:OB
Title: OB Policy- Standards for Neonatal Care – Level II		
Chapter:		

KEYWORDS: Neonatal, Transport, Consult, Transfer

PURPOSE:
To provide a safe and appropriate transfer to a higher level of care.

PURPOSE:
1. To provide consultation and/or transport of neonates to an appropriate facility.

POLICY:
Level II Standards for Neonatal Care

PROCESS:

1. The following neonatal patients are considered appropriate for Level II hospitals without a requirement for neonatology consultation:
   a. Premature infants at 32 or more weeks gestation who are otherwise well;
   b. Infants with mild to moderate respiratory distress (not requiring assisted ventilation in excess of six hours);
   c. Infants with suspected neonatal sepsis, hypoglycemia responsive to glucose infusion and asymptomatic neonates of diabetic mothers;
   d. Infants with a birth weight greater than 1500 grams who are otherwise well.
2. The attending physician shall consult a neonatologist for the following neonatal conditions but not limited to:
   a. Birth weight less than 1500 grams;
   b. 10 minute Apgar scores of 5 or less;
   c. Handicapping conditions or developmental disabilities that threaten subsequent development in an otherwise stable infant.
3. Minimum conditions for transport for conditions including but not limited to:
   a. Premature birth that is less than 32 weeks gestation;
   b. Birth weight less than 1500 grams;
   c. Assisted ventilation beyond the initial stabilization period of six hours;
   d. Oxygen requirements in excess of 50 %(greater than 6 hrs.)
   e. Congenital heart disease associated with cyanosis, congestive heart failure or impaired peripheral blood flow;
   f. Major congenital malformations requiring immediate comprehensive evaluation or neonatal surgery;
   g. Neonatal surgery requiring general anesthesia.

h. Sepsis, unresponsive to therapy associated with a persistent shock or other organ system failure;
i. Uncontrolled seizures;
j. Stupor, coma, hypoxic ischemic encephalopathy Stage II or greater;
k. Double-volume exchange transfusion;
l. Metabolic derangement persisting after initial correction therapy;
m. Handicapping conditions that threaten life for which transfer can improve outcome.

REFERENCES: Illinois administrative Code Title 77 Part 640 Regionalized Perinatal Health Code

Approved By: OB	**Effective Date: 7/23/12**
Reviewed By OB	**Revision Dates 7/23/12**
Responsible Party: Manger	**Revision Effective Date: 7/23/12**
	Review Date: 8/13

Attachment 16

RE: Criterion 77 IAC 1110.3120 (i) Medicare/Medicaid Certification

Bloomington-Normal Birthing Center, LLC

2107 Crimson Lane
Bloomington, IL 61704

To Whom It May Concern

With our signature below, the owners of Bloomington-Normal Birthing Center, LLC confirm that they intend to seek certification of the Bloomington-Normal Birthing Center, and any and all practitioners of the Center, for participation in the Medicare and Medicaid programs under titles XVIII and XIX, respectively, of the federal Social Security Act (42 USC 1395 and 1396).

Sincerely,

Joe Santiago, MD
CEO
Bloomington-Normal Birthing Center, LLC
January 23, 2015

RE: Criterion 77 IAC 1110.3120 (j) Charity Care

Bloomington-Normal Birthing Center, LLC

2107 Crimson Lane
Bloomington, IL 61704

To Whom It May Concern

With our signature below, the owners of Bloomington-Normal Birthing Center, LLC confirm that they intend to implement a Charity Care policy, as outlined below.

Sincerely,

Joe Santiago, MD
CEO
Bloomington-Normal Birthing Center, LLC
January 23, 2015

Attachment 16

Eff date: January 2015

Bloomington-Normal Birthing Center

Charity Care Plan

The mission of Bloomington-Normal Birthing Center is to provide a high-quality, cost effective out-of-hospital birth experience for low-risk pregnant mothers and babies, for prenatal care, natural childbirth, and full postpartum care. Inherent in the Center's mission are values of respect and compassion for all human beings. With its mission and values as its guiding philosophy, the Bloomington-Normal Birthing Center is committed to always putting the needs of the patient first, and thus enacting a charitable policy designed to meet the needs of patients with difficult financial circumstances.

Scope of Policy

The scope of the Bloomington-Normal Birthing Center Charity Care policy has three components: a) providing a fair and equitable financial assistance program; b) providing education and resources for our patients, and c) offering outreach for prenatal care for the underserved.

Policy Attributes

Financial Assistance: The Bloomington-Normal Birthing Center will follow a fair and consistent method for the reviewing and granting requests for charitable medical care to our patients who are unable to pay their hospital and/or clinic bills due to difficult financial situations. A designated business office representative will review individual cases and make a determination of financial assistance that may be offered. Eligible individuals include patients who do not have insurance and patients who have insurance but are underinsured. Patients must cooperate with any insurance claim submission and exhaust their insurance or potential insurance coverage before becoming eligible for financial assistance. The need for financial assistance will be based on a person's historical financial profile and current financial situation, including individual and family income, assets, employment status, family size and availability of alternative sources of payment. Assistance may include individualized payment plans, medical services at reduced rates, and partial and full write-offs, using federal poverty income guidelines. The Center will use fair and consistent collection practices that are in the best interest of all parties involved.

Education & Resources: Bloomington-Normal Birthing Center will provide education and assistance to help patients find sources to fund their care, including identifying alternative sources of funding for their medical care and opportunities to work with outside agencies. The Center will work in conjunction with local agencies such as the Health Department's Family Case Management staff to connect our patients with the necessary resources for physical, emotional and financial well-being.

Outreach for Prenatal Care: The owners and staff of the Bloomington-Normal Birthing Center believe that a community clinic for prenatal care would be an important extension of the Center's mission. The Center will devote a portion of the prenatal clinic space of the birthing center to the re-establishment of a community prenatal clinic that was once operated with funding from the community's hospitals. Using the Center's clinic space, the Center's midwife staff would provide prenatal care to the uninsured and underinsured pregnant mothers in Bloomington-Normal and the surrounding area.

Attachment 16

RE: Criterion 77 IAC 1110.3120 (k) Quality Assurance

Bloomington-Normal Birthing Center, LLC

2107 Crimson Lane
Bloomington, IL 61704

To Whom It May Concern

In accordance with the rules of Part 265 "Birth Center Demonstration Program Code" of the Department of Public Health Proposed Rules, the Bloomington-Normal Birthing Center will adopt a quality assurance plan that is consistent with the requirements outlined in Section 265.2450 "Quality Assurance and Improvement"; follows the Standards for Birth Centers as published by the American Association for Birth Centers (AABC), and meets or exceeds the criteria for accreditation from the Commission for the Accreditation of Birth Centers (CABC).

As such, by the signature below, we confirm that the Quality Assurance Plan included with this Certificate of Need Application as part of Attachment 16, will be followed by the Bloomington-Normal Birthing Center.

Sincerely,

Joe Santiago, MD
CEO
Bloomington-Normal Birthing Center, LLC
January 23, 2015

Eff date: January 2015

Bloomington-Normal Birthing CENTER

Quality Assurance Plan

The Quality Assurance Plan for Bloomington-Normal Birthing Center is a plan that outlines the Center's ongoing, objective and systematic process of monitoring, evaluating and improving the quality, appropriateness and effectiveness of care.

Scope of Plan

Bloomington-Normal Birthing Center shall adopt, implement and enforce a written quality assurance and improvement program that includes all health and safety aspects of client care for both mother and infant. Bloomington-Normal Birthing Center shall engage in an ongoing and systematic process for monitoring and evaluation of the quality and accessibility of care and services, that includes:

1) Admission of clients appropriate to the capabilities of the center;
2) Client satisfaction;
3) Cost for delivery of services;
4) Review of the clinical records;
5) Incidences of morbidity and mortality of mother and infant;
6) Postpartum infections;
7) All cases transferred to a hospital for delivery, care of infant, or postpartum care of mother;
8) Incidents, problems and potential problems identified by staff of the center, including infection control;
9) Any issues of unprofessional conduct by any member of the center's staff (including contractual staff);
10) The integrity of surgical instruments, medical equipment and client supplies;
11) Client referrals and consultations;
12) Appropriateness of medications prescribed, dispensed or administered in the birth center;
13) Problems with compliance with any federal or State laws;
14) At least an annual review of protocols, policies and procedures relating to maternal and newborn care;
15) Appropriateness of the risk criteria for determining eligibility for admission to and continuation in the birth center program of care;
16) Appropriateness of diagnostic and screening procedures;
17) Quarterly meetings of clinical practitioners to review the management of care of individual clients and to make recommendations for improving the plan of care;
18) Regular review and evaluation of all problems or complications of pregnancy, labor and postpartum and the appropriateness of the clinical judgment of the clinical practitioner in obtaining consultation and attending to the problem;
19) Evaluation of staff on ability to manage emergency situations by unannounced periodic drills for fire, maternal/newborn emergencies, power failure, etc.

Attachment 16

Eff date: January 2015

Quality Assurance Plan (continued)

Plan Attributes

In accordance with the AABC STANDARD, the Bloomington-Normal Birthing Center Quality Assurance Plan is a program for monitoring and evaluating the quality of direct care services to childbearing families, and the environment. The Bloomington-Normal Birthing Center's Medical Director, Director of Midwifery Services and Administrator shall ensure the following plan is enacted:

I. Monitoring and evaluation of direct maternal newborn care, to include but not be limited to:

a) At least annual review of protocols, policies and procedures relating to the maternal and newborn care
b) Compliance with appropriate risk criteria for determining eligibility for admission to and continuation in the birth center program of care
c) Compliance with appropriate diagnostic and screening procedures, such as laboratory studies, sonography, and fetal surveillance tests as they impact on quality of care and cost to the client
d) Compliance with appropriate medications prescribed, dispensed or administered in the birth center
e) Evaluation of performance of clinical practitioners practicing in the center (including peer review and self-evaluation)
f) Regular meetings of clinical practitioners to review the management of care of individual clients and make recommendations for improving the plan for care
g) Regular review of all transfers of mothers and neonates to hospital care to determine the appropriateness and quality of the transfer H. Regular review and evaluation of all problems or complications of pregnancy, labor and postpartum and the appropriateness of the clinical judgment of the practitioner in obtaining consultation and managing the problem I. Evaluation of staff on ability to manage emergency situations by periodic drills for fire, maternal/newborn emergencies, power failures, and natural disasters, that are held regularly, and evaluation of management of actual emergencies

II. Maintaining a safe, home like environment, to include but not be limited to:

a) Routine testing of the efficiency and effectiveness of all equipment (e.g. sphygmomanometer, doptones, sterilizers, resuscitation equipment, transport equipment, oxygen equipment, communication equipment, heat source for newborn, smoke alarms, fire extinguishers)
b) Routine review of housekeeping procedures and infection control
c) Evaluation of maintenance policies and procedures for heat, ventilation, emergency lighting, waste disposal, water supply and laundry and kitchen equipment

III. An effective system for collection and analysis of data, which addressed but is not limited to the following areas of study:

a) Utilization Of The Following Services:
    1. Orientation Sessions
    2. Childbirth Related Educational Programs
    3. Time In Birth Center Before Birth
    4. Time In Center After Birth
    5. Home Visits Postpartum
    6. Follow Up Office Visits Postpartum (Mother)
    7. Follow Up Office Visits For Newborn
    8. Type Of Anesthesia/Analgesia Used

Quality Assurance Plan (continued)

b) Outcomes Of Care Provided:
   1. Women Registered For Care
   2. Antepartum Attrition Rate
   3. Antepartum Transfer Rate
   4. Women Admitted To Center For Intrapartum Care
   5. Births In The Center
   6. Births Enroute To The Center
   7. Maternal Intrapartum Transfer Rate
   8. Maternal Postpartum Transfer Rate
   9. Newborn Transfer Rate
   10. Type Of Delivery: Nsvd Or Other
   11. Episiotomies
   12. Third And Fourth Degree Lacerations
   13. Cesarean And Operative Vaginal Delivery Rates
   14. Infants With Birth Weight: Less Than 2500 Grams Or Greater Than 4500 Grams
   15. Apgar Scores Less Than 7 At Five Minutes
   16. Neonatal Mortality And Morbidity
   17. Maternal Mortality And Morbidity

c) Reasons For Transfers:
   1. Antepartum
   2. Intrapartum, including pre-admit transfers
   3. Postpartum
   4. Newborn

IV. A systematic and valid methodology for evaluating client satisfaction with services provided, and demonstrates a plan to address issues/concerns raised by clients.

V. As appropriate, input from outside consultation/expertise to review problems identified by the quality improvement program.

VI. Detailed action plans designed to resolve problems identified, to include by not limited to:

a) Administrative or supervisory action
b) In-service education
c) Modification of policies and procedures
d) Revision of risk criteria
e) Revision of health record or other record forms

VII. A systematic approach for implementing change, e.g. Plan-Do-Check-Act cycle, to foster ongoing continuous improvement, to determine if action taken has resolved the identified problem(s).

Attachment 17: Availability of Funds

SOURCE OF FUNDS	TOTAL
BANK FINANCING	**$ 800,000**
Line of Credit, Heartland Bank (12/2014)	*$ 200,000*
Construction Loan/Property Purchase	*$ 600,000*
PERSONAL INVESTMENT	**$ 145,233**
Joe Santiago, MD	*$ 48,196.67*
Dele Ogunleye, MD	*$ 48,196.67*
Chad Tattini, MD	*$ 48,196.67*
TOTAL SOURCES OF FUNDS	**$ 945,233**

Supporting documentation follows showing the proof of financing from Heartland Bank. In addition, each investor intends to infuse approximately $50,000 of their personal finances to the project.

Heartland Bank and Trust Company
MEMBER FDIC

February 2, 2015

Dr. Dele Ogunleye, Member
Dr. Joe Santiago, Member
Dr. Chad Tattini, Member
BNBC Land, LLC
2111 E. Oakland Avenue
Bloomington, IL 61701

Re: Financing Proposal

Gentlemen:

Heartland Bank ("Bank") appreciates the opportunity to submit this proposal for financing to Bloomington-Normal Birthing Center, LLC ("Applicant"). This letter is not a promise, commitment, or an agreement to lend money to, provide financing for, or extend credit to Applicant. This letter does not contain all of the terms and conditions of the proposed financing, but is a basis for further discussion of possible terms and conditions. In the course of the Bank's due-diligence and consultation with legal counsel, the Bank may become aware of facts or requirements, which will affect the structure, terms and pricing of the transaction. The terms and conditions may include, but not shall be limited to:

Borrowers:	BNBC Land, LLC
Loan Amount:	Approximately $600,000 (limited to 80% of appraised value)
Purpose:	purchase / renovate property to be used as birthing center
Interest Rate:	5 Year Treasury Swap* (currently 1.28%) PLUS 300 basis points; fixed for 5 years * http://www.federalreserve.gov/releases/h15/Update/ **ALL RATES SUBJECT TO CHANGE PRIOR TO CLOSING**
Maturity:	5 Years
Terms:	Monthly payments of interest only for 24 months; then, monthly payments of principal and interest based on an amortization of 20 years (monthly principal and interest payment of approximately $3,744 based on listed terms)
Fees:	A loan fee of $1,000 will be assessed. Additionally, the Applicant will be responsible for all costs incurred by the Bank in the analysis, document preparation, closing, or collection of the loan, including, but not limited to, attorney fees, environmental assessment costs, title insurance premiums, recording fees, appraisal fees, survey fees, credit reports, court costs, etc.
Collateral:	- 1st MTG and Assignment of Leases on proposed birthing center to be located on Westport Court in Bloomington, IL (exact legal description to govern) - Senior UCC filing on all business assets

Guarantors:	Dele Ogunleye (unlimited) Joseph Santiago (unlimited) Chad Tattini (unlimited) Bloomington-Normal Birthing Center, LLC (unlimited) *
Reporting:	Guarantors Ogunleye, Santiago and Tattini to provide the following financial information: - Updated personal financial statement on an annual basis - Complete copy of federal income tax return on an annual basis Guarantor Bloomington-Normal Birthing Center, LLC to provide the following financial information: - Complete copy of federal income tax return on an annual basis
Other:	- Bloomington-Normal Birthing Center, LLC to obtain all State and local approvals as necessary, to open and operate such facility - Bloomington-Normal Birthing Center, LLC to maintain all depository accounts at Bank - BNBC Land, LLC to maintain all depository accounts at Bank - Standard pre-payment penalty to apply

The proposed credits are also subject to the approval the terms and conditions by the Bank's appropriate loan committees and/or its Board of Directors as necessary. The proposed loans are also subject to the execution and delivery of documentation satisfactory in form and substance to the Bank and its legal counsel.

This letter is prepared for the exclusive use of the Applicant and is not to be released, discussed or communicated in any form or manner with any third party or financial institution without the prior written consent of the Bank. No third parties are entitled in any way to rely upon this letter.

I appreciate the opportunity to provide this information for your review and look forward to continuing discussions with you in regards to your financial needs. If you should have any questions, please call me at (309) 664-8923. My e-mail address is lhorvath@hbtbank.com.

Thank you.

Respectfully,

Lawrence J. Horvath

Lawrence J. Horvath
Executive Vice President

Heartland Bank and Trust Company
MEMBER FDIC

February 2, 2015

Dr. Dele Ogunleye, Member
Dr. Joe Santiago, Member
Dr. Chad Tattini, Member
Bloomington-Normal Birthing Center, LLC
2111 E. Oakland Avenue
Bloomington, IL 61701

Re: Financing Proposal

Gentlemen:

Heartland Bank ("Bank") appreciates the opportunity to submit this proposal for financing to Bloomington-Normal Birthing Center, LLC ("Applicant"). This letter is not a promise, commitment, or an agreement to lend money to, provide financing for, or extend credit to Applicant. This letter does not contain all of the terms and conditions of the proposed financing, but is a basis for further discussion of possible terms and conditions. In the course of the Bank's due-diligence and consultation with legal counsel, the Bank may become aware of facts or requirements, which will affect the structure, terms and pricing of the transaction. The terms and conditions may include, but not shall be limited to:

Borrowers:	Bloomington-Normal Birthing Center, LLC
Loan Amount:	$400,000
Purpose:	working capital line of credit
Interest Rate:	Prime plus ½% floating monthly (currently 3.75%)
Terms:	Loan term of 24 months with monthly payments of interest only
Fees:	A loan fee of $250 will be assessed. Additionally, the Applicant will be responsible for all costs incurred by the Bank in the analysis, document preparation, closing, or collection of the loan, including, but not limited to, attorney fees, environmental assessment costs, title insurance premiums, recording fees, appraisal fees, survey fees, credit reports, court costs, etc.
Collateral:	Senior UCC Lien Filing – all business assets
Guarantors:	Dele Ogunleye (unlimited) Joseph Santiago (unlimited) Chad Tattini (unlimited)

Reporting:	Guarantors Ogunleye, Santiago and Tattini to provide the following financial information:
	- Updated personal financial statement on an annual basis - Complete copy of federal income tax return on an annual basis
Other:	- Bloomington-Normal Birthing Center, LLC to obtain all State and local approvals as necessary, to open and operate such facility - Bloomington-Normal Birthing Center, LLC to maintain all depository accounts at Bank - BNBC Land, LLC to maintain all depository accounts at Bank - Standard pre-payment penalty to apply

The proposed credits are also subject to the approval the terms and conditions by the Bank's appropriate loan committees and/or its Board of Directors as necessary. The proposed loans are also subject to the execution and delivery of documentation satisfactory in form and substance to the Bank and its legal counsel.

This letter is prepared for the exclusive use of the Applicant and is not to be released, discussed or communicated in any form or manner with any third party or financial institution without the prior written consent of the Bank. No third parties are entitled in any way to rely upon this letter.

I appreciate the opportunity to provide this information for your review and look forward to continuing discussions with you in regards to your financial needs. If you should have any questions, please call me at (309) 664-8923. My e-mail address is lhorvath@hbtbank.com.

Thank you.

Respectfully,

Lawrence J. Horvath Jr

Lawrence J. Horvath
Executive Vice President

Attachment 18: Financial Viability Waiver

No Financial Viability Waiver is submitted.

Attachment 20: Economic Feasibility

A. Reasonableness of Financing Arrangements

The principal investors have secured financial backing of Heartland Bank, with which two of the owners have a history of financing their respective practices.

The bank vice president has issued a letter of intent for proposed financing, along with the line of credit for $200,000 issued in December 2014 to cover start up costs.

B. Conditions of Debt Financing

The principal investors evaluated 3 financial proposals from area banks; Heartland, First Farmers State Bank, and PNC. The investors selected Heartland's proposal based on its competitive terms and flexibility to work with the owners. See attached letter from Heartland Bank.

C. Reasonableness of Project and Related Costs

The costs of the project are reasonable as follows:

- **Preplanning Costs** are approximately 1.7% of the total project cost, within the standards set forth in Appendix A.
- **Construction And Modernization Costs** per square foot are approximately **$79/sf**, which is on par with comparable offices in the areas ($80/sf). There are no standards for birthing centers set forth in Appendix A.
- **Contingencies** are estimated at **10%** of construction, typical for area construction market.
- **Architectural/Engineering Fees** are estimated at **10%** of construction costs, according to industry standards.
- **Capitalized Equipment Costs** not included in construction are estimated at **6%** of total project. There are no standards for birthing centers set forth in Appendix A.
- **Building Acquisition Costs** are **$50/sf**, or $300,000 for 6,000sf building. The cost of the building plus the cost of construction/modernization total approximately $129/sf, which is reasonable for medical office space that can range as high as $200/sf.

The owners of Bloomington-Normal Birthing Center have been advised by other birthing center owners and experts to keep costs low at the outset. The owners believe they have followed this advice closely, to make a reasonable investment to launch the birthing center without over-extending themselves financially.

LIMITED LIABILITY COMPANY RESOLUTION TO BORROW / GRANT COLLATERAL / SUBORDINATE DEBT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
$200,000.00	12-15-2014	12-15-2015	6590086446		BAF0120	LJH1	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "****" has been omitted due to text length limitations.

Company: Bloomington-Normal Birthing Center, LLC
2107 Crimson Ln
Bloomington, IL 61701-0000

Lender: Heartland Bank and Trust Company
100 - Hershey Road
401 N Hershey Rd
P.O. Box 67
Bloomington, IL 61702

WE, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

THE COMPANY'S EXISTENCE. The complete and correct name of the Company is Bloomington-Normal Birthing Center, LLC ("Company"). The Company is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Illinois. The Company is duly authorized to transact business in all other states in which the Company is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which the Company is doing business. Specifically, the Company is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Company has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. The Company maintains an office at 2107 Crimson Ln, Bloomington, IL 61701-0000. Unless the Company has designated otherwise in writing, the principal office is the office at which the Company keeps its books and records. The Company will notify Lender prior to any change in the location of the Company's state of organization or any change in the Company's name. The Company shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Company and the Company's business activities.

RESOLUTIONS ADOPTED. At a meeting of the members of the Company, duly called and held on **December 15, 2014**, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.

MANAGERS. The following named persons are managers of Bloomington-Normal Birthing Center, LLC:

NAMES	TITLES	AUTHORIZED		ACTUAL SIGNATURES
Bamidele A Ogunleye	Manager	Y	X	
Joseph A Santiago	Manager	Y	X	
Chad D Tattini	Manager	Y	X	

ACTIONS AUTHORIZED. Any three (3) of the authorized persons listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Company. Specifically, but without limitation, any three (3) of such authorized persons are authorized, empowered, and directed to do the following for and on behalf of the Company:

Borrow Money. To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Company and Lender, such sum or sums of money as in their judgment should be borrowed, without limitation.

Execute Notes. To execute and deliver to Lender the promissory note or notes, or other evidence of the Company's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Company's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

Grant Security. To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Company or in which the Company now or hereafter may have an interest, including without limitation all of the Company's real property and all of the Company's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Company to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

Execute Security Documents. To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances. Notwithstanding the foregoing, any one of the above authorized persons may execute, deliver, or record financing statements.

Subordination. To subordinate, in all respects, any and all present and future indebtedness, obligations, liabilities, claims, rights, and demands of any kind which may be owed, now or hereafter, from any person or entity to the Company to all present and future indebtedness, obligations, liabilities, claims, rights, and demands of any kind which may be owed, now or hereafter, from such person or entity to Lender ("Subordinated Indebtedness"), together with subordination by the Company of any and all security interests of any kind, whether now existing or hereafter acquired, securing payment or performance of the Subordinated Indebtedness; all on such subordination terms as may be agreed upon between the Company's Managers and Lender and in such amounts as in their judgment should be subordinated.

Negotiate Items. To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Company or in which the Company may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Company's account with Lender, or to cause such other disposition of the proceeds derived therefrom as they may deem advisable.

Further Acts. In the case of lines of credit, to designate additional or alternate indi

Comparable Report
Building Sale

DATE	ADDRESS CITY	PROPERTY TYPE LOCATION	TOTAL SQ. FT. YEAR BUILT	SALE PRICE PRICE/SF	CURRENT USE FUTURE USE	CONDITION CAP RATE	COMMENTS
4/11/2012	College, 408 E Normal	OFC General North	3,880	$387,000 $99.75	Office Office		SF breakdown Office 3,880 sf
6/1/2011	Empire, 1806 E. Bloomington	OFC General East	1,581	$140,000 $88.55	Office Office		
4/1/2010	Visa, 1607 #10 Normal	OFC Condo East	1,969	$177,000 $89.84	Office Office		
3/1/2010	Eldorado, 202 #C2 Bloomington	OFC General East	1,427	$122,000 $85.49	Office Condo Office Condo		
12/1/2009	Lincoln, 2712 E Bloomington	OFC Medical East	1,800	$172,500 $95.00	Vet Clinic Vet Clinic		1,350 SF Garage on property.
1/9/2009	Empire, 1408 E Bloomington	OFC General East	4,095	$450,000 $109.89	Office Office		

Attachment 21: Safety Net Impact Statement

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

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.

The Impact on Safety Net Services by the Birthing Center will be evident in the Center's restoration of the community clinic for prenatal care. The Center will devote a portion of the prenatal clinic space of the birthing center to the re-establishment of a community prenatal clinic that was once operated with funding from the community's hospitals. Using the Center's clinic space, the Center's midwife staff would provide prenatal care to the uninsured and underinsured pregnant mothers in Bloomington-Normal and the surrounding area.

Bloomington-Normal Birthing Center, LLC will also offer educational offerings that will benefit McLean County Health Department's Family Case Management clients. Family Case Management is a free program offered in cooperation with the Illinois Department of Human Services that connects pregnant women to health and wellness services. Bloomington-Normal Birthing Center expects to work closely with the case managers and their clients as an option for wellness-based maternity services. The Bloomington-Normal Birth Center's group care model for its prenatal care and education, i.e., Centering Pregnancy. This model of care promotes greater patient engagement, personal empowerment and community-building. Other services that will be provided to the community would be childbirth preparation, childbirth refresher courses, doula services, newborn care classes and breastfeeding classes.

The proposed site of the Bloomington-Normal Birthing Center at 6 Westport Court will predominantly serve the residents of a health professional shortage area. An important feature of the site is easy access to public transportation. The property is situated along Empire St/Route 9, which is a major east-west thoroughfare that most directly connects the HPSA area to the west to this property. The most direct route for the most underserved of the community would be a trip that is approximately 5-6 total miles. The proposed site will also be about a mile from the YWCA on Hershey and Empire, and about 4 miles from the McLean County Health Department.

Attachment 22: Charity Care

The mission of Bloomington-Normal Birthing Center is to provide a high-quality, cost effective out-of-hospital birth experience for low-risk pregnant mothers and babies, for prenatal care, natural childbirth, and full postpartum care. Inherent in the Center's mission are values of respect and compassion for all human beings. With its mission and values as its guiding philosophy, the Bloomington-Normal Birthing Center is committed to always putting the needs of the patient first, and thus enacting a charitable policy designed to meet the needs of patients with difficult financial circumstances. The scope of the Bloomington-Normal Birthing Center Charity Care policy has three components: a) providing a fair and equitable financial assistance program; b) providing education and resources for our patients, and c) offering outreach for prenatal care for the underserved. Given that the birthing center is a new offering in the market, it is difficult to predict the exact percentage, but the owners and staff of the Center are committed to serving the entire economic spectrum of patients who meet the admission criteria for a quality-driven, cost-conscious, birthing center birth experience.

INDEX OF APPENDICES

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D.1	J.M. Smith	113
	More letters forthcoming KH 2/2/15	

understandings or agreements between them. It contains the entire agreement of the parties. It may not be changed orally but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

14.16 Joint Preparation. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

14.17 Incorporation of Exhibits, Annexes, and Schedules. The Exhibits, Annexes, and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

IN WITNESS WHEREOF, the parties hereby have caused their signatures, or the signatures of their duly authorized representatives, to be set forth below on the day and year first above written.

Dr. Dele A. Ogunleye, Member

Dr. Chad Tattini

Dr. Joseph Santiago, Member

Laura Pritts
Main: (309) 824-0507
LPritts@cbhoa.com
Coldwell Banker HOA Commercial

Coldwell Banker
Heart of America REALTORS®, Ltd

Pending

6 Westport Court **Bloomington** **$350,000**

MLS # 2141531 **Area:** East Bloomington **Status:** Pending
Property Type: COMMERCIAL **County:** McLean
Grid # 731 **Loc:** Bloomington-Normal
Bldg Ft. Print: **Current Usage:** Vacant
Office S.F: **Occupied/Vacant:** Available
Manuf S.F: **Business Only:**
Whse S.F: **No of Units:** 1
Retail S.F: **Total S.F:** 6,000
Possession: at closing **Terms:** Conventional
Directions: Empire North on Eastport West on Westport
Virtual Tour

Office: Berkshire Hathaway Snyder Real Estate **Agent:** John Albee **Co Agent:**
Tax ID: 14-36-351-005 **Brief Legal:** Eastport Development Lot 5
Yr Built: 1992 **Age:** 22 **Heating:** Forced Air
Ext Finish: Brick/Wood **Lot Size:** 120 x 180
Constr: Wood Frame **Cooling:** Central **Equipment:** No **Frontage:** 120
Parking: 21 **Elec Amps:** **Truck Docks:** **Zoning:** B1
Foundation: Slab w/Frost Footings **Elec Volt:** **O/H Doors:** **Sewer:** Public
Roof Type: Asphalt Shingle **Elec Phase:** **Floor Load:** **Water:** Public
Ceiling Height: 9 **Gas Supplier:** N I Gas **Restrooms:** 7 **Topography:** Level
No of Stories: 1 **Elec Supplier:** Ameren **Fixtures:** **Fire / Security:** City Fire Depart...
ADA Compliant: No **Undergrnd Tanks:** No **EPA Reports:** No **Other:** Free Standing Building(s)

Space	# Units	Total SF	Total Rms	Usage(T)	V/O/L	Rent/Yr	Lease Term (Yrs)	Lease Expiration Date:

R.E. Taxes: $14,767.00 **Vacancy Rate:** **Business Name:**
Capitalization Rate: **Property Insurance Expense:** $2,100 **Business Type:** Multi-Use
Gross Annual Income: **Utility Expense:** **Fixtures:**
Operating Expense **Maintenance Expense:** **Inventory:**
Net Income: **Other Expenses:** **Machinery:**

Remarks: Commercial Kitchen - HVAC less than 3 years old

----------**Sale Information**----------

Buyer: **Close Date:** 7/15/2015 **Sale Price:** **Seller Con:**
How Sold: **Co-Op Ofc:** Coldwell Banker HOA Commercial **Co-Op Agt:** Laura Pritts

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BLOOMINGTON · NORMAL
Birthing
CENTER

Announcing a New Arrival
in Bloomington Normal

Bloomington Normal Birthing Center, LLC
invites you to an educational event.

Birthing Centers: Why the Time Has Come

Keynote Address by Steven Calvin, MD
Board Certified Maternal & Fetal Medicine Specialist from Minneapolis, MN

An announcement by
Bloomington Normal Birthing Center LLC
about plans to seek approval for
a new birthing center in our community.

Wednesday November 12, 2014

6:30-8:30PM

Parke Regency
Hotel & Conference Center
1413 Leslie Drive, Bloomington, IL 61704

RSVP to bnbirthingcenter@gmail.com

Learn about Bloomington-Normal's
NEW ARRIVAL

Moms & Dads
Parents-to-Be
Healthcare Professionals
Interested Citizens
are all welcome to attend

BLOOMINGTON · NORMAL
Birthing CENTER

FREE Event
introducing
safe, holistic midwifery care for birthing services
to Bloomington-Normal

Birthing Centers:
Why the Time Has Come

Steven Calvin, MD
Board Certified Maternal & Fetal Medicine Specialist

In addition, partners of the
Bloomington Normal Birthing Center, LLC
will present plans for an independent, locally-owned birthing center for low risk mothers seeking high value, high quality, and personal one-on-one care for the birth of their baby.

Thursday November 13, 2014
11:30AM-1:00PM

Parke Regency
Hotel & Conference Center
1413 Leslie Drive
Bloomington, IL 61704
- Corner of Towanda-Barnes and GE Road -

Light lunch buffet will be served.
Free take-home information.
Children are welcome.

Let us know you are joining us!
RSVP to bnbirthingcente

STEVE SMEDLEY, The Pantagraph

a question from Holy Trinity Elementary
/illage Veterans Day Remembrance.

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EY, The Pantagraph

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were paired with veterans so they could together write letters to active members of the military while learning from each other.

"We realized that within our (Westminster) community, we have 80 veterans of 364 residents," said Executive Director Barb Nathan. "It is more than timely that we honor and thank them.

READ MORE

Community, campuses mark Veterans Day
Page A3

On the Web

For a gallery of photos from local Veterans Day events, go to www.pantagraph.com.

Birthing center for B-N possible

Location in south Bloomington eyed

Mary Ann Ford
mford@pantagraph.com

BLOOMINGTON — Two Twin City doctors hope to open the first downstate birthing center for low-risk pregnancies in 2016 in Bloomington.

Dr. Dele Ogunleye and Dr. Joe Santiago announced their plans for the Bloomington-Normal Birthing Center LLC on Tuesday. Besides Ogunleye and Santiago, there is a third silent partner in the venture.

The team is looking at the site of a former day care center at 2906 Tractor Lane in south Bloomington and already has a transfer agreement with OSF St. Joseph Medical Center. State guidelines require an agreement with one hospital, Santiago said, but the center also would transfer patients to Advocate BroMenn Medical Center.

"It's in the very early stages," said Kathleen Lorenz, a consultant for the center.

Lorenz said the proposal needs to go through the certificate of need process with the Illinois Health Facilities and Services review board. The doctors expect to submit the proposal by the end of the year for a spring review. If approved, the center would open a year later, she said.

"I think this is a very exciting time in Bloomington-Normal," said Ogunleye, who introduced midwifer services to Good Samaritan Hospital in Cincinnati, Ohio, while a chief resident there. "I know it works for low-risk pregnancies."

Ogunleye said the center would be staff
nurses and cert
wives. Certifie
Laura Lawso
announcemer

Flick Fact

Question: Central Illinois is, of course, home to some of the richest farmland in the world. But do know how much money the average farm in Central Illinois takes in each year after selling its products to market?

Daily Digest

LaSalle taxpayers may pay more next year

OTTAWA — There may be a slight increase in the portion of the bill for LaSalle County government if the County Board approves its $24 million budget.

Property taxes remained steady for five years but rising costs and declining property values mean there must be an increase, t[illegible]ard was told.

T[illegible]ax bill for the county will increase by almost 4 cents to $1.01 per $100 assessed valuation.

This would mean an $18 increase for a $150,000 home.

Nominations sought for B-N peace prize

NORMAL — The Peace and Conflict Resolution Studies Program at Illinois State University is accepting nominations and self-nominations for the

CENTER

FROM A1

The doctors also intend to offer water births at the center. "We believe in the benefit of water births," said Ogunleye. "We will offer them in conjunction with the American Academy of Birthing Centers."

Birthing mothers likely would be able to go home within six to eight hours of the birth, he said. On average, a mother who delivers a baby in a hospital setting without complications stays two to three days. The center's nurses and midwives would visit the home following the birth to offer help with breastfeeding, to be sure there are no symptoms of depression and to follow up on the baby.

While neither doctor could provide specific costs for using the birthing center, Santiago said it would be about 50 to 70 percent of a hospital charge. The state would require the birthing center to accept patients who on Medicaid as well as those with private and other types of insurance.

Ogunleye and Santiago said the center would draw from across the area. There are about 2,500 births each year in the Twin Cities; 8,000 a year in the area. Ogunleye said about 85 percent are low-risk births.

The doctors expect the center to attract about 55 mothers the first year and 250 by the third or fourth year.

"It's not meant to replace hospital labor and delivery," Ogunleye said.

Chad Boore, president of OSF St. Joseph, said with health care reform, "It's less about volume and more about cost of care. The health care of the future is collaboration. We look for opportunities to partner in non-traditional ways."

The center would offer prenatal classes, childbirth education, diet/exercise and psycho-social support. Expectant mothers would be screened throughout the process to ensure they meet the low-risk pregnancy standards. Mothers may opt to have a hospital birth at any time. The birthing center also has plans in place in case there are complications that require hospitalization.

Santiago said the state requires a birthing center to be within 30 minutes of a hospital.

The Tractor Lane location is eight minutes from OSF St. Joseph and about eight or nine minutes from Advocate BroMenn, he said.

That site is going through a building inspection. If it is not approved, the doctors are considering a couple of other sites.

Birthing Center event

What: Presentation "Birthing Center: Why the Time Has Come" by Dr. Steven Calvin and information on planned Bloomington-Normal Birthing Center LLC

When: 11:30 to 1 p.m. Thursday

Where: Parke Regency Hotel & Conference Center, 1413 Leslie Drive, Bloomington

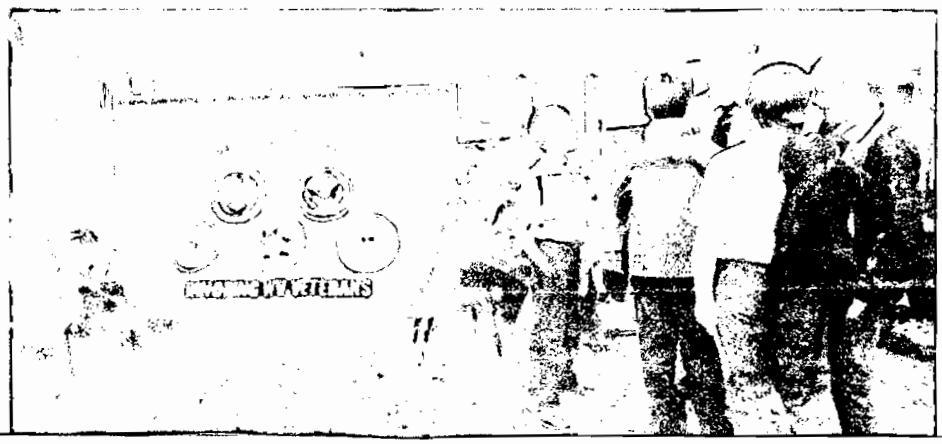
Reservations: RSVP to bnbirthingcenter@gmail.com. A light lunch buffet will be served. Children are welcome.

HUG

FROM A1

Trinity (across the street from Westminster) so they could hear stories that soon will live only in textbooks," Nathan said.

"We agreed with their vision to bring together the two generations to do things on a personal level so the fifth-graders could learn from the veterans," said fifth-grade teacher



smiles and the sparkles in the eyes.

For residents of Westminster Village, misconceptions of today's youths were set aside. What the residents saw was young people eager to learn.

The event Tuesday was a Veterans Day Remembrance at Westminster, 2025 E. Lincoln St., Bloomington. Residents — many of

[illegible]E SMEDLEY, The Pantagraph

[illegible]ch of its 80

[illegible]e-veterans — with an

[illegible]an, 86, a World War II

[illegible] Force veteran, holds his ribbon for a photographer before the start of the Veterans Day Remembrance. "We must keep freedom in this country — whatever it takes," Manahan said.

them veterans wearing the red, white and blue badges — filled the continuing care retirement community's social center to sing "God Bless America," recite the Pledge of Allegiance, listen to the fifth-graders read veterans' tributes and hear inspirational remarks, followed by the playing of taps.

But the real connection came after the event when fifth-graders reunited with residents who are veterans and their spouses. They met two weeks ago when the fifth-graders were paired with veterans so they could together write letters to active members of the military while learning from each other.

"We realized that within our (Westminster) community, we have 80 veterans of 364 residents," said Executive Director Barb Nathan. "It is more than timely that we honor and thank them.

"We partnered with the fifth-graders at Holy

SEE HUG / PAGE A2

for a spring review. If approve[illegible] the center would open a yea[illegible] later, she said.

"I think this is a very excitin[illegible] time in Bloomington-Normal said Ogunleye, who introduce midwifer services to Goo[illegible] Samaritan Hospital in [illegible]in nati, Ohio, while a chie[illegible]esi dent there. "I know it works fo[illegible] low-risk pregnancies."

Ogunleye said the cente[illegible] would be staffed by registere[illegible] nurses and certified nurse mid wives. Certified nurse midwif[illegible] Laura Lawson attended th[illegible] announcement. When full functional, the center woul[illegible] need four or five midwives Ogunleye said.

SEE CENTER / PAGE A

Appendix C-3 Page 111

OurViews

Cheers and thanks

CHEERS

... to the Bloomington Election Commission, which last week marked its 100th anniversary.

It is not an easy job to oversee elections, filings, campaign requirements and all the work that goes into a democracy. The workers at BEC (as well as every other election authority) are to be thanked and congratulated for their vigilance and dedication.

HOWEVER

... we do support the continued work of the League of Women Voters of McLean County that wants to study whether the BEC and the election duties of the McLean County clerk's office should be merged.

Most non-natives of the Twin Cities find it odd and perhaps inefficient to have two school districts, two city halls, two fire and police departments and two election authorities. While some of the overlap makes sense, some deserves further attention.

CHEERS

... to Drs. Dele Ogunleye and Joe Santiago, for their proposal to open a birthing center in Bloomington.

Not every woman wants to give birth in a hospital or with a doctor. The proposed center would use midwives and certified nurses with detailed back-up plans if something were to go awry.

Their plan also takes into account the complaints of women who found themselves without the option of a water birth when local hospitals stopped that practice.

SALUTE

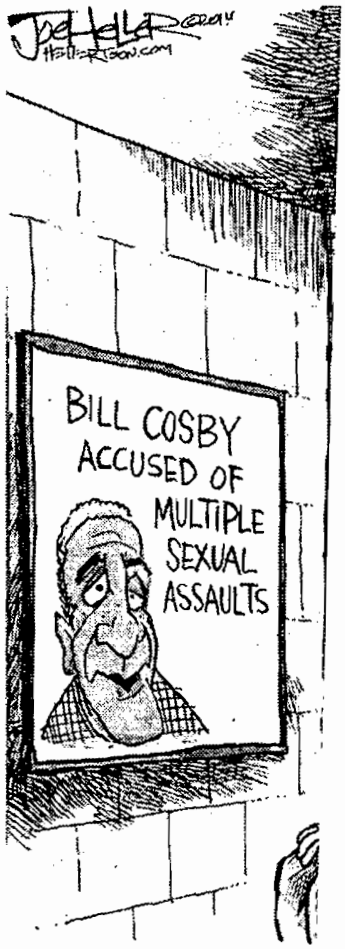
.... to HOOAH (Healing Outside Of A Hospital) that hosted injured and recovering soldiers for a deer hunt at Funks Grove.

HOOAH is a program out of Fort Campbell, Ky., but it has numerous local affiliates, including one in McLean County. Local organizers and supporters help wounded warriors to return to normalcy – if even for a few days – by enjoying the emotional and physical healing brought by spending time outdoors.

CONGRATULATIONS

... to the Normal Community High School boys' soccer team for its second-place finish in the state tournament.

THANK YOU



Sentence

LOS ANGELES TIMES

In the spring of 1997, fou
men in a car near Mont
Ala., cut off a second ve
with two men inside, intenc
rob them. During a brief gu
the driver of the second car
killed. Prosecutors charged
men in the first car with ca
murder, but only one receiv
death sentence. How Shone
Jackson was singled out rai
again – troubling question
the fairness of the death pe

ILLINOIS STATE UNIVERSITY
Illinois' first public university

Department of Communication Sciences & Disorders
204 Fairchild Hall
Campus Box 4720
Normal, IL 61790-4720
Phone: (309) 438-8643
Fax: (309) 438-5221

November 13, 2014

Dr. Dele Ogunleye
207 Landmark Dr.
Normal IL 61761

Dear Dr. Ogunleye:

I read the story in yesterday's Pantagraph with the keenest interest, and I wish you the best with getting the birth center off the ground. As you might recall, my three youngest children were born at home and I am very interested in improving access to safe out-of-hospital birth options for low-risk women.

My personal interest in the topic has expanded to a professional interest: as a lactation consultant and speech-language pathologist, I am researching women's experiences with breastfeeding disruptions. I am currently running a study investigating the influence of birthplace on breastfeeding outcomes. If you might have any interest in collaborating on a future research project, I'd be very interested in talking about possibilities as your plans for the birth center develop.

I'll see you in your office later this winter. Again, best wishes with the planning process.

Yours sincerely,

Jamie

Jamie Mahurin Smith, PhD, IBCLC
Assistant Professor

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

CERTIFICATE OF NEED PERMIT

BIRTH CENTER APPLICATION

JANUARY 2012 EDITION

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ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
525 WEST JEFFERSON STREET, 2nd FLOOR
SPRINGFIELD, ILLINOIS 62761
(217) 782-3516