E-012-15

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SEP 15 2015

HEALTH FACILITIES & SERVICES REVIEW BOARD

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION FOR THE
CHANGE OF OWNERSHIP FOR AN EXISTING HEALTH CARE FACILITY

1. **INFORMATION FOR EXISTING FACILITY**

Current Facility Name Presence Holy Family Medical Center
Address 100 N. River Road
City Des Plaines Zip Code 60016 County Cook
Name of current licensed entity for the facility Presence Holy Family Medical Center
Does the current licensee: own this facility x OR lease this facility ____ (if leased, check if sublease □)
Type of ownership of the current licensed entity (check one of the following:) ____ Sole Proprietorship
x Not-for-Profit Corporation ____ For Profit Corporation ____ Partnership ____ Governmental
____ Limited Liability Company ____ Other, specify ____
Illinois State Senator for the district where the facility is located: Sen. Dan Kotowski
State Senate District Number 28th Mailing address of the State Senator
350 S. Northwest Highway, Suite 300, Park Ridge, IL 60068
Illinois State Representative for the district where the facility is located: Rep. Martin J. Moylan
State Representative District Number 55th Mailing address of the State Representative
24 S. Des Plaines River Road, Suite 400, Des Plaines, IL 60016

2. **OUTSTANDING PERMITS.** Does the facility have any projects for which the State Board issued a permit that will not be completed (refer to 1130.140 "Completion or Project Completion" for a definition of project completion) by the time of the proposed ownership change? Yes ☒ No □. If yes, refer to Section 1130.520(f), and indicate the projects by Project # 15-005 Proposed Ambulatory Surgery Center

3. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).
Exact Legal Name of Applicant Presence RHC Corporation (to be known as Presence Chicago Hospitals Network)
Address 200 S. Wacker Drive, 11th Floor
City, State & Zip Code Chicago, IL 60606
Type of ownership of the current licensed entity (check one of the following:) ____ Sole Proprietorship
x Not-for-Profit Corporation ____ For Profit Corporation ____ Partnership ____ Governmental
____ Limited Liability Company ____ Other, specify ____

4. **NAME OF LEGAL ENTITY THAT WILL BE THE LICENSEE/OPERATING ENTITY OF THE FACILITY NAMED IN THE APPLICATION AS A RESULT OF THIS TRANSACTION.**

Exact Legal Name of Entity to be Licensed Presence Chicago Hospitals Network d/b/a Presence Holy Family Medical Center
Address 100 N. River Road
City, State & Zip Code Des Plaines, IL 60016
Type of ownership of the current licensed entity (check one of the following:) ____ Sole Proprietorship
x Not-for-Profit Corporation ____ For Profit Corporation ____ Partnership ____ Governmental
____ Limited Liability Company ____ Other, specify ____

5. **BUILDING/SITE OWNERSHIP. NAME OF LEGAL ENTITY THAT WILL OWN THE "BRICKS AND** MORTAR" (BUILDING) OF THE FACILITY NAMED IN THIS APPLICATION IF DIFFERENT FROM THE OPERATING/LICENSED ENTITY

Exact Legal Name of Entity That Will Own the Site Presence Chicago Hospitals Network d/b/a Presence Holy Family Medical Center
Address 100 N. River Road
City, State & Zip Code Des Plaines, IL 60016
Type of ownership of the current licensed entity (check one of the following:) ____ Sole Proprietorship
x Not-for-Profit Corporation ____ For Profit Corporation ____ Partnership ____ Governmental
____ Limited Liability Company ____ Other, specify ____

3. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).

Exact Legal Name of Applicant Presence Holy Family Medical Center

Address 100 N. River Road

City, State & Zip Code Des Plaines, Il 60016

Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship

__x____ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental

_____ Limited Liability Company _____ Other, specify _____

6. **TRANSACTION TYPE. CHECK THE FOLLOWING THAT APPLY TO THE TRANSACTION:**
   - o Purchase resulting in the issuance of a license to an entity different from current licensee;
   - o Lease resulting in the issuance of a license to an entity different from current licensee;
   - o Stock transfer resulting in the issuance of a license to a different entity from current licensee;
   - o Stock transfer resulting in no change from current licensee;
   - ⊗ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee;
   - o Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee;
   - o Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity;
   - o Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets;
   - o Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility;
   - o Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee;
   - o Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets, and explain in "Attachment 3 Narrative Description"

7. **APPLICATION FEE.** Submit the application fee in the form of a check or money order for $2,500 payable to the Illinois Department of Public Health and append as **ATTACHMENT #1.**

8. **FUNDING.** Indicate the type and source of funds which will be used to acquire the facility (e.g., mortgage through Health Facilities Authority; cash gift from parent company, etc.) and append as **ATTACHMENT #2.**

9. **ANTICIPATED ACQUISITION PRICE: $** N/A (There is no cost to this project.)

10. **FAIR MARKET VALUE OF THE FACILITY: $** N/A (There is no cost to this project.)
    (to determine fair market value, refer to 77 IAC 1130.140)

11. **DATE OF PROPOSED TRANSACTION:** December 31, 2015

12. **NARRATIVE DESCRIPTION.** Provide a narrative description explaining the transaction, and append it to the application as **ATTACHMENT #3.**

13. **BACKGROUND OF APPLICANT** (co-applicants must also provide this information). Corporations and Limited Liability Companies must provide a current Certificate of Good Standing from the Illinois Secretary of State. Limited Liability Companies and Partnerships must provide the name and address of each partner/ member and specify the percentage of ownership of each. Append this information to the application as **ATTACHMENT #4.**

14. **TRANSACTION DOCUMENTS.** Provide a copy of the complete transaction document(s) including schedules and exhibits which detail the terms and conditions of the proposed transaction (purchase, lease, stock transfer, etc). Applicants should note that the document(s) submitted should reflect the applicant's (and co-applicant's, if applicable) involvement in the transaction. The document must be signed by both parties and contain language stating that the transaction is contingent upon approval of the Illinois Health Facilities and Services Review Board. Append this document(s) to the application as **ATTACHMENT #5.**

15. FINANCIAL STATEMENTS. (Co-applicants must also provide this information) Provide a copy of the applicants latest audited financial statements, and append it to this application as ATTACHMENT #6. If the applicant is a newly formed entity and financial statements are not available, please indicate by checking YES ____ , and indicate the date the entity was formed _____

16. **PRIMARY CONTACT PERSON.** Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).

Name: Clare C. Ranalli
Address: McDermott Will & Emery LLP
City, State & Zip Code: Chicago, IL 60606-5096
Telephone ( ) Ext. 312-984-3365

17. **ADDITIONAL CONTACT PERSON. Consultant, attorney, other individual who is also authorized to discuss this** application and act on behalf of the applicant.
Name: Shawn Albritton
Address: Presence Health, 200 S. Wacker Drive, 11th Floor
City, State & Zip Code: Chicago, IL 60606
Telephone ( ) Ext. 312-308-3937

18. **CERTIFICATION** Applicant Presence RHC Corporation
I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the number of beds within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

Signature of Authorized Officer Jeannie C. Frey

Typed or Printed Name of Authorized Officer Jeannie C. Frey

Title of Authorized Officer: Secretary

Address: 200 S. Wacker Drive

City, State & Zip Code: Chicago, IL 60606

Telephone (312) 308-3291 Date:

NOTE: complete a separate signature page for each co-applicant and insert following this page.

16. **PRIMARY CONTACT PERSON**. Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).

Name: Clare C. Ranalli
Address: McDermott Will & Emery, 227 West Monroe Street
City, State & Zip Code: Chicago, IL 60606-5096
Telephone ( ) Ext. 312-984-3365

17. **ADDITIONAL CONTACT PERSON. Consultant, attorney, other individual who is also authorized to discuss this** application and act on behalf of the applicant.

Name: Shawn Albritton
Address: Presence Health, 200 S. Wacker Drive, 11th Floor
City, State & Zip Code: Chicago, IL 60606
Telephone ( ) Ext. 312-308-3937

18. **CERTIFICATION** Co-Applicant Presence Holy Family Medical Center

I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the number of beds within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

Signature of Authorized Officer Jeannie C. Frey

Typed or Printed Name of Authorized Officer Jeannie C. Frey

Title of Authorized Officer: Secretary

Address: 200 S. Wacker Drive

City, State & Zip Code: Chicago, IL 60606

Telephone (312) 308-3291 Date:

NOTE: complete a separate signature page for each co-applicant and insert following this page.

ATTACHMENT #1

APPLICATION FEE

See attached application fee

ATTACHMENT #1

APPLICATION FEE

Attached is a copy of the original check for $15,000, which includes the $2500 COE application fee for the subject hospital corporation plus the $2500 COE application fees for each of the other five Presence Health hospital corporations that are all merging into Presence RHC Corporation (which will become known as Presence Chicago Hospitals Corporation) as part of the same transaction. The original check is attached the COE for Presence Resurrection Medical Center.

S2020

Presence Health™

Check Date: Sep/14/2015		Supplier Number: 1000003110	Supplier Name:IDPH		Check No: 141371
Invoice Number	**Invoice Date**	**Purchase Order Number**	**Gross Amount**	**Discount Taken**	**Paid Amount**
08/14/2015IDPH	Sep/14/2015		2,500.00	0.00	2,500.00
09/14/2015	Sep/14/2015		2,500.00	0.00	2,500.00
09/14/2015.IDPH	Sep/14/2015		2,500.00	0.00	2,500.00
09/14/2015IDPH	Sep/14/2015		2,500.00	0.00	2,500.00
150914IDPH	Sep/14/2015		2,500.00	0.00	2,500.00
IDPH09/14/2015	Sep/14/2015		2,500.00	0.00	2,500.00

Questions about this check can be addressed to 847-813-3926

Check Number	Date	Total Gross Amount	Total Discounts	Total Paid Amount
141371	Sep/18/2015	$15,000.00	$0.00	$15,000.00

REMOVE DOCUMENT ALONG THIS PERFORATION

Presence Health™

100 North River Road
Des Plaines, Illinois 60016
847.297.1800

Bank of America

2-3/710 IL 9/14/2015 141371

VOID VOID VOID VOID VOID

Void After 90 Days

Pay ****FIFTEEN THOUSAND AND XX/100 DOLLAR****

$15,000.00
AMOUNT

To The Order Of IDPH
525 W JEFFERSON
FL 4
SPRINGFIELD IL 62761-0001

Sandra Bruce
Authorized Signature

⑈141371⑈ ⑆071000039⑆ 867040754 9⑈

SEE REVERSE SIDE FOR OPENING INSTRUCTIONS

Presence Health™

100 North River Road
Des Plaines, Illinois 60016
847.297.1800

IDPH
525 W JEFFERSON
FL 4
SPRINGFIELD IL 62761-0001

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ATTACHMENT #2

FUNDING

The proposed change of ownership is an internal transfer of assets occurring as a result of the merger of corporate entities: i.e. of Presence Holy Family Medical Center with and into Presence RHC Corporation (to be known as Presence Chicago Hospitals Network) as the surviving corporation. There is no cost associated with this project.

ATTACHMENT #3

NARRATIVE DESCRIPTION

The hospital is currently operated and certified as Presence Holy Family Medical Center. After the change of ownership, the licensed and certified entity will be Presence Chicago Hospitals Network d/b/a Presence Holy Family Medical Center. This is an internal restructuring only and there is no cost associated with it.

Presence RHC Corporation (to be known as Presence Chicago Hospitals Network) is an existing Illinois not-for-profit corporation wholly owned by Presence Health Network.

ATTACHMENT #4

BACKGROUND OF APPLICANT

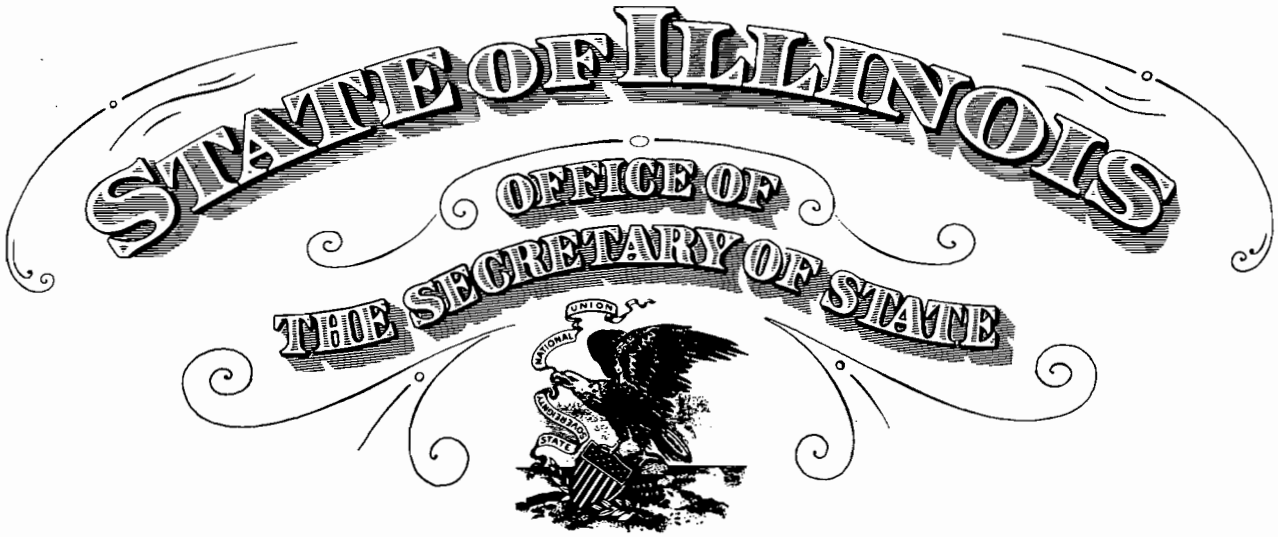
See attached:

1. Certificates of Good Standing of Presence RHC Corporation and Presence Holy Family Medical Center

2. Presence Holy Family Medical Center IDPH License

3. Overview of the corporate restructure of Presence hospital entities

File Number 3128-198-9



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

PRESENCE RHC CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 27, 1949, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

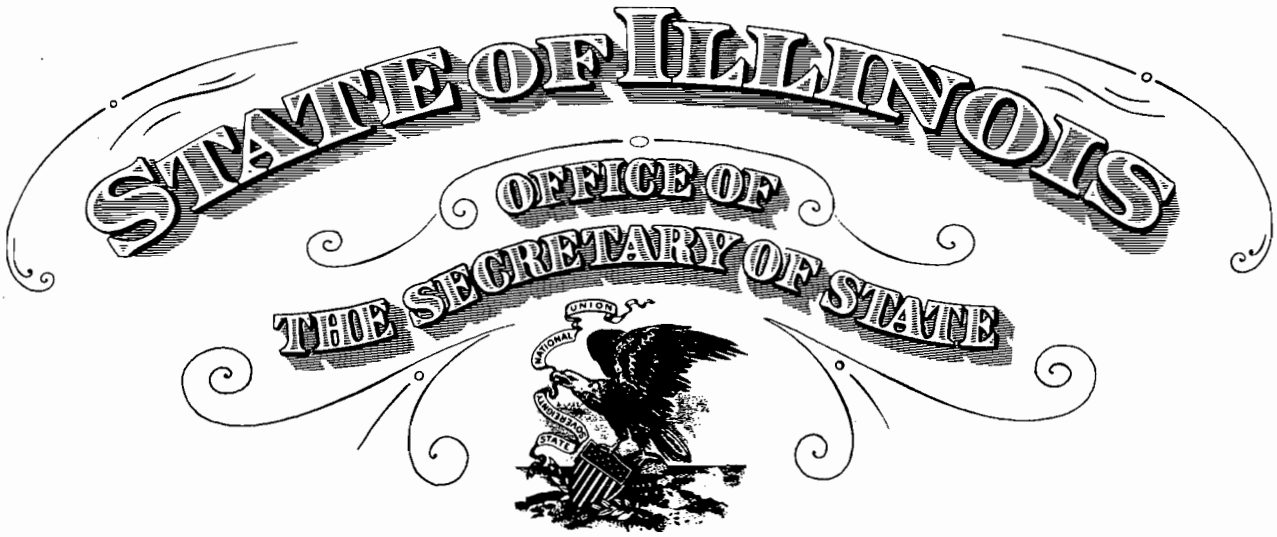
In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 14TH *day of* SEPTEMBER *A.D.* 2015 .

Authentication #: 1525701082 verifiable until 09/14/2016
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

File Number 3823-724-1



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

PRESENCE HOLY FAMILY MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 20, 1958, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 14TH *day of* SEPTEMBER *A.D.* 2015 .

Authentication #: 1525701102 verifiable until 09/14/2016
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

HF108341

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		0001008

Long Term Acute Care Hospital

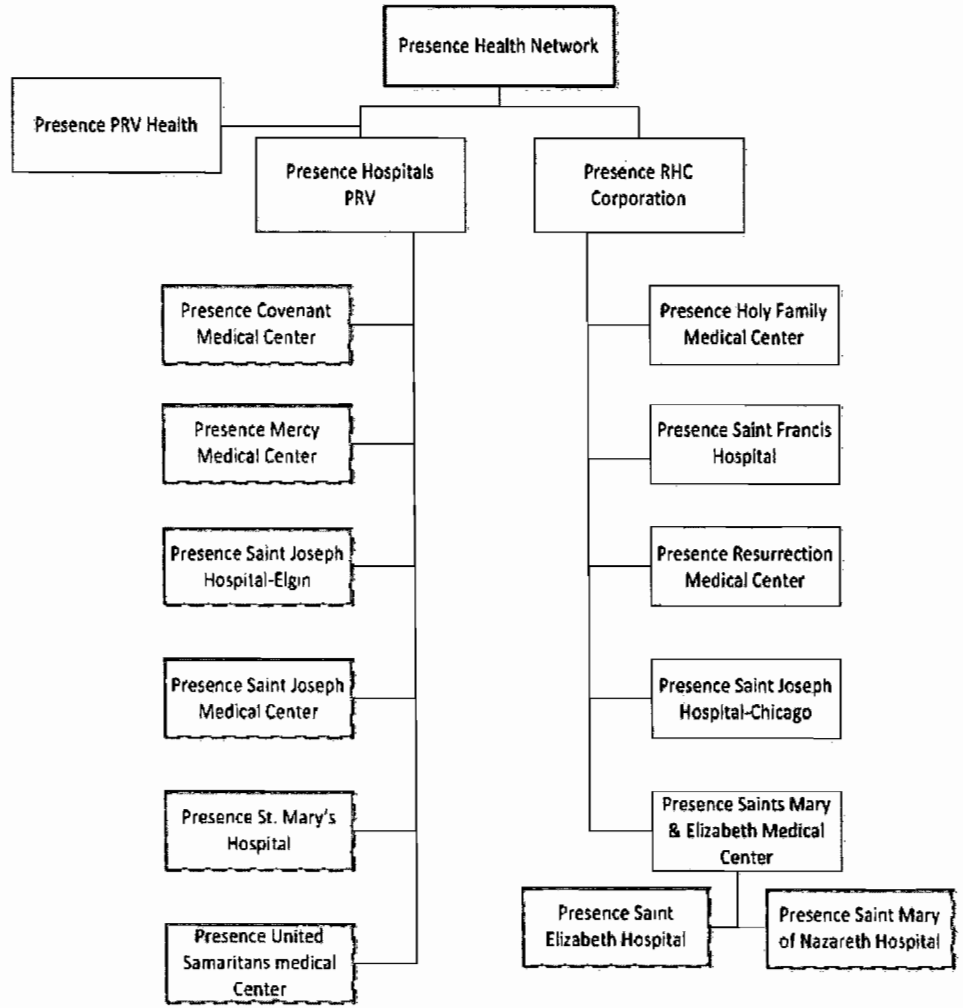
Effective: 07/01/2015

Presence Holy Family Medical Center
100 North River Road
Des Plaines, IL 60016

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

Overview: Corporate Restructure of Hospital Entities

Current State

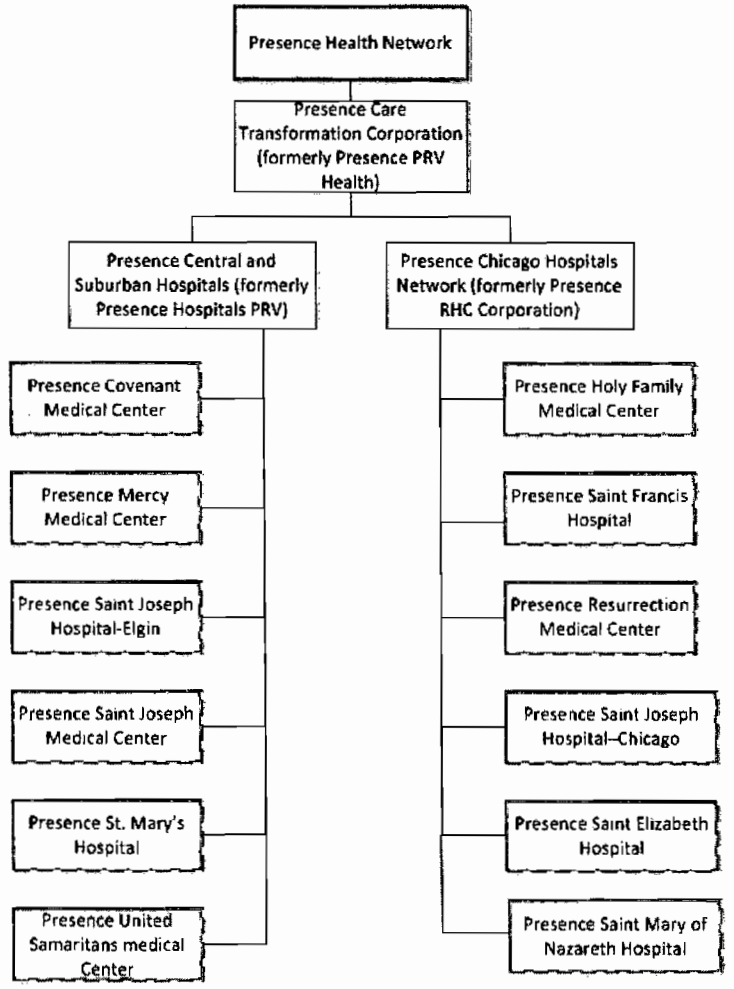


Key
- Blue rectangles = corporations
- Coral dotted rectangles = divisions of corporation

Presence Health℠

Overview: Corporate Restructure of Hospital Entities

Future State



Key

- Blue rectangles = corporations
- Coral dotted rectangles = divisions of corporation

Presence Health℠

ATTACHMENT #5

TRANSACTION DOCUMENT

Not applicable per recent change to authorizing statutes. However, attached is a Plan of Merger for Presence RHC Corporation and Presence Holy Family Medical Center. Presence RHC Corporation (to be known as Presence Chicago Hospitals Network) is the sole corporate member of Presence Holy Family Medical Center. Presence Holy Family Medical Center will be merged with and into Presence RHC Corporation (to be known as Presence Chicago Hospitals Network) as the surviving corporation.

AGREEMENT AND PLAN OF MERGER OF
PRESENCE RHC CORPORATION,
PRESENCE HOLY FAMILY MEDICAL CENTER,
PRESENCE RESURRECTION MEDICAL CENTER,
PRESENCE SAINT FRANCIS HOSPITAL,
PRESENCE SAINT JOSEPH HOSPITAL – CHICAGO, AND
PRESENCE SAINTS MARY AND ELIZABETH MEDICAL CENTER

Pursuant to the provisions of the Illinois General Not For Profit Corporation Act of 1986 (the "**Act**"), the undersigned corporations adopt this Agreement and Plan of Merger (this "**Plan of Merger**"), as follows:

FIRST: Merging Corporations. The names of the merging corporations are Presence Holy Family Medical Center, Presence Resurrection Medical Center, Presence Saint Francis Hospital, Presence Saint Joseph Hospital – Chicago, and Presence Saints Mary and Elizabeth Medical Center, each an Illinois not-for-profit corporation ("**Merging Corporations**").

SECOND: Surviving Corporation in the Merger. The name of the surviving corporation is Presence RHC Corporation, an Illinois not-for-profit corporation ("**Presence RHC Corporation**").

THIRD: Effective Date of the Merger. Effective as of December 31, 2015 (the "**Effective Date**"), the Merging Corporations shall merge with and into Presence RHC Corporation, with Presence RHC Corporation being the surviving corporation (the "**Merger**"). Articles of Merger shall not be filed with the Illinois Secretary of State to consummate the Merger until all regulatory approvals have been received, including approval of the Illinois Health Facilities and Services Review Board.

FOURTH: Articles of Incorporation of Surviving Corporation. As of the Effective Date, the Articles of Incorporation of Presence RHC Corporation shall continue in effect and be the Articles of Incorporation of the surviving corporation, provided that such Articles of Incorporation shall be amended, to be effective January 1, 2016, to change the name of Presence RHC Corporation to Presence Chicago Hospitals Network and to be consistent in all respects with the Articles of Incorporation of other affiliate Presence Health Network ("**Presence Health**") hospital corporations.

FIFTH: Corporate Bylaws of Surviving Corporation. As of the Effective Date, the corporate Bylaws of Presence RHC Corporation shall continue in effect and be the Bylaws of the surviving corporation, provided that such Bylaws shall be amended, to be effective as of January 1, 2016, to be consistent in all respects with the Bylaws of other affiliate Presence Health hospital corporations.

SIXTH: Resignation of the Merging Corporations' Directors. Immediately prior to the Effective Date, all members of the Board of Directors of the Merging Corporations and Presence RHC Corporation shall be deemed to have resigned, and new Board members shall be

appointed, pursuant to the procedures set forth in the Presence RHC Corporation Bylaws, to serve as the Directors of Presence RHC Corporation effective as of January 1, 2016.

SEVENTH: Member. Presence Health is the sole corporate member of Presence RHC Corporation. Effective as of January 1, 2016, the sole corporate member of Presence RHC Corporation, as the surviving corporation in the Merger shall be Presence Care Transformation Corporation, an Illinois not-for-profit corporation.

EIGHTH: Legal Effects of the Merger. The Merger shall have the following legal effects and consequences:

a) As of the Effective Date, the separate corporate existence of the Merging Corporations shall cease, as they each shall have merged into Presence RHC Corporation.

b) Presence RHC Corporation, as the surviving corporation, shall as of the Effective Date be deemed to have succeeded to and shall possess all the Merging Corporations' rights, privileges, powers and immunities, of a public or private nature, existing or accrued prior to the Effective Date.

c) As of the Effective Date, all property, real, personal and mixed, and all debts due on whatever account, and all other choses in action, and all and every other interest, of or belonging to the Merging Corporations shall be deemed to have been transferred by operation of law to, and vested in Presence RHC Corporation, without the requirement of any further act or deed. Title to any real estate, or any interest therein, vested in the Merging Corporations shall be vested in Presence RHC Corporation as of the Effective Date, and shall not revert or in any way be impaired by reason of the Merger.

d) As of the Effective Date, Presence RHC Corporation shall be responsible and liable for all debts, liabilities and obligations of the Merging Corporations, whether known or unknown, fixed or contingent. Neither the rights of creditors nor any liens upon the property of the Merging Corporations shall be impaired by the Merger.

e) Any bequest, devise, gift, grant or promise contained in a will or other instrument of donation, subscription or conveyance, which is made to one or more of the Merging Corporations, and which takes place after the Merger, shall be deemed to inure to Presence RHC Corporation, as the surviving corporation in the Merger (with usage thereof remaining subject to donor intent), unless the will or other instrument or applicable law specifically provides otherwise.

f) Any claim, action or proceeding pending by or against any or all of the Merging Corporations prior to the Effective Date may be prosecuted or continued on and after the Effective Date as if the Merger did not occur, or Presence RHC

Corporation, as the surviving corporation in the Merger, may be substituted in any such proceeding in the place of such Merging Corporation(s).

NINTH: Amendment. This Plan of Merger may be amended at any time prior to the filing of Articles of Merger with the Illinois Secretary of State, by resolution duly adopted by the Board of Directors of each of the Merging Corporations and Presence RHC Corporation, consistent with the provisions of the Act.

TENTH: Abandonment. After this Plan of Merger is adopted, the planned Merger may be abandoned at any time prior to the filing of the Articles of Merger, by a resolution duly adopted by the Board of Directors of either of the Merging Corporations or Presence RHC Corporation.

[**Signatures on following page**.]

This Agreement and Plan of Merger is hereby executed by a duly-authorized officer of each of the parties to the Merger, effective as of the date first written above.

PRESENCE RHC CORPORATION

Signature: Jeannie C. Frey

Jeannie C. Frey, Secretary

PRESENCE HOLY FAMILY MEDICAL CENTER

Signature: Jeannie C. Frey

Jeannie C. Frey, Secretary

PRESENCE RESURRECTION MEDICAL CENTER

Signature: Jeannie C. Frey

Jeannie C. Frey, Secretary

PRESENCE SAINT FRANCIS HOSPITAL

Signature: Jeannie C. Frey

Jeannie C. Frey, Secretary

PRESENCE SAINT JOSEPH HOSPITAL – CHICAGO

Signature: Jeannie C. Frey

Jeannie C. Frey, Secretary

PRESENCE SAINTS MARY AND ELIZABETH MEDICAL CENTER

Signature: Jeannie C. Frey

Jeannie C. Frey, Secretary

Legal Affairs\Gov Restru Proj\Corp Reorg\Hospital Reorg\Legacy Resurrection Hospitals_Plan of Merger_FINAL_09.14.2015.doc

ATTACHMENT # 6

FINANCIAL STATEMENTS

The 2014 Consolidated Financial Statements of Presence Health Network and Affiliates are attached to the Presence Resurrection Medical Center certificate of exemption application and are the same financials that pertain to this application. In order to reduce bulk and copying waste an additional copy has not been attached to this application.