15-026

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

ORIGINAL

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JUN 05 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: Vista Medical Center East		
Street Address: 1324 N. Sheridan Road		
City and Zip Code: Waukegan 60085		
County: Lake	Health Service Area 08	Health Planning Area: A-09

Applicant /Co-Applicant Identification

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

Exact Legal Name: Waukegan Illinois Hospital Company, LLC d/b/a Vista Medical Center East ("Vista East")
Address: 1324 N. Sheridan Road, Waukegan, IL 60085
Name of Registered Agent: Corporation Service Company - IL
Name of Chief Executive Officer: Barbara J. Martin
CEO Address: 1324 N. Sheridan Road, Waukegan, IL 60085
Telephone Number: 847-360-4001

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 or inquiries)

Name: Clare Connor Ranalli
Title: Partner
Company Name: McDermott Will & Emery
Address: 227 West Monroe Street, Chicago, IL 60606
Telephone Number: 312-984-3365
E-mail Address: cranalli@mwe.com
Fax Number: 312-277-2964

Additional Contact

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

Name: Doug Wolford
Title: Senior Operations Counsel – Division III
Company Name: CHSPSC, LLC
Address: 4000 Meridian Boulevard, Franklin, TN 37067
Telephone Number: 615-465-7357
E-mail Address: Thomas_Wolford@chs.net
Fax Number: 615-465-3012

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Vista Medical Center East
Street Address: 1324 N. Sheridan Road
City and Zip Code: Waukegan 60085
County: Lake Health Service Area 08 Health Planning Area: A-09

Applicant /Co-Applicant Identification

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

Exact Legal Name: Community Health System, Inc.
Address: 4000 N. Meridian Blvd., Franklin, TN 37067
Name of Registered Agent: Leonard Sachs, Esq.
Name of Chief Executive Officer: Wayne Smith
CEO Address: 4000 N. Meridian Blvd., Franklin, TN 37067
Telephone Number: 615-465-7000

Type of Ownership of Applicant/Co-Applicant

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

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Telephone Number: 615-465-7357
E-mail Address: Thomas_Wolford@chs.net
Fax Number: 615-465-3012

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**

Name: Barbara J. Martin
Title: CEO
Company Name: Vista Medical Center East
Address: 1324 N. Sheridan Road, Waukegan, IL 60085
Telephone Number: 847-360-4001
E-mail Address: Barbara_Martin@chs.net
Fax Number:

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Waukegan Illinois Hospital Company, LLC
Address of Site Owner: 4000 N. Meridian Blvd., Franklin, TN 37067
Street Address or Legal Description of Site: **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: Waukegan Illinois Hospital Company, LLC d/b/a Vista East

Address: 1324 N. Sheridan Road, Waukegan, IL 60085

☐	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

N/A – Modernization of an existing building

[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

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

☐ Substantive

☒ Non-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.

Vista Medical Center East ("Vista East") proposes modernization of its current hospital building to accommodate its 165 medical surgical beds ("MS beds") and 11 pediatric beds in all private rooms. The pediatric beds in use are all in semi-private rooms. Currently the 165 MS beds are located in mostly semi-private rooms with only 37 in private rooms.

In 2012 the hospital surrendered 98 medical surgical and 10 pediatric beds. As a result it has significant space on floors 2 through 4 to expand to all private rooms. In addition Abbott Laboratories leased space from the Hospital on the 3rd and 4th floors, and that lease has ended leaving room on both floors for the expansion.

The modernization will occur on floors 2-4, with minor primarily cosmetic improvement on floor 5. It will impact a total of 65,110 GSF including 6,621 of non-clinical GSF which will be modernized for administrative space to be used for administrative offices, family waiting areas and staff lounges. The medical surgical beds will be in 156 private rooms with the remaining nine beds as reserve beds. There are nine rooms on 5 West that have two headwalls, so they can easily be converted to semi-private if necessary based on census. If this is done, all 165 medical surgical beds could be set up and staffed as necessary. The 11 pediatric beds will be in private rooms in a distinct and separated unit per IDPH requirements. A description of the modernization is attached. The total cost is $17,810,634. There will be no new beds or categories of service.

The project will allow for enhanced ADA accessibility within the rooms and will include some bariatric bed rooms for larger patients and isolation rooms on every floor. The move to all private rooms will bring Vista East in line with the other hospitals in the service area so that it can remain competitive and offer the best care to its patients.

Vista East is the primary provider of safety net services in Lake County. In 2013, 24.8% of Vista East's inpatients were Medicaid recipients and in 2014 this increased almost 8%, to 32.7%.

This project is non-substantive under the Board's rules as it does not propose a new category of service or discontinue an existing category of service.

Vista All Private Room Conversion at Vista Medical Center East
Scope of Work

2 West (Medical Surgical and Pediatric)

- Typical Patient Room
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Removing existing headwall and replace with a new headwall.
  - Replacing room lighting.
  - Bringing all utilities up to current code. This includes med gas and electrical.
- Typical Patient Toilet Room
  - Updating all room finishes including painting all walls, tiling over existing wall tile, replacing tile flooring, replacing ceiling tile and grid (where present) and replace door.
  - Replacing toilet and sink fixtures.
  - Replacing all toilet accessories.
  - Removing existing tub and create a shower compartment.
  - Replacing room lighting.
- New nurse station
  - Removing an existing central nurse station and 3 offices to create a new enlarged nurse station.
  - Creating a new Medication Room and Nourishment Room.
- Bariatric Patient Rooms (medical surgical rooms equipped for larger patients)
  - Demolish the existing interim nursery, staff lounge and storage room and redeveloping into four (4) accessible bariatric patient rooms.
  - All four rooms will have accessible toilet rooms.
  - All patient rooms will have all new finishes and new headwalls.
- All existing support spaces (Storage Rooms, Utility Rooms, Supply Rooms, Janitor)
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
  - Refacing existing millwork where applicable.
- Family Lounge
  - Creating a new Family Lounge from an existing nurse station for the pediatric area.
  - Providing all new finishes.
- Existing Family Lounge and Sleep Room
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
- Corridors
  - Updating all corridor finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors and replacing all wall protection.
  - Replacing corridor lighting.

3 West (Medical Surgical)

- Typical Patient Room
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Removing existing headwall and replace with a new headwall.
  - Replacing room lighting.
  - Bringing all utilities up to current code. This includes med gas and electrical.
- Typical Patient Toilet Room
  - Updating all room finishes including painting all walls, tiling over existing wall tile, replacing tile flooring, replacing ceiling tile and grid (where present) and replace door.
  - Replacing toilet and sink fixtures.
  - Replacing all toilet accessories.
  - Removing existing tub and create a shower compartment.
  - Replacing room lighting.
- New Nurse Station
  - Removing an existing central nurse, staff room and a patient room to create a new enlarged nurse station.
- All existing support spaces (Storage Rooms, Utility Rooms, Supply Rooms, Janitor, Locker Rooms, Medication, Nourishment)
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
  - Refacing existing millwork where applicable.
- Offices
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
- Corridors
  - Updating all corridor finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors and replacing all wall protection.
  - Replacing corridor lighting.

3 West Center/3 Center (Medical Surgical)

- Typical Patient Room
  - Reconfiguring existing semi-private room into two private rooms.
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Removing existing headwalls and replacing with a new headwall.
  - Replacing room lighting.
  - Bringing all utilities up to current code. This includes med gas and electrical.
- Typical Patient Toilet Room

- Demolish existing tub and toilet rooms and reconstruct a new private toilet room for each new room.
- Providing minimum code required number of ADA accessible toilet rooms (3).

- New Medication Room
  - Converting an existing storage room into a new medication room.
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
- All existing support spaces (Storage Rooms, Utility Rooms, Supply Rooms, Janitor, Locker Rooms, Medication, Nourishment)
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
  - Refacing existing millwork where applicable.
  - Replacing room lighting.
- Corridors
  - Updating all corridor finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors and replacing all wall protection.
  - Replacing corridor lighting.

3 East/ 3 East Center (Medical Surgical)

- This entire area is to be gutted down to the structure and rebuilt with the rooms indicated below.
- Patient Rooms (25)
  - 1 room set up for isolation.
- Patient Toilet Rooms (25)
  - Majority of them are ADA accessible
- Nurse Station (1)
- Support spaces (Storage Rooms, Utility Rooms, Janitor, Medication, Nourishment)
- Family Lounge (1)
- Staff Lounge (1)
- IT/Communications (1)
- Public Toilets (2)
- Corridors

4 West (Medical Surgical dedicated to Orthopedics and Oncology)

- Typical Patient Room
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Removing existing headwall and replace with a new headwall.
  - Replacing room lighting.
  - Bringing all utilities up to current code. This includes med gas and electrical.
- Typical Patient Toilet Room

- Updating all room finishes including painting all walls, tiling over existing wall tile, replacing tile flooring, replacing ceiling tile and grid (where present) and replace door.
- Replacing toilet and sink fixtures.
- Replacing all toilet accessories.
- Removing existing tub and creating a shower compartment.
- Replacing room lighting.

- Nurse Stations
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Refacing existing millwork where applicable.
  - Installing new solid surface countertops at wet locations.
- All existing support spaces (Storage Rooms, Utility Rooms, Supply Rooms, Janitor, Locker Rooms, Medication, Nourishment)
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
  - Refacing existing millwork where applicable.
- Waiting and Offices
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
- Corridors
  - Updating all corridor finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors and replacing all wall protection.
  - Replacing corridor lighting.

4 West Center/4 Center (Medical Surgical)

- Typical Patient Room
  - Reconfiguring existing semi-private room into two private rooms.
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Removing existing headwalls and replacing with a new headwall.
  - Replacing room lighting.
  - Bringing all utilities up to current code. This includes med gas and electrical.
- Typical Patient Toilet Room
  - Demolish existing tub and toilet rooms and reconstruct a new private toilet room for each new room.
  - Providing minimum code required number of ADA accessible toilet rooms (3).
- Physical Therapy (for inpatient orthopedic patients on floor only)
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.

- Replacing room lighting.
- Refacing existing millwork where applicable.
- Replacing room lighting.

- Nurse Station
  - Splitting existing nurse station to accommodate new patient room.
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Refacing existing millwork where applicable.
  - Installing new solid surface countertops at wet locations.
- Offices
  - Updating all room finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors, replacing all wall protection and replacing window treatments.
  - Replacing room lighting.
- Corridors
  - Updating all corridor finishes including painting all walls, replacing flooring, replacing ceiling tile and grid, replacing doors and replacing all wall protection.
  - Replacing corridor lighting.

4 East/4 East Center (Medical Surgical)

- This entire area is to be gutted down to the structure and rebuilt with the rooms indicated below.
- Patient Rooms (25)
  - 1 is set up for isolation.
- Patient Toilet Rooms (25)
  - Majority of them are ADA accessible
- Nurse Station (1)
- Support spaces (Storage Rooms, Utility Rooms, Janitor, Medication, Nourishment)
- Family Lounge (1)
- Staff Lounge (1)
- IT/Communications (1)
- Public Toilets (2)
- Corridors

5th Floor (Medical Surgical)

- Paint all painted wall surfaces in every room on the floor.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs	0	0	0
Site Survey and Soil Investigation	0	0	0
Site Preparation	0	0	0
Off Site Work	0	0	0
New Construction Contracts	0	0	0
Modernization Contracts	$12,066,430	$1,340,714	$13,407,144
Contingencies	$320,000	$80,000	$400,000.00
Architectural/Engineering Fees	$674,960.00	$92,040.00	$767,000.00
Consulting and Other Fees	0	0	0
Movable or Other Equipment (not in construction contracts)	$2,180,635	$855,855	$3,036,490
Bond Issuance Expense (project related)	0	0	0
Net Interest Expense During Construction (project related)	0	0	0
Fair Market Value of Leased Space or Equipment	0	0	0
Other Costs To Be Capitalized	$120,000.00	$80,000.00	$200,000.00
Acquisition of Building or Other Property (excluding land)	0	0	0
TOTAL USES OF FUNDS	$14,687,025	$3,123,609	$17,810,634
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$14,687,025	$3,123,609	$17,810,634
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	$14,687,025	$3,123,609	$17,810,634

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 $ N/A.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

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): **December 31, 2017**

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.

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

State Agency Submittals

Are the following submittals up to date as applicable:

☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

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.**

		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							
Medical Surgical							
Total Clinical							
NON REVIEWABLE							
Administrative							
Circulation							
Office Space							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available. Include observation days in the patient day totals for each bed service.** Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: Vista East		**CITY: Waukegan**			
REPORTING PERIOD DATES:		**From: 01/01/2014**		**to 12/31/2014:**	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical	151	8,569	36,585		165
Obstetrics	29	1,339	3,075		29
Pediatrics	25	436	1,256		11
Intensive Care	23	1,379	5,847		23
Comprehensive Physical Rehabilitation	0				
Acute/Chronic Mental Illness	0				
Neonatal Intensive Care	0				
General Long Term Care	0				
Specialized Long Term Care	0				
Long Term Acute Care	0				
Other ((identify)	0				
TOTALS:	228	11,723	46,763		228

*Includes observation days.

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 manager 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 Waukegan Illinois Hospital Company, LLC d/b/a Vista East* 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.

Barbara J. Martin
SIGNATURE

Barbara J. Martin
PRINTED NAME

CEO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 2nd day of June, 2015

Signature of Notary

Seal

"OFFICIAL SEAL"
MATTHEW S. SMITH
Notary Public, State of Illinois
My Commission Expires August 30, 2015

SIGNATURE

Rachel A. Seifert
PRINTED NAME

Executive Vice President and Secretary
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Seal

*Insert EXACT legal name of the applicant

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 manager 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.

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SIGNATURE	SIGNATURE
Barbara J. Martin PRINTED NAME	Rachel A. Seifert PRINTED NAME
CEO PRINTED TITLE	Executive Vice President and Secretary PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____	Notarization: Subscribed and sworn to before me this 1st day of June, 2015
Signature of Notary	Signature of Notary
Seal	Seal

*Insert EXACT legal name of the applicant

JENIFER J. HOLLINGSWORTH
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY
My Comm. Expires May 22, 2017

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 manager 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 Community Health Systems, Inc.* 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

Martin Schweinhart
PRINTED NAME

Executive Vice President
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 19 day of June, 2015

Signature of Notary

Seal

MARY ANN ECKMAN
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY
My Comm. Expires September 27, 2015

SIGNATURE

Rachel A. Seifert
PRINTED NAME

Executive Vice President and General Counsel
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 1st day of June, 2015

Signature of Notary

Seal

JENIFER J. HOLLINGSWORTH
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY
My Comm. Expires May 22, 2017

*Insert EXACT legal name of the applicant

SECTION III – 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-11, 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-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

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-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV - 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 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT-14, 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 15.

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

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

UNFINISHED OR SHELL SPACE: **N/A**

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 to 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-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES: **N/A**

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-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved , read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

A. Criterion 1110.530 - Medical/Surgical, Obstetric, Pediatric and Intensive Care

1. Applicants proposing to establish, expand and/or modernize Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:

2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
☒ Medical/Surgical	165	165
☐ Obstetric		
☒ Pediatric	11	11
☐ Intensive Care		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.530(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.530(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.530(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.530(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.530(b)(5) - Planning Area Need - Service Accessibility	X		
1110.530(c)(1) - Unnecessary Duplication of Services	X		
1110.530(c)(2) - Maldistribution	X	X	
1110.530(c)(3) - Impact of Project on Other Area Providers	X		
1110.530(d)(1) - Deteriorated Facilities			X
1110.530(d)(2) - Documentation			X

APPLICABLE REVIEW CRITERIA		Establish	Expand	Modernize
1110.530(d)(3) -	Documentation Related to Cited Problems			X
1110.530(d)(4) -	Occupancy			X
110.530(e) -	Staffing Availability	X	X	
1110.530(f) -	Performance Requirements	X	X	X
1110.530(g) -	Assurances	X	X	X

APPEND DOCUMENTATION AS ATTACHMENT-20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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)**

VIII. - 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:**

$17,810,634.00	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;
N/A	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.
N/A	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
N/A	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.
N/A	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;
N/A	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
N/A	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
$17,810,634.00		**TOTAL FUNDS AVAILABLE**

APPEND DOCUMENTATION AS ATTACHMENT-36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IX. 1120.130 - Financial Viability

All the 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 **N/A – Waiver Met**

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-37, 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:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization		N	/	A
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-38, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 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 N/A

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:

1. 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

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT -39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

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

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

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

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

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

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

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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

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

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

APPEND DOCUMENTATION AS ATTACHMENT-41, 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/Coapplicant Identification including Certificate of Good Standing	
2	Site Ownership	
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	
5	Flood Plain Requirements	N/A
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	
8	Obligation Document if required	N/A
9	Cost Space Requirements	
10	Discontinuation	N/A
11	Background of the Applicant	
12	Purpose of the Project	
13	Alternatives to the Project	
14	Size of the Project	
15	Project Service Utilization	
16	Unfinished or Shell Space	N/A
17	Assurances for Unfinished/Shell Space	N/A
18	Master Design Project	N/A
19	Mergers, Consolidations and Acquisitions	N/A
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	N/A
22	Acute Mental Illness	N/A
23	Neonatal Intensive Care	N/A
24	Open Heart Surgery	N/A
25	Cardiac Catheterization	N/A
26	In-Center Hemodialysis	N/A
27	Non-Hospital Based Ambulatory Surgery	N/A
28	Selected Organ Transplantation	N/A
29	Kidney Transplantation	N/A
30	Subacute Care Hospital Model	N/A
31	Children's Community-Based Health Care Center	N/A
32	Community-Based Residential Rehabilitation Center	N/A
33	Long Term Acute Care Hospital	N/A
34	Clinical Service Areas Other than Categories of Service	N/A
35	Freestanding Emergency Center Medical Services	N/A
	Financial and Economic Feasibility:	
36	Availability of Funds	
37	Financial Waiver	
38	Financial Viability	N/A
39	Economic Feasibility	
40	Safety Net Impact Statement	
41	Charity Care Information	

Certificates of Good Standing
(Applicants)

Attachment 1

File Number 6483-188-7

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

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

COMMUNITY HEALTH SYSTEMS, INC., INCORPORATED IN DELAWARE AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 31, 2006, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 1ST *day of* JUNE *A.D.* 2015 .

Jesse White

SECRETARY OF STATE

Authentication #: 1515201300

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

File Number 0171523-2

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

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

WAUKEGAN ILLINOIS HOSPITAL COMPANY, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON DECEMBER 20, 2005, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 1ST *day of* JUNE *A.D.* 2015 .

Jesse White

SECRETARY OF STATE

Authentication #: 1515201340

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

Proof of Site Ownership

See attached.

Attachment 2

PVS

Tax Bill Transmittal
Statement 1 of 1
May 7, 2015
Mark Hoban - Real Estate Agent

B

Vista Health Systems
Attn: Kerry Hill
CFO
1324 North Sheridan Road
Waukegan, IL 60085

847.360.4005

Property Valuation Services
14400 Metcalf Avenue
Overland Park, KS 66223

Voice: 913.498.0790
Fax: 913.239.2419
Email:
mhoban@propertyvaluationservices.net

Client: **Community Health Systems Professional Services Corporation**

Property: **Vista Medical Center East (40436)**
: **186**
1324 North Sheridan Road
Waukegan, IL 60085

Assessor: Waukegan Township Assessor
Lien Date: January 1, 2014
Tax Year: 2014

Jurisdiction	Tax Rate
Lake County/Waukegan Twp	16.930795
Total Tax Rate	**16.930795**

Make Checks Payable To:

Lake County Collector
18 North County Street
Suite 102
Waukegan, IL 60085-4361

Please DO NOT Remit Payment to Property Valuation Services

	Due	Delinquent	Amount
Total Taxes	**Jun/03/2015**	**Jun/04/2015**	**2,928,945.25**
Installment 1	Jun/03/2015	Jun/04/2015	1,464,472.62
Installment 2	Sep/03/2015	Sep/04/2015	1,464,472.63

The above tax rate may incorporate various credits and/or non ad valorem fees or charges and, therefore, may differ from the tax rate stated on the attached tax bill.

Please Note:

Additional tax statements for installments already included on this approval will not be approved at a later date.

Account	Type	Assessment Ratio	Market Value	Jurisdiction	Taxable Value	Tax Amount	Discounted Amount
08-16-211-021 Bill No: 1324 North Sheridan Road **Location: 186**	Hospital RE	33.33%	51,898,542	Lake County/Wau	17,299,514	2,928,945.25 **2,928,945.25**	
			51,898,542			**$2,928,945.25**	**N/A**

LakeCounty

FROM THE OFFICE OF: DAVID B. STOLMAN, LAKE COUNTY COLLECTOR

Make Checks Payable to: LAKE COUNTY COLLECTOR

1ST INSTALLMENT
PAYMENT COUPON
RETURN WITH PAYMENT

1

Tax Year 2014

08-16-211-021

08-16-211-021

COMMUNITY HEALTH SYSTEMS INC
% PROPERTY VALUATION SERVICES
14400 METCALF AVE
OVERLAND PARK KS 66223-2989

B

Taxes Due on or before 6/3/2015

$1,464,472.62 DUE

Tax Bills are mailed to the taxpayer of record, even if your Lender is responsible for payment.

00003926

08162110210000014644726220141 9

☐ Name Change

↓ TEAR HERE ↓

LakeCounty

FROM THE OFFICE OF: DAVID B. STOLMAN, LAKE COUNTY COLLECTOR

Make Checks Payable to: LAKE COUNTY COLLECTOR

2ND INSTALLMENT
PAYMENT COUPON
RETURN WITH PAYMENT

2

Tax Year 2014

08-16-211-021

Tax Bills are mailed to the taxpayer of record, even if your Lender is responsible for payment.

08-16-211-021

COMMUNITY HEALTH SYSTEMS INC
% PROPERTY VALUATION SERVICES
14400 METCALF AVE
OVERLAND PARK KS 66223-2989

Taxes Due on or before 9/3/2015

$1,464,472.63 DUE

08162110210000014644726320142 0

☐ Name Change

↓ TEAR HERE ↓

Property Location: 1324 N SHERIDAN RD
WAUKEGAN

Legal Description: SCHOOL TRUSTEES SUB (EX S 637.38 FT W 625 FT)
LOT 21

Pin Number	Tax Year	Tax Code	Acres
08-16-211-021	2014	09012	0.00

Taxing Body	Rate	Current Amount	Change From Prior Year
COUNTY OF LAKE	0.549129	$94,996.66	1772.26
COUNTY OF LAKE PENSION	0.133370	$23,072.36	768.20
CITY OF WAUKEGAN	1.870061	$323,511.46	6025.73
CITY OF WAUKEGAN LIBRARY	0.421886	$72,984.23	2063.98
CITY OF WAUKEGAN PENSION	1.181750	$204,437.01	10843.90
ROAD AND BRIDGE-WAUKEGAN	0.050048	$8,658.06	642.50
WAUKEGAN PARK DIST	1.065301	$184,291.90	2199.36
WAUKEGAN PARK DIST PENSION	0.060626	$10,488.00	-315.58
WAUKEGAN COMM UNIT SCHOOL DIST #60	9.386090	$1,623,747.92	203949.01
WAUKEGAN COMM UNIT SCHOOL DIST #60 PENSION	0.993948	$171,948.18	-27395.22
COLLEGE OF LAKE COUNTY #532	0.306068	$52,948.28	1369.92
NORTH SHORE WATER RECLAMATION DISTRICT	0.169401	$29,305.55	728.35
FOREST PRESERVE	0.200430	$34,673.42	-1048.07
FOREST PRESERVE PENSION	0.009573	$1,656.08	-609.19
TOWNSHIP OF WAUKEGAN	0.497205	$86,014.05	6381.25
TOWNSHIP OF WAUKEGAN PENSION	0.035909	$6,212.09	461.80
TOTALS	16.930795	$2,928,945.25	$207,838.20

Land Value	$290,454
+ Building Value	$17,009,060
x State Multiplier	1
= Equalized Value	$17,299,514
+ Farm Land and Bldg Value	
+ State Assessed Pollution Ctrl	
+ State Assessed Railroads	
= Total Assessed Value	$17,299,514
- Fully Exempt	
- Senior Freeze	
- Home Improvement	
- General Homestead	
- Senior Homestead	
- Disabled / Veterans	
- Returning Veterans	
= Taxable Valuation	$17,299,514
x Tax Rate	16.930795
= Real Estate Tax	$2,928,945.25
+ Special Service Area	
+ Drainage	
= Total Current Year Tax	$2,928,945.25
+ Omitted Tax	
+ Forfeited Tax	
=TOTAL TAX BILLED	**$2,928,945.25**
Fair Market Value	$51,898,542
1st Installment Due 6/3/2015	$1,464,472.62
2nd Installment Due 9/3/2015	$1,464,472.63

B

MAIL TO:
LAKE COUNTY COLLECTOR
18 NORTH COUNTY STREET - ROOM 102
WAUKEGAN, ILLINOIS 60085-4361
PHONE: 1-847-377-2323

www.lakecountyil.gov/treasurer

HOURS:
8:30 AM - 5:00 PM
MONDAY - FRIDAY
8:30 AM - 7:00 PM DUE DATES
FAX: 1-847-984-5899

NEW TAXPAYER NAME AND ADDRESS **PIN#** __ __ __ __ __ __ __ __ __ __ __ __ __ __

LAST NAME _____

FIRST NAME _____ SPOUSE'S NAME _____

STREET NUMBER _____ PHONE _____

STREET NAME _____

CITY _____ STATE _____

ZIP _____ — _____ **EMAIL ADDRESS** _____

I certify that I am the owner of record. All other parties must provide proof.

SIGNATURE _____ **DATE** _____

MAIL TO:
LAKE COUNTY COLLECTOR
18 NORTH COUNTY STREET - ROOM 102
WAUKEGAN, ILLINOIS 60085-4361
PHONE: 1-847-377-2323

www.lakecountyil.gov/treasurer

HOURS:
8:30 AM - 5:00 PM
MONDAY - FRIDAY
8:30 AM - 7:00 PM DUE DATES
FAX: 1-847-984-5899

NEW TAXPAYER NAME AND ADDRESS **PIN#** __ __ __ __ __ __ __ __ __ __ __ __ __ __

LAST NAME _____

FIRST NAME _____ SPOUSE'S NAME _____

STREET NUMBER _____ PHONE _____

STREET NAME _____

CITY _____ STATE _____

ZIP _____ — _____ **EMAIL ADDRESS** _____

I certify that I am the owner of record. All other parties must provide proof.

SIGNATURE _____ **DATE** _____

HELPFUL INFORMATION

Late Payments & Partial Payments will be accepted with the understanding that any unpaid balance or full payment received after the installment due dates, will incur a state imposed 1.5% penalty per month (starting the day after the due date for the balance of 30 days).
Penalty will then increase to 3% for the next 30 days, etc.
This is the only bill you will receive. This bill includes a separate payment coupon for each installment.
Failure to receive a bill does not relieve the taxpayer of penalty if payment is late.
Payments returned to us by your bank as unpaid for any reason will be subject to a $25.00 return item fee in addition to late penalties of 1.5% per month.
Personal checks received after 10/30/15 will be returned.

CONVENIENT WAYS TO PAY

Ach Direct Withdrawal: Forms are available on our website and must be completed at least two weeks prior to the due date. **Phone:** (1-877-690-3729) Jurisdiction code of 7021 is needed for phone payments. **On-Line payments:** Can be made by credit card (Visa, MasterCard, American Express or Discover) as well as online EChecks can be made through 11/02/2015. Additional users fee is added for both credit card and E-Check. **Participating Banks:** Using cash or check, original or duplicate bills are accepted. **By Mail:** Please make checks payable to Lake County Collector and mail using the envelopes provided. **In Person** at the Treasurer's Office using cash, check, Visa Credit & Visa Debit, Master Card, and Discover (Credit & Debit Card fees apply). **Drop Box:** Located outside the Waukegan Courthouse Complex on the northeast side or off Winchester by the Lake County Permit Center in Libertyville. For more payment details visit our website at **www.lakecountyil.gov/treasurer**

IMPORTANT DATES

06/03/15 - 1st INSTALLMENT DUE DATE
09/03/15 - 2nd INSTALLMENT DUE DATE
09/03/15 - LAST DAY TO PAY AT LOCAL BANKS
09/23/15 - 1st DAY FOR TAX BUYERS TO PAY SUB-TAXES
10/08/15 - LAST DAY TO PAY ONLINE TO AVOID PUBLICATION AND FINAL NOTICE
10/15/15 - PAYMENTS MUST BE RECEIVED & POSTED BY 5:00PM TO AVOID PUBLICATION & FINAL NOTICE
10/23/15 - FINAL NOTICES MAILED AND $10.00 ADDED FOR COST OF FINAL NOTICE & PUBLICATION
11/02/15 - CERTIFIED FUNDS ONLY
11/02/15 - LAST DAY TO PAY ONLINE BY CREDIT CARD E-CHECK OR VOICE RESPONSE
11/13/15 - PAYMENTS MUST BE RECEIVED & POSTED BY 5:00 PM TO AVOID GOING TO TAX SALE
11/16/15 - TAX SALE BEGINS

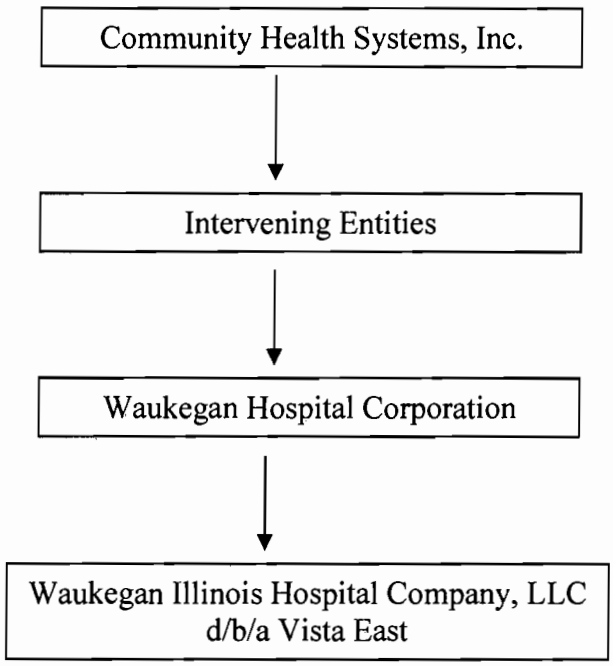
DATES SUBJECT TO CHANGE

Operating Entity
Certificate of Good Standing

See attached.

Attachment 3

Organization Chart



Attachment 4

Historic Preservation Agency Letter

See attached.

Attachment 6

McDermott
Will&Emery

Boston Brussels Chicago Dallas Düsseldorf Frankfurt Houston London Los Angeles Miami
Milan Munich New York Orange County Paris Rome Seoul Silicon Valley Washington, D.C.
Strategic alliance with MWE China Law Offices (Shanghai)

Clare Connor Ranalli
Attorney at Law
cranalli@mwe.com
+1 312 984 3365

May 27, 2015

VIA OVERNIGHT MAIL

Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1512
Attention: Amy Martin

Re: Illinois Certificate of Need ("CON") Clearance Letter Request

Dear Director Martin:

We represent Vista East (the "Applicant") in pursuing a CON from the Health Facilities & Services Review Board to modernize its existing hospital building located in Waukegan, Illinois. The internal floors of the building will be modernized to accommodate all private medical surgical patient rooms. The Illinois State Agency Historic Resources Preservation Act, 20 ILCS 34201/1 et seq. (the "Act"), provides that written notice of a proposed undertaking shall be given to the Director of the Illinois Historic Preservation Agency ("HPA") either by a State agency or a recipient of its funds, licenses or permits when the proposed undertaking might affect historic, architectural or archaeological resources. In addition, the CON application process requires a letter from HPA regarding any construction project's impact on possible architecturally significant or historical structure.

Enclosed is the information necessary for the HPA to conduct a review of the Project to determine whether any historic, architectural or archaeological sites might be impacted by the Project. Specifically, we provide the following information to you for review:

1. General project description and address: The project will include modernizing an approximate 65,110 GSF within the existing hospital building which will include inpatient beds.

2. Topographic or metropolitan map showing the general location of the project: See attached.

3. Photographs of any standing buildings/structure within the project area: See enclosed.

4. Address for building/structures, if present: 1324 N. Sheridan Road, Waukegan, IL.

Upon review of the information provided in this letter, kindly forward confirmation to my attention indicating whether, in the HPA's opinion, the Project will have any impact on a historical or architecturally significant building or structures.

To our knowledge, there are no historical buildings in the area. Further, there are no state-designed historical sites in the vicinity of the proposed site.

Thank you for your consideration. If you have questions, please contact me at (312) 984-3365.

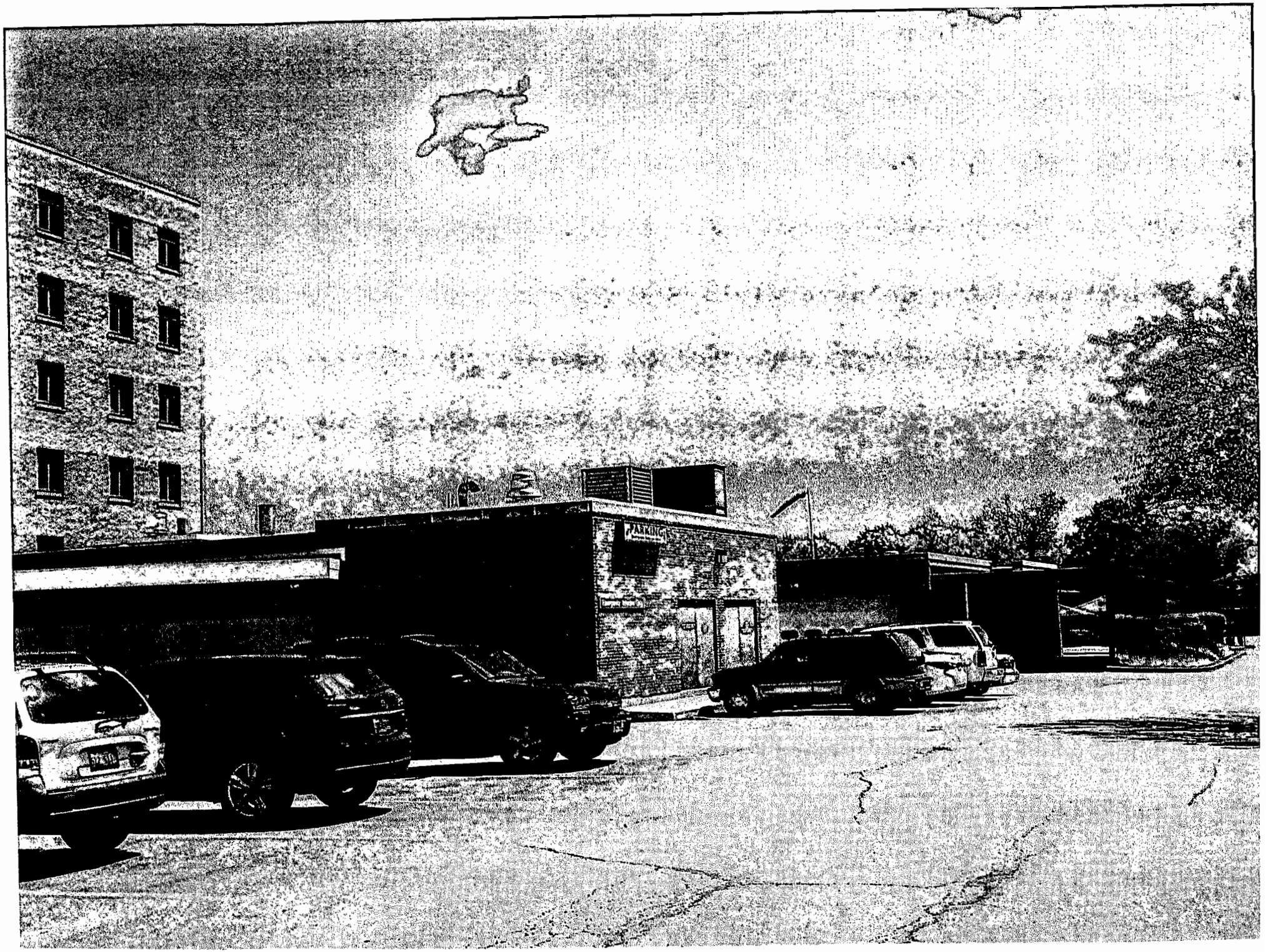
Sincerely,

McDermott Will & Emery

Clare Connor Ranalli

Clare Connor Ranalli

Enclosures


PARKING

EMERGENCY / EMERGENCE

Visito
Parkir
Staff
Parkir

Itemization of Project Costs

Construction: $13,407,144 (modernization)

Contingencies: $400,000.00

A&E: $767,000.00

Movable and Other Equipment: $3,036,490

IT - $1,100,000.00

Furniture - $370,855.00

Signage - $60,000.00

Medical Equipment - $1,505,635
(Patient tables (over bed and bedside), pressure mattresses, regulators, defibrillators, infusion pumps, syringes, monitors, beds (electric) telemetry)

Other Costs To Be Capitalized: $200,000.00

Artwork: $55,855.00

Miscellaneous: $144,145.00

Attachment 7

Cost Space Requirements

		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							
Medical Surgical	$13,682,150	58,885	79,190	0	53,359*	0	0
Pediatric	1,004,875	2,592	5,130	0	5,130	0	0
Total Clinical	$14,687,025	61,477	84,320	0	58,489	0	0
NON REVIEWABLE							
Administrative	$3,123,609	7,040	7,588	0	5,934	0	0
Total Non-clinical	$3,123,609	8,016	8,275	0	6,621	0	0
TOTAL	**$17,810,634**	**69,493**	**92,595**	**0**	**65,110**	**0**	**0**

*Includes only floors 2-4 as floor 5 is simply being painted.

Attachment 9

There are nine hospitals in Illinois, including Vista East, which are owned or operated by subsidiaries or affiliates of Community Health Systems, Inc. There have been no adverse actions as defined by the Health Facilities and Services Review Board against any of these facilities in the past three years. The Health Facilities and Services Review Board and Illinois Department of Public Health may access any information necessary to verify the information as submitted, including but not limited to official records of IDPH or other State agencies or the records of nationally recognized accreditation organizations.

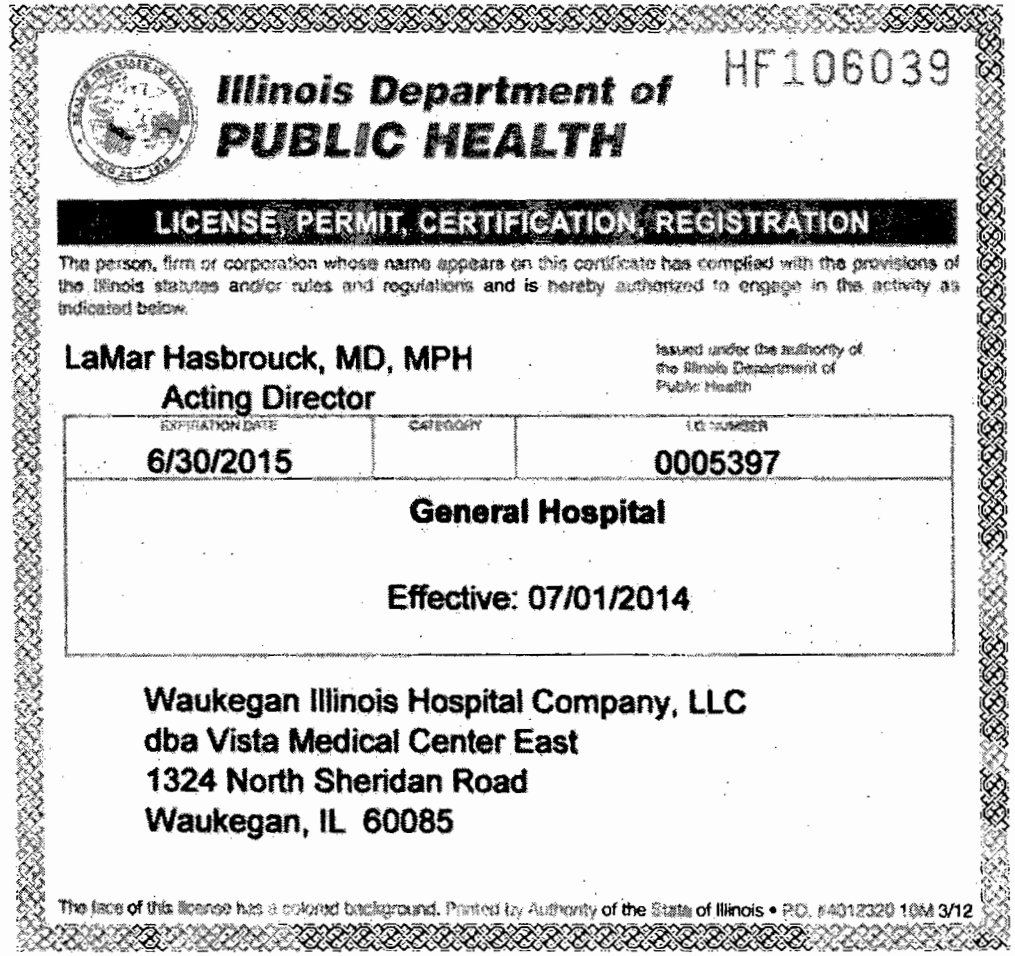
Title: EVP, Secretary and General Counsel
Community Health Systems, Inc.

Subscribed and sworn to before me this
1st day of June, 2015

Notary Public

JENIFER J. HOLLINGSWORTH
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY
My Comm. Expires May 22, 2017

Attachment 11



Illinois Department of PUBLIC HEALTH

HF106039

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

LaMar Hasbrouck, MD, MPH
Acting Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	LIC NUMBER
6/30/2015		0005397

General Hospital

Effective: 07/01/2014

Waukegan Illinois Hospital Company, LLC
dba Vista Medical Center East
1324 North Sheridan Road
Waukegan, IL 60085

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

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 6/30/2015

Lic Number 0005397

Date Printed 6/5/2014

Waukegan Illinois Hospital Company,
dba Vista Medical Center East
1324 North Sheridan Road
Waukegan, IL 60085

FEE RECEIPT NO.

53

HF108306

Illinois Department of PUBLIC HEALTH

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

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

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D NUMBER
06/30/2016		0005397

General Hospital

Effective: 07/01/2015

Waukegan Illinois Hospital Company, LLC
dba Vista Medical Center East
1324 North Sheridan Road
Waukegan, IL 60085

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

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 06/30/2016

Lic Number 0005397

Date Printed 05/12/2015

Waukegan Illinois Hospital Company,
dba Vista Medical Center East
1324 North Sheridan Road
Waukegan, IL 60085

FEE RECEIPT NO.

45

Facility Name	Address	City	State	Zip	Medicare #	Addt'l Mcare #s	Medicaid #s	License #s
Anna Hospital Corporation d/b/a Union County Hospital	517 North Main	Anna	IL	62906	14-1342	14-Z342 14-3975	364431843001 364431843401	0002824
Blue Island Hospital Company LLC d/b/a Metrosouth Medical Center	12935 S Gregory St	Blue Island	IL	60406	14-0118	14-S118	454082512001 454082512401	0005835
Galesburg Hospital Corporation d/b/a Galesburg Cottage Hospital	695 North Kellogg Street	Galesburg	IL	61401	14-0040	14-S040 14-S690	371485782001 371485782401	0005330
Granite City Illinois Hospital Company, LLC d/b/a Gateway Regional Medical Center	2100 Madison Avenue	Granite City	IL	62040	14-0125	14-S562 14-S125 14-T125	364460628001 364460628401	0005223
Marion Hospital Corporation d/b/a Heartland Regional Medical Center	3333 West DeYoung	Marion	IL	62959	14-0184	14-U184	371359605001 371359605401	0005298
National Healthcare of Mt. Vernon, Inc d/b/a Crossroads Community Hospital	#8 Doctors Park Drive	Mt. Vernon	IL	62864	14-0294	14-U294	581622971001 581622971401	0003947
Red Bud Illinois Hospital Company, LLC d/b/a Red Bud Regional Hospital	325 Spring Street	Red Bud	IL	62278	14-1348	14-Z348 14-5309	364443919001 364443919401	0005199
Waukegan Hospital Company, LLC d/b/a Vista Medical Center East	1324 North Sheridan Road	Waukegan	IL	60085	14-0084		203978521002 203978521402	0005397
Waukegan Hospital Company, LLC d/b/a Vista Medical Center West	2615 Washington Street	Waukegan	IL	60085	14-0033	14-T033 14-S033	203978521001	0005405

Purpose (1110.230)

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.

The primary purpose of the project is to address the limited space for medical surgical and pediatric rooms and to expand the space to allow for private rooms, versus almost all semi-private rooms, which is the current situation. Semi-private rooms create problems regarding infection control, patient privacy and patient stress. In addition, the current average room size of 200 GSF is small for a private room, let alone a semi-private room. The modernization will allow for 100% private medical surgical and pediatric rooms that will accommodate modern equipment, including beds and related monitoring machines. This will improve overall patient care and well-being. In addition the pediatric bed area will be a locked and walled off unit and will better align with the distinct unit requirements of IDPH. The modernization will take advantage of existing vacant space which is available on floors 2 through 4 of the hospital due to Vista East reducing its medical surgical and pediatric beds by 108 over the past few years, and due to Abbott Labs vacating space it had leased on the 3rd and 4th floors.

Vista East serves a relatively high Medicaid population (25% inpatient and 35% outpatient) and a more modern facility with standard of care private rooms will improve the health and well-being of its overall patient population, regardless of payer mix.

Purpose

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

The market area is that of the existing hospital, including Waukegan and surrounding areas. Attached is a list of zip codes from the primary and secondary service area of the hospital, and a map of the service area.

Attachment 12

C

COMPDATA INFORMATICS

Market Report

Discharge Date: between Jan 1, 2014 and Dec 31, 2014

Patient Level Data Type: ILIH- IDPH Inpatient, ILIP- Illinois Inpatient

Sort Level 1: Provider Facility
Sort Level 2: Zip Code – Patient
Sort Level 3:
Sort Level 4:
Alternate Sort:
Top Case Selection:

UserID - byron_7376

Provider Facility	Zip Code - Patient	Patient Count	% of Subtotal	Days Avg LOS	Days Total	Days % of Subtotal	Charges Avg Charge	Charges Avg Per Day	Avg Age
VISTA MEDICAL CENTER EAST	60002 - Antioch, IL	433	3.83	3.44	1,488	3.42	58,330	16,974	51.2
	60030 - Grayslake, IL	123	1.09	3.00	369	0.85	43,849	14,616	43.1
	60031 - Gurnee, IL	417	3.68	3.84	1,602	3.68	50,117	13,045	54.1
	60046 - Lake Villa, IL	496	4.38	3.29	1,632	3.75	55,201	16,777	56.0
	60064 - North Chicago, IL	954	8.43	3.90	3,719	8.54	47,913	12,291	44.2
	60073 - Round Lake, IL	408	3.60	2.75	1,124	2.58	48,269	17,521	39.7
	60079 - Waukegan, IL	18	0.16	5.06	91	0.21	58,906	11,652	50.0
	60083 - Wadsworth, IL	184	1.63	4.02	740	1.70	57,257	14,237	63.1
	60085 - Waukegan, IL	4,418	39.04	3.96	17,511	40.22	47,917	12,089	45.1
	60086 - North Chicago, IL	1	0.01	4.00	4	0.01	46,289	11,572	27.2
	60087 - Waukegan, IL	1,501	13.26	3.92	5,887	13.52	53,036	13,523	50.6
	60096 - Winthrop Harbor, IL	247	2.18	3.34	825	1.89	52,179	15,622	52.8
	60099 - Zion, IL	2,118	18.71	4.04	8,547	19.63	54,203	13,432	51.6
VISTA MEDICAL CENTER EAST - Total		**11,318**		**3.85**	**43,539**		**50,801**	**13,206**	**48.2**
Overall - Total		**11,318**		**3.85**	**43,539**		**50,801**	**13,206**	**48.2**

© 2015 Hospital Industry Data Institute

C

COMPDATA INFORMATICS

Market Report - MONTHLY

Discharge Date: between Jan 1, 2015 and Mar 31, 2015

Patient Level Data Type: ILIH- IDPH Inpatient, ILIP- Illinois Inpatient, ILMI- Illinois Inpatient Monthly

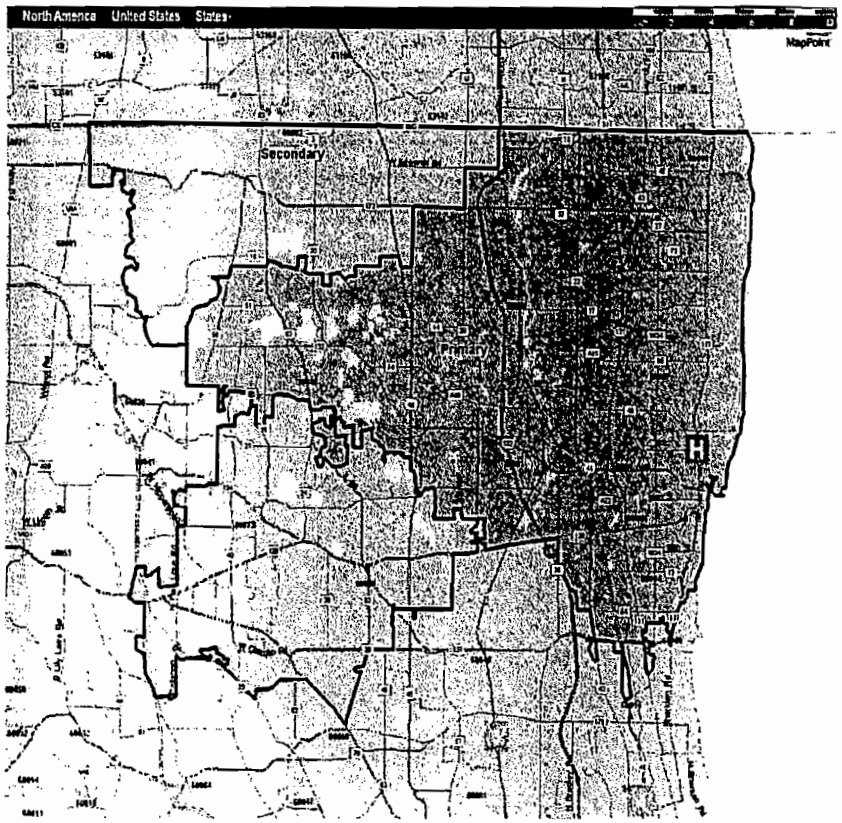
Sort Level 1: Provider Facility
Sort Level 2: Zip Code – Patient
Sort Level 3:
Sort Level 4:
Alternate Sort:
Top Case Selection:

UserID - byron_7376

Provider Facility	Zip Code – Patient	Patient Count	% of Subtotal	Days Avg LOS	Days Total	Days % of Subtotal	Avg Age
VISTA MEDICAL CENTER EAST	60002 - Antioch, IL	86	3.21	2.71	233	2.34	47.4
	60030 - Grayslake, IL	28	1.05	3.93	110	1.10	51.3
	60031 - Gurnee, IL	127	4.75	4.31	547	5.49	52.9
	60046 - Lake Villa, IL	113	4.22	3.05	345	3.46	54.2
	60064 - North Chicago, IL	196	7.32	3.42	670	6.72	44.9
	60073 - Round Lake, IL	115	4.30	3.01	346	3.47	39.7
	60079 - Waukegan, IL	2	0.07	4.50	9	0.09	64.2
	60083 - Wadsworth, IL	37	1.38	5.41	200	2.01	60.1
	60085 - Waukegan, IL	1,064	39.76	3.71	3,952	39.66	47.1
	60087 - Waukegan, IL	344	12.86	3.83	1,318	13.23	53.1
	60096 - Winthrop Harbor, IL	61	2.28	5.10	311	3.12	51.8
	60099 - Zion, IL	503	18.80	3.83	1,924	19.31	53.0
VISTA MEDICAL CENTER EAST - Total		**2,676**		**3.72**	**9,965**		**49.4**
Overall - Total		**2,676**		**3.72**	**9,965**		**49.4**

© 2015 Hospital Industry Data Institute

Combined Service Area (CSA)
Vista Medical Center East



Primary Service Area

Secondary Service Area

Note: Vista Medical Center East service area. Combined service area represents primary and secondary service areas. **Source:** Sg2 Analysis, 2014.

Purpose

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.]

See #1. Generally, the issues to be addressed relate to the need for space for private medical surgical and pediatric bed rooms.

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

The hospital's data and statistics: U.S. Census Bureau Statistics. IDPH population projections.

Attachment 12

Purpose

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

The project will enhance patient care, as follows:

- Private rooms reduce patient stress and hospital acquired infections;
- Private rooms allow for patient privacy. Ensuring privacy and dignity to the patient while under medical care has shown to help reduce patient anxiety during their stay and accelerate their recovery. Individual rooms also encourage family members and friends to be actively involved in the care of their loved ones also contributing to a faster recovery. . . and shorter stays;
- The larger rooms/space allow for family visiting capacity and sleep over, which improves patient care and comfort;
- The modernization will allow for more modern equipment and bed sizes in all medical surgical rooms;
- Patients will no longer have to share a toilet or shower;
- The private and larger rooms will enhance staff's availability to provide modern care. On the delivery of care, physicians, nurses and other clinicians find the private room a safer and more supportive environment in which to provide their services. Statistics show less confusion and fewer mistakes occur when there is only one patient in a room as well as more space in which to work.
- The pediatric rooms will be separated by locked doors and will be better compliant with IDPH concept for a distinct pediatric bed area.

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

A goal of the project is to reduce infection control and privacy issues associated with semi-private rooms. In addition, a goal is to provide a larger room for medical surgical inpatients, with private baths and space for modern beds and related equipment. Also, Vista East would like to improve the patient and patient family (or friend) experience by making its rooms more accommodating for an inpatient hospital stay. Frequently, sharing a room with another patient is uncomfortable and can limit patients from having visitors and overnight guests. Most of the hospitals in the service area have all private rooms, but Vista does not. Vista East is the safety net provider in the area and to remain competitive in the area and offer the best services to its patients it requires private rooms. The time frame for achieving the goal(s) is December 31, 2017 (the completion date for the modernization project).

Alternatives

Option 1: "Do Nothing"

This option would leave the existing hospital and inpatient environment untouched. It has been deemed unacceptable due to the following concerns: The current private/semi-private patient environment presents several concerns related to care inefficiencies, infection control issues, patient privacy and patient satisfaction to name a few. The existing patient units are too small for modern equipment and some do not have showers. For the reasons noted above, this option is not viable. The cost of this alternative is zero.

Option 2: "Modernize Existing" – The Chosen Alternative

This option retains the current private/inpatient bed mix and improves the patient, staff visitor experience in place.

Option 3: "Build New Hospital or New Bed Tower"

This option would replace the entire facility with a new hospital or build all new beds in a new tower to replace the existing inpatient units. This option is not feasible as there is no room to build on within the hospital campus footprint. This option was not priced out because it is not feasible.

Option 4: "Build More Floors For Expansion"

The possibility of building brand new patient floors on top of the hospital was briefly considered but was determined by architects to be structurally not suitable. This option was also not necessary due to excess GSF available to modernize on floors 2-4. While this option was not priced out due to it being an impossibility from a structural standpoint, the cost would undoubtedly exceed the cost of Option 2 (chosen option of modernization of existing space).

Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Clinical				
Medical surgical	79,190	500-660 DGSF per room	actual size 479	Yes
Pediatric	5,130	500-660 DGSF per room	actual size 466	Yes
Administrative	8,275	N/A	N/A	N/A
Office Space				

Only proposed clinical GSF is indicated. The clinical space consists of inpatient bed space (medical surgical and pediatric).

Modernized MS Space – 53,359
Modernized Pediatric Space – 5,130
Modernized Admin – 6,621

Attachment 14

PROJECT SERVICES UTILIZATION

UTILIZATION				
DEPARTMENT	**HISTORICAL CON UTILIZATION CY14**	**PROJECTED UTILIZATION CY19**	**STATE STANDARD**	**MET STANDARD?**
Medical/Surgical	66.4%	85% or higher	85%	Yes
Pediatric	13.8%	65% or higher*	65%	Yes

While historical utilization has not met HFSRB utilization requirements, the Hospital believes for reasons provided in Attachment 20 that by 2019 utilization targets will be met. For example, the 2014 utilization is based on 25 authorized pediatric beds. The Hospital now has 11 pediatric beds. This alone allows the target occupancy rate of 65% to be met based on historical utilization. While the medical surgical beds are now at 165, nine will be reserve beds. In addition, population growth in Lake County along with the percentage increase in utilization of the MS beds at Vista East from 2013 to 2014 and the attraction of all private rooms will allow the Hospital to meet target utilization for MS beds by 2019.

Detailed projection rationale is provided in Attachment 20. Projections are provided for CY19, two years after project completion.

Attachment 15

1110.530
(b) Background of applicant

The applicant, Waukegan Illinois Hospital Company, LLC is owned by subsidiaries or affiliates of Community Health Systems, Inc. None of its Board members or officers have been convicted of a crime and its licensed Illinois hospitals have not had any adverse actions taken against them. In addition, it is not in default of any judgment or governmental obligation.

Rachel Seifert
EVP, General Counsel and Secretary
Community Health System, Inc.

Subscribed and sworn to before me this
1st day of June, 2015.

Notary Public

JENIFER J. HOLLINGSWORTH
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY
My Comm. Expires
May 22, 2017

1110.530
(e) Deteriorated Facilities

1) The facilities are functionally obsolete as many medical surgical ("MS") and pediatric rooms at the Hospital are semi-private, and patients are thus required to share a toilet (although the rooms do not share a toilet). The rooms are approximately 300 GSF smaller than the state standard and yet there are two beds in a majority of the rooms. They are not up to standard regarding infection control (patients share a bathroom) or privacy. In addition certain medical equipment is difficult to place at bedside given the size of the rooms and the fact they are semi-private. Generally the rooms are not deteriorated due to age. However, the semi-private nature of the rooms causes the issues the hospital is attempting to address.

There are no IDPH or Joint Commission citations pertaining to the current MS or pediatric rooms.

The project does not involve an increase in beds. The service anticipates it will meet occupancy standards based on recent growth census and IDPH data projecting general population growth and aging population growth.

See attached information regarding historical utilization.

1110.530(d)(4) - Occupancy

Category of Service	Board Occupancy Standard	CY12	CY13	CY14
Medical/Surgical	85%	37.4%	62.2%	66.4%
Pediatrics*	65%	6.6%	7.9%	13.8%

	First Quarter 2015
Medical/Surgical	66.9
Pediatrics	14.0

* based on 25 versus current 11 beds

Vista East's combined medical/surgical admissions has increased slightly or remained level over the last three years. From 2013 to 2014 it increased 4% in medical surgical and 6% in pediatrics. If this increase continues, which the Hospital believes it will based on population growth and aging population numbers the ADC by 2019 will support the medical surgical beds at target occupancy. The pediatric ADC will be at 7 supporting, 11 pediatric beds. The Lake County population is predicted to grow by 4.3% between 2015-2020 and by 3% with respect to those 65+ within the same time frame. This population growth, along with historical census growth as seen from 2013-2015 through April, alone supports the occupancy projections (see attached). In addition, the all private room set up will increase volume due to patient preference and physician referral.

Med/Surg	2012	2013	2014	April 2015 YTD	2015 Proj	Projected 2019	
Admissions	7,935	8,187	8,569	2,872	9,013	11,990	3,421
Patient Days	32,917	32,240	34,825	11,448	36,631	48,729	13,904
Observation Days	1,162	2,031	1,760	676	1,851	2,463	703
Total Days	34,079	34,271	36,585	12,124	38,482	51,191	14,606
ADC	93	94	100	101	105	140	
Beds	249	151	151	151	151	165	
Occupancy	37.4%	62.2%	66.4%	66.9%	69.8%	85.0%	
			4.05				

Peds	2012	2013	2014	2015 YTD	2015 YTD	Projected 2019	
Admissions	444	395	436	138	459	906	470
Patient Days	840	722	1,256	447	1,321	2,610	1,354
Observation Days	-	-	-	-	-	-	
Total Days	840	722	1,256	447	1,321	2,610	
ADC	2	2	3	4	4	7	
Beds	35	25	25	25	25	11	
Occupancy	6.6%	7.9%	13.8%	14.9%	14.5%	65.0%	
			2.21				

	2014	2015	2016	2017	2018	2019
Adj Admission	19,663					
Operating Expense	140,464,967					
Operating Exp / AA	7,143.55	7,322	7,505	7,693	7,885	8,082
Capital Expense	2,500,000					
Cap Exp / AA	127.14	130	134	137	140	144

Illinois Department of Public Health
Office of Health Informatics
Illinois Center for Health Statistics

Illinois Health Facilities and Services Review Board

Population Projections

Illinois, Chicago and Illinois Counties by Age and Sex:
July 1, 2010 to July 1, 2025
(2014 Edition)

Principal Authors:	***Affiliations:***
Mohammed Shahidullah, PhD, MPH	Illinois Department of Public Health, Office of Health Informatics, Illinois Center for Health Statistics
Nelson Agbodo, MS, MPH	Illinois Health Facilities and Services Review Board

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Introduction

This report presents projections of population from 2015 to 2025 by age and sex for Illinois, Chicago and Illinois counties produced for the Certificate of Need (CON) Program.

As actual future population trends are unknown, the projected numbers should not be considered a precise prediction of the future population; rather, these projections, calculated under a specific set of assumptions, indicate the levels of population that would result if our assumptions about each population component (births, deaths and net migration) hold true. The assumptions used in this report, and the details presented below, generally assume a continuation of current trends.

Methodology

These projections were produced using a demographic cohort-component projection model. In this model, each component of population change – birth, death and net migration – is projected separately for each five-year birth cohort and sex. The cohort – component method employs the following basic demographic balancing equation:

$$P_1 = P_0 + B - D + NM$$

Where:

P_1 = Population at the end of the period;

P_0 = Population at the beginning of the period;

B = Resident births during the period;

D = Resident deaths during the period; and

NM = Net migration (Inmigration – Outmigration) during the period.

The model roughly works as follows: for every five-year projection period, the base population, disaggregated by five-year age groups and sex, is "survived" to the next five-year period by applying the appropriate survival rates for each age and sex group; next, net migrants by age and sex are added to the survived population. The population under 5 years of age is generated by applying age specific birth rates to the survived females in childbearing age (15 to 49 years).

Base Population

These projections began with the July 1, 2010 population estimates by age and sex produced by the U.S. Census Bureau. The most recent census population of April 1, 2010 was the base for July 1, 2010 population estimates.

Special Populations

In 19 counties, the college dormitory population or adult inmates in correctional facilities accounted for 5 percent or more of the total population of the county; these counties were considered as special counties. There were six college dorm counties (Champaign, Coles, DeKalb, Jackson, McDonough and McLean) and 13 correctional facilities counties (Bond, Brown, Crawford, Fayette, Fulton, Jefferson, Johnson, Lawrence, Lee, Logan, Montgomery, Perry and Randolph) that qualified as special counties. When projecting the population, these special populations were first subtracted from the base populations for each special county; then they were added back to the projected population to produce the total population projections by age and sex. The base special population by age and sex from the 2010 population census was used for this purpose with the assumption that this population will remain the same throughout each projection period.

Mortality

Future deaths were projected by applying age and sex specific survival rates to each age and sex specific base population. The assumptions on survival rates were developed on the basis of trends of mortality rates in the individual life tables constructed for each level of geography for 1989-1991, 1999-2001 and 2009-2011. The application of five-year survival rates provides a projection of the number of persons from the initial population expected to be alive in five years. Resident deaths data by age and sex from 1989 to 2011 were provided by the Illinois Center for Health Statistics (ICHS), Illinois Department of Public Health.

Fertility

Total fertility rates (TFRs) were first computed for each county. For most counties, the projected 2015 TFRs were computed as the average of the 2000 and 2010 TFRs. 2010 or 2015 rates were retained for 2020 projections, depending on the birth trend of each county. The age-specific birth rates (ASBR) were next computed for each county by multiplying the 2010 ASBR by each projected TFR. Total births were then projected for each county by applying age-specific birth rates to the projected female population of reproductive ages (15 to 49 years). The total births were broken down by sex, using an assumed sex-ratio at birth. These births were survived five years applying assumed survival ratios to get the projected population for the age group 0-4. For the special counties, special populations by age and sex were taken out before computing age-specific birth rates. The resident birth data used to compute age-specific birth rates for 1989-1991, 1999-2001 and 2009-2011 came from ICHS. Births to females younger than 15 years of age were added to those of the 15-19 age group and births to women older than 49 years of age were added to the 45-49 age group.

Net Migration

Migration is the major component of population change in Illinois, Chicago and Illinois counties. The state is experiencing a significant loss of population through internal (domestic migration within the U.S.) net migration. Unlike data on births and deaths, migration data based on administrative records

are not available on a regular basis. Most data on migration are collected through surveys or indirectly from administrative records (IRS individual tax returns). For this report, net migration trends have been reviewed using data from different sources and methods (such as residual method) from the University of Wisconsin, Madison, Illinois Department of Public Health, individual exemptions data from the Internal Revenue Service, and survey data from the U.S. Census Bureau. On the basis of knowledge gained through this review and of levels of net migration from different sources, assumptions have been made that Illinois will have annual net migrants of -40, 000, -35,000 and -30,000 during 2010-2015, 2015-2020 and 2020-2025, respectively. These figures have been distributed among the counties, using age and sex distribution of net migrants during 1995-2000. The 2000 population census was the last decennial census, which included the question "Where did you live five years ago?" The age and sex distribution of the net migrants was derived, using answers to this question. The net migration for Chicago has been derived independently, using census survival method for 1990-2000 and 2000-2010 under the assumption that the annual net migration for Chicago will be -40,000, -30,000 and -25,000 for 2010-2015, 2015-2020 and 2020-2025, respectively. The age and sex distribution from the 2000-2010 net migration was used to distribute the net migrants for the projection periods.

Conclusion

These projections were prepared for use by the Certificate of Need (CON) Program; they are produced using evidence-based techniques, reasonable assumptions and the best available input data. However, as assumptions of future demographic trends may contain errors, the resulting projections are unlikely to be free of errors. In general, projections of small areas are less reliable than those for larger areas, and the farther in the future projections are made, the less reliable they may become. When possible, these projections should be regularly reviewed and updated, using more recent birth, death and migration data.

Table 1. Population Projections for Illinois by Age and Sex: 2010 to 2025
(as of July 1 of the specified years, except as noted)

	Census	Estimate	Projections		
Sex and Age	April 1, 2010	2010	2015	2020	2025
Both Sexes					
Total	12,830,632	12,841,980	12,978,800	13,129,233	13,263,662
0-4	835,577	834,439	895,698	870,140	842,935
5-9	859,405	857,874	816,831	882,515	861,448
10-14	879,448	878,699	841,342	805,344	874,350
15-19	922,092	918,212	880,628	848,403	816,288
20-24	878,964	884,256	886,637	855,362	828,350
25-29	910,273	911,471	859,243	866,838	839,113
30-34	865,684	869,568	886,238	839,629	852,902
35-39	855,790	850,845	844,188	866,331	824,113
40-44	870,100	869,856	825,707	824,231	850,363
45-49	940,094	936,025	844,895	806,007	807,993
50-54	930,785	932,018	902,510	818,420	783,796
55-59	807,778	812,302	889,501	866,511	788,676
60-64	665,429	671,484	763,717	842,918	825,251
65-69	485,060	487,616	617,211	708,103	786,666
70-74	364,475	366,125	435,010	555,368	640,687
75-79	289,385	288,953	309,263	370,341	475,663
80-84	235,381	235,594	223,321	240,400	289,430
85+	234,912	236,643	256,860	262,373	275,638
65+	1,609,213	1,614,931	1,841,666	2,136,585	2,468,084
Male Total	6,292,276	6,299,095	6,385,784	6,473,017	6,547,351
0-4	425,893	425,334	457,989	444,939	431,058
5-9	438,556	437,783	416,721	451,581	440,776
10-14	449,160	448,665	429,091	410,628	447,215
15-19	473,736	471,854	449,515	432,513	415,962
20-24	447,513	450,278	457,586	438,514	424,201
25-29	456,887	457,862	437,774	447,552	430,262
30-34	433,782	435,891	444,224	426,953	439,558
35-39	426,476	424,159	422,334	433,364	418,303
40-44	432,756	432,698	410,746	411,463	424,467
45-49	463,423	461,569	419,412	400,029	402,385
50-54	455,953	456,598	442,878	404,298	387,047
55-59	392,322	394,603	432,451	421,991	386,668
60-64	318,903	321,724	366,811	405,322	397,581
65-69	225,894	227,163	291,116	335,066	372,897
70-74	163,405	164,260	198,120	256,442	297,007
75-79	122,706	122,673	134,444	163,569	213,151

Table 1. Population Projections for Illinois by Age and Sex: 2010 to 2025
(as of July 1 of the specified years, except as noted)—Continued

Illinois	Census	Estimate	Projections		
Sex and Age	April 1, 2010[1]	2010[1]	2015	2020	2025
80-84	92,019	92,368	90,241	99,579	121,917
85+	72,892	73,613	84,332	89,214	96,896
65+	676,916	680,077	798,252	943,870	1,101,868
Female Total	6,538,356	6,542,885	6,593,015	6,656,217	6,716,311
0-4	409,684	409,105	437,709	425,201	411,877
5-9	420,849	420,091	400,110	430,933	420,672
10-14	430,288	430,034	412,251	394,716	427,135
15-19	448,356	446,358	431,113	415,889	400,326
20-24	431,451	433,978	429,051	416,848	404,149
25-29	453,386	453,609	421,469	419,286	408,851
30-34	431,902	433,677	442,014	412,676	413,344
35-39	429,314	426,686	421,854	432,967	405,810
40-44	437,344	437,158	414,960	412,767	425,896
45-49	476,671	474,456	425,483	405,978	405,608
50-54	474,832	475,420	459,632	414,122	396,748
55-59	415,456	417,699	457,050	444,521	402,008
60-64	346,526	349,760	396,906	437,596	427,670
65-69	259,166	260,453	326,095	373,037	413,770
70-74	201,070	201,865	236,891	298,926	343,680
75-79	166,679	166,280	174,820	206,772	262,512
80-84	143,362	143,226	133,080	140,821	167,512
85+	162,020	163,030	172,528	173,160	178,743
65+	932,297	934,854	1,043,414	1,192,715	1,366,216

[1] U.S. Census Bureau, 2010 Census

Source: Illinois Department of Public Health, Illinois Health Facilities and Services Review Board, Certificate of Need Population Projections Project, 2014

Table 2. Population Projections for Chicago by Age and Sex: 2010 to 2025
(as of July 1 of the specified years, except as noted)

Sex and Age	Census April 1, 2010[1]	Estimate 2010[1]	Projections 2015	2020	2025
Both Sexes					
Total	2,695,598	2,698,283	2,612,827	2,562,913	2,506,112
0-4	185,887	186,072	177,484	175,645	154,749
5-9	166,077	166,242	153,212	152,784	155,021
10-14	164,466	164,630	142,966	135,745	138,221
15-19	182,933	183,115	146,159	129,077	124,139
20-24	223,027	223,249	189,362	150,793	132,897
25-29	276,139	276,414	252,786	211,401	169,186
30-34	239,412	239,650	278,526	254,179	212,554
35-39	200,508	200,708	206,410	252,971	232,745
40-44	177,631	177,808	168,824	181,972	231,858
45-49	171,862	172,033	154,285	150,599	166,098
50-54	166,875	167,041	155,237	141,006	138,950
55-59	144,611	144,755	152,468	143,089	130,387
60-64	118,238	118,356	130,062	139,131	131,075
65-69	85,070	85,155	104,219	116,570	125,708
70-74	66,025	66,091	70,953	89,355	101,074
75-79	50,700	50,751	52,910	57,913	73,993
80-84	39,104	39,143	37,386	39,654	43,812
85+	37,033	37,070	39,580	41,030	43,646
65+	277,932	278,209	305,047	344,523	388,233
Male Total	1,308,072	1,309,375	1,270,222	1,254,161	1,239,002
0-4	94,100	94,194	91,604	91,556	81,719
5-9	84,122	84,206	78,084	80,469	83,273
10-14	83,274	83,357	72,796	70,218	74,634
15-19	91,528	91,619	74,251	66,486	65,504
20-24	108,407	108,515	94,362	76,048	67,723
25-29	134,931	135,065	122,648	103,945	83,099
30-34	119,828	119,947	135,877	123,031	104,151
35-39	100,651	100,751	103,397	124,024	114,060
40-44	89,957	90,047	84,855	92,043	115,049
45-49	85,645	85,730	78,117	76,170	85,011
50-54	80,838	80,919	76,936	71,439	70,628
55-59	68,441	68,509	72,926	70,362	65,841
60-64	54,592	54,646	60,320	65,522	63,757
65-69	37,704	37,742	46,965	53,037	58,297

Table 2. Population Projections for Chicago by Age and Sex: 2010 to 2025
(as of July 1 of the specified years, except as noted)—continued

Chicago Sex and Age	Census April 1, 2010[1]	Estimate 2010[1]	Projections 2015	2020	2025
70-74	27,787	27,815	30,174	39,016	44,768
75-79	20,448	20,468	21,159	23,630	31,205
80-84	14,637	14,652	13,923	14,776	16,790
85+	11,182	11,193	11,829	12,389	13,493
65+	111,758	111,869	124,050	142,849	164,553
Female Total	1,387,526	1,388,908	1,342,605	1,308,752	1,267,110
0-4	91,787	91,878	85,880	84,089	73,030
5-9	81,955	82,037	75,127	72,315	71,749
10-14	81,192	81,273	70,171	65,527	63,587
15-19	91,405	91,496	71,908	62,590	58,634
20-24	114,620	114,734	95,001	74,745	65,174
25-29	141,208	141,349	130,138	107,456	86,086
30-34	119,584	119,703	142,649	131,147	108,403
35-39	99,857	99,956	103,013	128,947	118,685
40-44	87,674	87,761	83,969	89,929	116,809
45-49	86,217	86,303	76,168	74,429	81,086
50-54	86,037	86,123	78,301	69,567	68,323
55-59	76,170	76,246	79,542	72,727	64,546
60-64	63,646	63,709	69,742	73,609	67,318
65-69	47,366	47,413	57,254	63,533	67,411
70-74	38,238	38,276	40,778	50,339	56,306
75-79	30,252	30,282	31,751	34,283	42,788
80-84	24,467	24,491	23,463	24,878	27,022
85+	25,851	25,877	27,751	28,640	30,153
65+	166,174	166,340	180,997	201,673	223,680

[1] U.S. Census Bureau, 2010 Census

Source: Illinois Department of Public Health, Illinois Health Facilities and Services Review Board, Certificate of Need Population Projections Project, 2014

Table 3. Population Projections for Illinois Counties: 2010 to 2025
(as of July 1 of the specified years, except as noted)

State/County	Census April 1, 2010[1]	Estimate 2010[1]	Projections 2015	2020	2025
Illinois	***12,830,632***	***12,841,980***	***12,978,800***	***13,129,233***	***13,263,662***
Adams	67,103	67,141	65,717	64,741	63,924
Alexander	8,238	8,228	7,911	7,606	7,307
Bond	17,768	17,777	18,005	18,357	18,689
Boone	54,165	54,176	57,712	61,503	65,315
Brown	6,937	6,915	7,269	7,576	7,845
Bureau	34,978	34,921	34,251	33,682	33,144
Calhoun	5,089	5,093	4,989	4,920	4,856
Carroll	15,387	15,358	14,735	14,169	13,601
Cass	13,642	13,633	13,297	13,019	12,739
Champaign	201,081	201,370	209,055	217,735	225,626
Christian	34,800	34,804	34,015	33,152	32,345
Clark	16,335	16,300	15,817	15,396	14,976
Clay	13,815	13,809	13,448	13,172	12,929
Clinton	37,762	37,838	38,212	38,696	39,130
Coles	53,873	53,945	55,207	56,851	58,405
Cook	5,194,675	5,199,971	5,173,864	5,132,412	5,078,297
Crawford	19,817	19,832	19,471	19,185	18,887
Cumberland	11,048	11,046	10,894	10,782	10,670
DeKalb	105,160	105,186	112,129	119,701	126,927
De Witt	16,561	16,583	16,172	15,832	15,495
Douglas	19,980	19,976	19,862	19,767	19,709
DuPage	916,924	917,942	927,150	939,015	950,948
Edgar	18,576	18,533	17,682	16,904	16,138
Edwards	6,721	6,732	6,540	6,390	6,249
Effingham	34,242	34,226	33,784	33,463	33,179
Fayette	22,140	22,136	22,481	22,840	23,130
Ford	14,081	14,074	13,709	13,450	13,244
Franklin	39,561	39,570	38,953	38,470	37,958
Fulton	37,069	37,061	36,330	35,761	35,221
Gallatin	5,589	5,588	5,263	4,953	4,650
Greene	13,886	13,875	13,343	12,881	12,429
Grundy	50,063	50,127	53,015	55,970	58,944
Hamilton	8,457	8,461	8,405	8,361	8,316
Hancock	19,104	19,114	18,154	17,353	16,579
Hardin	4,320	4,311	4,124	3,948	3,762
Henderson	7,331	7,331	7,048	6,792	6,526
Henry	50,486	50,443	49,243	48,234	47,250
Iroquois	29,718	29,657	28,592	27,687	26,816
Jackson	60,218	60,355	61,025	62,031	62,818
Jasper	9,698	9,697	9,151	8,698	8,304
Jefferson	38,827	38,787	38,964	39,227	39,331
Jersey	22,985	22,963	23,227	23,578	23,885
Jo Daviess	22,678	22,677	22,408	22,138	21,805
Johnson	12,582	12,611	13,039	13,489	13,889
Kane	515,269	516,378	547,942	583,386	619,296
Kankakee	113,449	113,511	115,128	117,167	119,073
Kendall	114,736	115,239	129,201	142,818	156,190
Knox	52,919	52,943	51,625	50,492	49,329
Lake	703,462	704,492	732,633	764,397	794,076
LaSalle	113,924	113,843	112,881	112,417	112,034
Lawrence	16,833	16,833	16,633	16,493	16,368
Lee	36,031	35,943	35,972	36,065	36,119
Livingston	38,950	38,882	39,050	39,390	39,596
Logan	30,305	30,272	30,273	30,380	30,441
McDonough	32,612	32,614	33,089	33,824	34,565
McHenry	308,760	309,229	326,691	345,056	363,311
McLean	169,572	169,838	178,627	188,341	197,855
Macon	110,768	110,757	107,814	105,401	103,126
Macoupin	47,765	47,791	46,811	45,987	45,162
Madison	269,282	269,314	270,121	271,688	272,987
Marion	39,437	39,439	38,337	37,323	36,283

Table 3. Population Projections for Illinois Counties: 2010 to 2025
(as of July 1 of the specified years, except as noted) (continued)

State/County	Census April 1, 2010[1]	Estimate 2010[1]	Projections 2015	2020	2025
Marshall	12,640	12,633	12,231	11,908	11,589
Mason	14,666	14,627	13,669	12,841	12,074
Massac	15,429	15,438	15,423	15,432	15,438
Menard	12,705	12,708	12,774	12,867	12,913
Mercer	16,434	16,435	16,144	15,897	15,652
Monroe	32,957	33,009	34,679	36,390	38,053
Montgomery	30,104	30,088	29,804	29,578	29,313
Morgan	35,547	35,524	35,353	35,266	35,134
Moultrie	14,846	14,846	14,750	14,715	14,706
Ogle	53,497	53,454	53,787	54,317	54,837
Peoria	186,494	186,284	184,638	183,593	182,671
Perry	22,350	22,348	22,399	22,496	22,560
Piatt	16,729	16,722	16,420	16,205	16,000
Pike	16,430	16,421	15,985	15,630	15,299
Pope	4,470	4,455	4,405	4,367	4,314
Pulaski	6,161	6,155	5,790	5,435	5,079
Putnam	6,006	6,005	6,003	5,998	5,977
Randolph	33,476	33,446	32,921	32,518	32,093
Richland	16,233	16,228	15,621	15,068	14,548
Rock Island	147,546	147,596	145,010	143,037	141,317
St. Clair	270,056	270,399	268,167	267,263	266,648
Saline	24,913	24,935	24,455	23,894	23,300
Sangamon	197,465	197,822	200,130	203,501	207,194
Schuyler	7,544	7,540	7,355	7,201	7,042
Scott	5,355	5,351	5,253	5,167	5,072
Shelby	22,363	22,339	21,865	21,496	21,118
Stark	5,994	5,937	5,744	5,586	5,439
Stephenson	47,711	47,697	46,886	46,243	45,589
Tazewell	135,394	135,439	135,699	136,051	136,436
Union	17,808	17,768	17,556	17,357	17,130
Vermilion	81,625	81,588	79,582	77,965	76,441
Wabash	11,947	11,935	11,569	11,257	10,966
Warren	17,707	17,699	17,376	17,218	17,069
Washington	14,716	14,698	14,495	14,329	14,150
Wayne	16,760	16,750	16,260	15,827	15,439
White	14,665	14,640	14,000	13,416	12,855
Whiteside	58,498	58,454	56,691	55,267	53,922
Will	677,560	678,873	736,406	795,161	853,596
Williamson	66,357	66,397	67,344	68,355	69,246
Winnebago	295,266	295,142	298,259	302,259	306,088
Woodford	38,664	38,664	39,411	40,350	41,360

[1] U.S. Census Bureau, 2010 Census

Source: Illinois Department of Public Health, Illinois Health Facilities and Services Review Board, Certificate of Need Population Projections Project, 2014

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Table 4. Population Projections for Illinois Counties by Age and Sex: 2010 to 2025
(as of July 1 of the specified years, except as noted)—Continued

County Sex and Age	Census April 1, 2010[1]	Estimate 2010[1]	Projections 2015	 2020	 2025
Lake					
Both Sexes Total	703,462	704,492	732,633	764,397	794,076
0-4	47,115	47,112	42,154	47,817	46,745
5-9	53,615	53,585	48,632	43,606	49,347
10-14	56,719	56,722	54,514	49,583	44,665
15-19	56,143	55,954	57,351	55,213	50,456
20-24	42,235	42,245	53,634	55,455	53,872
25-29	39,824	39,919	43,485	54,802	56,750
30-34	41,236	41,448	42,796	46,091	57,321
35-39	47,000	46,794	43,829	44,974	48,200
40-44	52,747	52,794	47,852	44,864	46,084
45-49	58,539	58,329	52,893	48,060	45,260
50-54	55,444	55,554	57,016	51,865	47,401
55-59	45,041	45,314	53,741	55,419	50,714
60-64	34,711	35,047	43,208	51,629	53,646
65-69	23,903	24,134	32,894	40,860	49,242
70-74	16,533	16,681	22,168	30,322	37,889
75-79	12,420	12,453	14,618	19,450	26,715
80-84	10,342	10,396	10,118	11,849	15,772
85+	9,895	10,011	11,731	12,538	13,997
65+	73,093	73,675	91,529	115,019	143,616
Male Total	351,119	351,682	367,740	385,326	401,523
0-4	24,011	24,009	21,577	24,475	23,926
5-9	27,402	27,385	24,773	22,307	25,246
10-14	29,162	29,154	27,766	25,176	22,777
15-19	30,215	30,119	30,298	28,844	26,244
20-24	23,536	23,545	29,637	29,946	28,692
25-29	20,513	20,579	24,062	30,124	30,515
30-34	20,264	20,377	21,932	25,285	31,319
35-39	22,981	22,891	21,539	22,991	26,319
40-44	25,727	25,755	23,329	21,973	23,469
45-49	28,581	28,494	25,903	23,516	22,236
50-54	27,390	27,446	27,908	25,446	23,231
55-59	22,211	22,351	26,439	27,006	24,771
60-64	17,121	17,286	21,151	25,219	25,958
65-69	11,495	11,607	16,038	19,803	23,841
70-74	7,634	7,706	10,463	14,545	18,085
75-79	5,396	5,416	6,617	9,005	12,579
80-84	4,192	4,226	4,169	5,117	7,012
85+	3,288	3,336	4,140	4,548	5,302
65+	32,005	32,291	41,428	53,017	66,819
Female Total	352,343	352,810	364,893	379,071	392,553
0-4	23,104	23,103	20,578	23,342	22,819
5-9	26,213	26,200	23,859	21,299	24,100
10-14	27,557	27,568	26,748	24,406	21,887
15-19	25,928	25,835	27,053	26,369	24,212
20-24	18,699	18,700	23,997	25,509	25,179
25-29	19,311	19,340	19,423	24,679	26,235
30-34	20,972	21,071	20,864	20,806	26,002
35-39	24,019	23,903	22,290	21,983	21,881
40-44	27,020	27,039	24,523	22,891	22,615
45-49	29,958	29,835	26,990	24,544	23,024
50-54	28,054	28,108	29,108	26,419	24,171
55-59	22,830	22,963	27,302	28,413	25,942
60-64	17,590	17,761	22,057	26,410	27,688
65-69	12,408	12,527	16,856	21,058	25,401
70-74	8,899	8,975	11,705	15,777	19,804
75-79	7,024	7,037	8,001	10,445	14,136
80-84	6,150	6,170	5,949	6,733	8,761
85+	6,607	6,675	7,591	7,990	8,695
65+	41,088	41,384	50,101	62,002	76,797

1110.530
(g) Performance Requirements

The MS beds meet the minimum number of 100 required in an MSA.

I, Barbara J. Martin, CEO at Vista East do hereby attest to my good faith belief that by the end of 2019 the modernized medical surgical med category of service will reach target utilization of 85% and the pediatric beds will meet target occupancy of 65%.

Barbara J. Martin

Subscribed and sworn to before me this
2nd day of JUNE, 2015

Notary Public

"OFFICIAL SEAL"
MATTHEW S. SMITH
Notary Public, State of Illinois
My Commission Expires August 30, 2015

Availability of Funds
Financial Viability Waiver

The project will be funded solely through internal resources.

Economic Feasibility

The project will be funded solely through internal resources, which is less costly than borrowing.

Barbara J. Martin
CEO, Vista East

Subscribed and sworn to before me this
2nd day of June, 2015

"OFFICIAL SEAL"
MATTHEW S. SMITH
Notary Public, State of Illinois
My Commission Expires August 30, 2015

Notary Public

See attached chart reflecting the reasonableness of the costs per the State Board standards.

Cost and Gross Square Feet by Department or Service										
Location (Floor/ Wing)	Department (List Below)	A	B	C	D	E	F	G	H	
		Cost/ Square Foot		Gross Sq. Ft.		Gross Sq. Ft.		New Construction $	Modernization $	Total Cost
		New	Modernization	New	Circulation	Modernization	*Circulation	(A x C)	(B x E)	(G + H)
2 West North	Pediatric	0	$ 190.77	0	0	5130	16%	$ -	$ 978,669	$ 978,669
2 West South	Med/Surg	0	$ 201.63	0	0	3667	24%	$ -	$ 739,367	$ 739,367
3 West	Med/ Surg	0	$ 207.31	0	0	8585	20%	$ -	$ 1,779,796	$ 1,779,796
3 West Cntr	Med/ Surg	0	$ 193.22	0	0	4615	20%	$ -	$ 891,731	$ 891,731
3 Center	Med/ Surg	0	$ 257.43	0	0	1551	97%	$ -	$ 399,279	$ 399,279
3 East/ East Cntr	Med/ Surg	0	$ 199.49	0	0	10319	26%	$ -	$ 2,058,487	$ 2,058,487
4 West	Med/ Surg	0	$ 210.29	0	0	8070	22%	$ -	$ 1,697,024	$ 1,697,024
4 West Cntr	Med/ Surg	0	$ 195.84	0	0	3346	20%	$ -	$ 655,266	$ 655,266
4 Center	Med/ Surg	0	$ 218.56	0	0	2891	42%	$ -	$ 631,844	$ 631,844
4 East/ East Cntr	Med/ Surg	0	$ 212.34	0	0	10315	27%	$ -	$ 2,190,326	$ 2,190,326
TOTALS		0	$ 205.54	0	0	58489	26%	$ -	$ 12,021,788	$ 12,021,788

** Include the percentage (%) of space for circulation*

Non-Clin s.f.	Mod s.f.	Cir s.f.
687	5130	804
653	3667	877
1552	8585	1734
0	4615	910
147	1551	1501
619	10319	2734
2067	8070	1738
0	3346	664
273	2891	1225
623	10315	2746
	0	0
	58489	14933

Economic Feasibility

The direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion: $8.087.00 per equivalent patient day (projected 2019).

The total projected annual capital costs (in current dollars per equivalent patient day) for the first full year at target utilization (which is anticipated to be within two years following project completion): $144.00.

Safety Net Impact

To the applicants knowledge the impact on safety net services will be positive in that this project will maintain them.

The applicants do not have knowledge regarding cross subsidization of services.

Attached is a chart reflecting the prior three years charity and Medicaid care. I hereby certify it is accurate. I also certify that no patient will be turned away due to inability to pay, or any other discriminatory reason.

Barbara J. Martin
CEO, Vista East

Subscribed and sworn to before me this
2nd day of June, 2015

Notary Public

"OFFICIAL SEAL"
MATTHEW S. SMITH
Notary Public, State of Illinois
My Commission Expires August 30, 2015

Vista East

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**Year 2012**	**Year 2013**	**Year 2014**
Inpatient	472	507	114
Outpatient	663	922	400
Total	**1135**	**1429**	**514**
Charity (cost in dollars)			
Inpatient	3,698,982	5,209,168	1,757,793
Outpatient	1,097,304	1,489,578	369,652
Total	**4,796,286**	**6,698,746**	**2,127,445**
MEDICAID			
Medicaid (# of patients)	**Year 2011**	**Year 2012**	**Year 2013**
Inpatient	2709	2712	3690
Outpatient	42,119	42,678	48,976
Total	**44,828**	**45,390**	**52,666**
Medicaid (revenue)			
Inpatient	27,137,605	39,990,633	38,446,587
Outpatient	6,867,744	6,300,754	6,656,892
Total	**34,005,349**	**46,291,387**	**45,103,479**

Charity Care

CHARITY CARE – VISTA EAST			
	Year 2012	**Year 2013**	**Year 2014**
Net Patient Revenue	172,569,088	188,338,416	201,870,767
Amount of Charity Care (charges)	24,101,943	34,808,188	14,744,618
Cost of Charity Care	4,796,286	6,698,746	2,127,445