

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR EXEMPTION

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION SEP 17 2015

This Section must be completed for all projects.

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

**Facility/Project Identification**

Facility Name: St. Mary's Hospital		
Street Address: 111 Spring Street		
City and Zip Code: Streator 61364		
County: LaSalle	Health Service Area 2	Health Planning Area: C02

**Applicant /Co-Applicant Identification**

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

Exact Legal Name: St. Mary's Hospital, Streator, of the Hospital Sisters of the Third Order of St. Francis
Address: 111 Spring Street, Streator, IL 61364
Name of Registered Agent: Amy K. Bulpitt
Name of Chief Executive Officer: John Flanders
CEO Address: 111 Spring Street, Streator, IL 61364
Telephone Number: (815) 673-4500

**Type of Ownership of Applicant/Co-Applicant**

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o 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 W. 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: Joshua Campos
Title: Manager, Strategic Planning
Company Name: Hospital Sisters Health System
Address: P.O. Box 19456, 4936 Laverna Road, Springfield, IL 62707
Telephone Number: (217) 492-6156
E-mail Address: joshua.campos@hshs.org
Fax Number:

NOTE: Being used in lieu of exemption application until one is available

**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: Joshua Campos
Title: Manager, Strategic Planning
Company Name: Hospital Sisters Health System
Address: P.O. Box 19456, 4936 Laverna Road, Springfield, IL 62707
Telephone Number: (217) 492-6156
E-mail Address: joshua.campos@hshs.org
Fax Number:

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Hospital Sisters Health System
Address of Site Owner: 4296 Laverna Road, Springfield, IL 62707
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: St. Mary's Hospital Streator
Address: 111 Spring Street, Streator, IL 61364
<input checked="" type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> <li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li> <li>o 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.</li> <li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li> </ul>
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.

NOTE: Being used in lieu of exemption application until one is available

**Flood Plain Requirements Not Applicable**

[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](http://www.FEMA.gov) or [www.illinoisfloodmaps.org](http://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 Not Applicable**

[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

**N/A – Exemption to Discontinue Category of Service**

NOTE: Being used in lieu of exemption application until one is available

## 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.

St. Mary's Hospital Streator intends to discontinue its entire hospital (see attached for hospital services) upon the Illinois Health Facilities and Planning Board's issuance of an exemption allowing it to do so.

This project is subject to an exemption under the current authorizing statute.

HSHS will notify the appropriate state senator and representative within thirty (30) days of the issuance of an exemption to discontinue St. Mary's Hospital, Streator.

NOTE: Being used in lieu of exemption application until one is available

**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			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)	N	/	A
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>			
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
<b>TOTAL SOURCES OF FUNDS</b>			
<b>NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>			



NOTE: Being used in lieu of exemption application until one is available

**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.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>REVIEWABLE</b>							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
			<b>N</b>	<b>/</b>	<b>A</b>		
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>							

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

NOTE: Being used in lieu of exemption application until one is available

**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**.

<b>FACILITY NAME: St. Mary's Hospital</b>		<b>CITY: Streator</b>			
<b>REPORTING PERIOD DATES:</b>		<b>From: 7/01/2013 to 6/30/2014:</b>			
<b>Category of Service</b>	<b>Authorized Beds</b>	<b>Admissions</b>	<b>Patient Days</b>	<b>Bed Changes</b>	<b>Proposed Beds</b>
Medical/Surgical	79	1,086	4,342	-79	0
Obstetrics*					
Pediatrics	3	16	37	-3	0
Intensive Care	8	295	1,087	-8	0
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify))					
<b>TOTALS:</b>	<b>90</b>	<b>1,397</b>	<b>5,466</b>	<b>-90</b>	<b>0</b>

\*7 Obstetrics Beds where discontinued during this reporting period

NOTE: Being used in lieu of exemption application until one is available

CERTIFICATION

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

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

This Application for Permit is filed on the behalf of St. Mary's, Streator of the Hospital Sisters of the Third Order of St. Francis 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.

John Flanders  
SIGNATURE

Karen S. Clark  
SIGNATURE

John Flanders  
PRINTED NAME

Karen Clark  
PRINTED NAME

CEO  
PRINTED TITLE

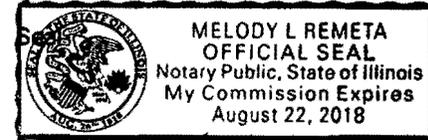
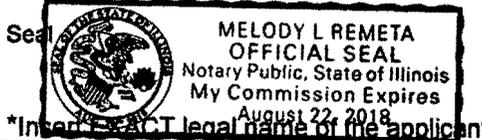
CFO  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 16<sup>th</sup> day of September, 2015

Notarization:  
Subscribed and sworn to before me  
this 16<sup>th</sup> day of September, 2015

Melody L. Remeta  
Signature of Notary

Melody L. Remeta  
Signature of Notary



\*Insert exact legal name of the applicant

NOTE: Being used in lieu of exemption application until one is available

**CERTIFICATION**

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

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

This Application for Permit is filed on the behalf of Hospital Sisters Health System 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.

Mary Starmann Harrison  
SIGNATURE

Peter M. Mannix  
SIGNATURE

Mary Starmann-Harrison  
PRINTED NAME

Peter Mannix  
PRINTED NAME

CEO  
PRINTED TITLE

Vice President, Strategy Development & Implementation  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 16 day of Sept, 2015

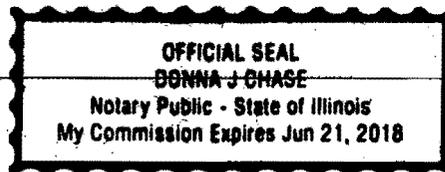
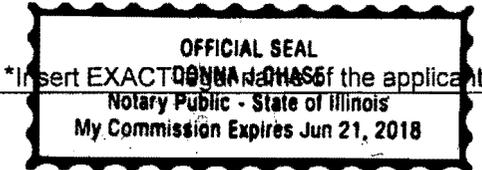
Notarization:  
Subscribed and sworn to before me  
this 16 day of Sept, 2015

Donna J. Chase  
Signature of Notary

Donna J. Chase  
Signature of Notary

Seal

Seal



NOTE: Being used in lieu of exemption application until one is available

**CERTIFICATION**

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

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

This Application for Permit is filed on the behalf of Hospital Sisters Service, 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.

*Mary Starmann-Harrison*  
SIGNATURE

*Peter M. Mannix*  
SIGNATURE

Mary Starmann-Harrison  
PRINTED NAME

Peter Mannix  
PRINTED NAME

CEO  
PRINTED TITLE

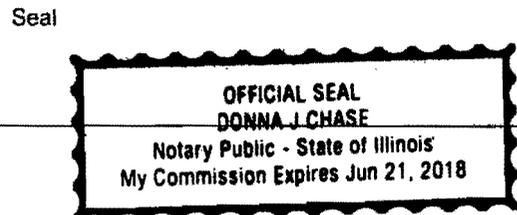
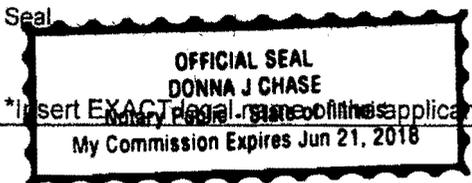
Vice President, Strategy Development & Implementation  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 16 day of Sept, 2015

Notarization:  
Subscribed and sworn to before me  
this 16 day of Sept, 2015

*Donna J Chase*  
Signature of Notary

*Donna J Chase*  
Signature of Notary



NOTE: Being used in lieu of exemption application until one is available

**SECTION II. DISCONTINUATION**

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

**Criterion 1110.130 - Discontinuation**

READ THE REVIEW CRITERION and provide the following information:

**GENERAL INFORMATION REQUIREMENTS**

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

**REASONS FOR DISCONTINUATION**

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

**IMPACT ON ACCESS**

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

**APPEND DOCUMENTATION AS ATTACHMENT-10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

NOTE: Being used in lieu of exemption application until one is available

**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			
<b>Total</b>			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
<b>Total</b>			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
<b>Total</b>			
Medicaid (revenue)	Year	Year	Year
Inpatient			
Outpatient			
<b>Total</b>			

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

NOTE: Being used in lieu of exemption application until one is available

**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.

NOTE: Being used in lieu of exemption application until one is available

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:

<b>INDEX OF ATTACHMENTS</b>		
<b>ATTACHMENT NO.</b>		<b>PAGES</b>
1	Applicant/Coapplicant Identification including Certificate of Good Standing	16 – 19
2	Site Ownership	20 – 25
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	26 – 28
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	29
5	Flood Plain Requirements	-
6	Historic Preservation Act Requirements	-
7	Project and Sources of Funds Itemization	-
8	Obligation Document if required	-
9	Cost Space Requirements	-
10	Discontinuation	30 – 33
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	-
17	Assurances for Unfinished/Shell Space	-
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19	Mergers, Consolidations and Acquisitions	-
		-
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22	Acute Mental Illness	-
23	Neonatal Intensive Care	-
24	Open Heart Surgery	-
25	Cardiac Catheterization	-
26	In-Center Hemodialysis	-
27	Non-Hospital Based Ambulatory Surgery	-
28	Selected Organ Transplantation	-
29	Kidney Transplantation	-
30	Subacute Care Hospital Model	-
31	Children's Community-Based Health Care Center	-
32	Community-Based Residential Rehabilitation Center	-
33	Long Term Acute Care Hospital	-
34	Clinical Service Areas Other than Categories of Service	-
35	Freestanding Emergency Center Medical Services	-
		-
	<b>Financial and Economic Feasibility:</b>	-
36	Availability of Funds	-
37	Financial Waiver	-
38	Financial Viability	-
39	Economic Feasibility	-
40	Safety Net Impact Statement	34-35
41	Charity Care Information	36

### **Ownership of Applicant/Co-Applicants**

St. Mary's Hospital, Streator, is an Illinois not-for-profit corporation. See attached certificates of good standing for St. Mary's Hospital, Hospital Sisters Health System and Hospital Sisters Service Corporation.

Co-applicants include:

Hospital Sisters Health System and Hospital Sisters Service, Inc., both Illinois not-for-profit corporations located at 4296 Laverna Road, Springfield, IL 62707.

File Number

3528-160-6



**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*

ST. MARY'S HOSPITAL, STREATOR, OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1955, 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.



Authentication #: 1525203294 verifiable until 09/09/2016  
Authenticate at: <http://www.cyberdr veilinois.com>

**In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 9TH day of SEPTEMBER A.D. 2015 .**

*Jesse White*

SECRETARY OF STATE

File Number

5325-639-2



**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*

HOSPITAL SISTERS SERVICES, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 04, 1983, 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.



Authentication #: 1525901840 verifiable until: 09/16/2016  
Authenticate at: <http://www.cyberdriveillinois.com>

**In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 16TH day of SEPTEMBER A.D. 2015 .**

*Jesse White*

SECRETARY OF STATE

File Number

5163-355-5



**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*

HOSPITAL SISTERS HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 26, 1978, 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.



Authentication #: 1525901744 verifiable until 09/16/2016  
Authenticate at: <http://www.cyberdriveillinois.com>

**In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 16TH day of SEPTEMBER A.D. 2015 .**

*Jesse White*

SECRETARY OF STATE

### **Ownership of Site**

The Hospital Sisters Health System, an Illinois not-for-profit corporation, owns the land and building where St. Mary's is located (see attached).

Upon discontinuation of the hospital, the land and hospital building(s) are being donated to OSF Healthcare System, another Illinois not-for-profit corporation.

THIS INDENTURE Made this 21st day of September, A.D. 1962, between HARLAND D. WARREN, Master in Chancery of the Circuit Court of La Salle County, in the State of Illinois, Party of the First Part, and SAINT MARY'S HOSPITAL, STREATOR OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, STREATOR, ILLINOIS, Party of the Second Part, WITNESSETH:

Whereas, in pursuance of a decree entered by the Circuit Court of said La Salle County, on the 28th day of July, A.D. 1961, being one of the days of the regular July Term of said Court, in a certain cause then pending therein, on the chancery side thereof, wherein The Union National Bank of Streator, was Plaintiff, and Delbert H. Baker, et al, were Defendants, being General No. 61-4-278, the Master in Chancery of said Court duly advertised, according to law, the terms of said decree, the premises hereinafter described, for sale at public auction, to the highest bidder for cash, at the hour of 2:00 o'clock P. M., in the afternoon, on the 13th day of September, A.D. 1961, at the North door of the County Courthouse in the City of Ottawa, La Salle County, Illinois;

And, Whereas, at the time and place so, as aforesaid, appointed for said sale, and said Master in Chancery attended to make the same, and offered and exposed said premises for sale, at public auction, to the highest bidder for cash, and thereupon The Union National Bank of Streator, offered and bid therefor the sum of Two Thousand Ninety-three and 62/100 (\$2,093.62) Dollars; and that being the highest bid offered, said Master in Chancery accordingly struck off and sold to said The Union National Bank of Streator, for said sum of money, the said premises, and did thereupon sign, seal and deliver to said The Union National Bank of Streator, the usual Master's certificate therefor.

And, Whereas, on the 12th day of September, A. D. 1962, the said Union National Bank of Streator, Illinois, for value received, did sell, assign, transfer and set over unto Saint Mary's Hospital, Streator of the Hospital Sisters of the Third Order of St. Francis, Streator, Illinois, all its right, title and interest in the aforesaid Master's Certificate:

And, Whereas said premises have not been redeemed from said sale:

NOW, THEREFORE, in consideration of the premises, the said Party of the First Part doth hereby convey unto the said Party of the Second Part, its heirs and assigns, the said premises, which are situated in the County of La Salle and State of Illinois, and described as follows, to-wit:

Lots One (1) and Two (2), except the South 45 feet of Lot Two (2), in Block Two (2), in South Park Addition to Streator, except underlying coal and mineral rights as heretofore reserved, situated in the County of La Salle and State of Illinois;

To have and to hold the same, with all the appurtenances there-  
unto belonging, unto the said Party of the Second Part, its heirs and  
assigns forever.

WITNESS the hand and seal of the said Party of the First  
Part, the day and year first above written.

Harland D. Warren (SEAL)

State of Illinois, )  
                          ) SS.  
County of La Salle. )

I, Olive Jorstad, a Notary Public, in and for said County, in  
the State aforesaid, do hereby certify that HARLAND D. WARREN, who  
is personally known to me as the same person whose name is sub-  
scribed to the foregoing deed, appeared before me this day in person,  
and acknowledged that he signed, sealed and delivered the said in-  
strument in writing, as Master in Chancery, as his free and voluntary  
act, for the uses and purposes therein set forth.

Given under my hand and seal, this 21st day of September, A.D.  
1962.

Olive Jorstad  
Notary Public



JUN 24 1964

1183 PAGE 311

16 18 11

488877

STATE OF ILLINOIS } ss. No.  
County of La Salle }  
Filed for record this 27<sup>th</sup> day of  
Sept. A.D. 1963 at 10:30 o'clock  
A. M. and recorded in Book 1183  
of Records, Page 310  
A. O. Mueller  
Recorder

Record and Return to R A POWERS  
Care Strateg, Illinois 2 7/2

*[Handwritten signature]*

Document No. **488611**

Filed and Recorded September 14, 1962 at 9:00 o'clock P. M.

A. O. Mueller Recorder.

THE GRANTORS, Delbert H. Baker and Rosemary Baker, individually and as  
husband and wife.

of the \_\_\_\_\_  
in the County of \_\_\_\_\_ and State of Illinois, for and in consideration  
of the sum of One (\$1.00) Dollar and other good and valuable consideration, now and  
in hand paid, CONVEY and WARRANT to Saint Mary's Hospital, Sireator of the  
Hospital Sisters of The Third Order of St. Francis, Sireator, Illinois,  
of the City of Streator, County of La Salle,  
and State of Illinois, the following-described real estate, to wit:

Lots One and Two in Block Two, excepting therefrom the South forty-five feet  
of said Lot Two, in South Park Addition to Streator, excepting underlying coal  
and mining rights as heretofore reserved,



Situated in the County of La Salle, in the State of Illinois, hereby releasing and waiving all rights under and by virtue  
of the Homestead Exemption Laws of this State.

Dated this 13th day of September A. D. 1962.

Signed, Sealed and Delivered in the presence of

Delbert H. Baker (SEAL)  
Rosemary Baker (SEAL)  
(Rosemary Baker) (SEAL)

STATE OF ILLINOIS, )  
COUNTY OF LA SALLE, ) A. Alwyn Bowen, a notary public,

in and for said County, in the State aforesaid, Do Hereby Certify, that Delbert H. Baker and Rosemary  
Baker, individually and as husband and wife,

personally known to me to be the same persons whose name is subscribed to the foregoing instrument, appeared  
before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their  
free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of  
redemption.

Given under my hand and notarial seal, this 13th day of September A. D. 1962.

A. Alwyn Bowen  
Notary Public

FRIDAY SEP 14 1982

WARRANTY DEED  
(STATUTORY FORM)

Delbert H. Baker and wife

TO

Saint Mary's Hospital, Streator of  
the Hospital Sisters of the Third  
Order of St. Francis, Streator, Ill.

STATE OF ILLINOIS ) ss. No. 488611  
County of La Salle

Filed for record this 14 day of  
Sept. A.D. 1982 at 9:05 AM  
and recorded in Book 1183  
of Records, Page 201

A. O. Mueller  
Recorder

RECORDS and INFORMATION  
Streator, Illinois  
TOWERS  
Streator  
Illinois

MAIL TAX BILL TO:

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_

Operating Identity/Licensee

See attached certificate of good standing and license for St. Mary's Hospital, Streator.

File Number

3528-160-6



**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*

ST. MARY'S HOSPITAL, STREATOR, OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1955, 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.



Authentication # 1525203294 verifiable until 09/09/2016  
Authenticate at: <http://www.cyberdr.vellinots.com>

**In Testimony Whereof, I hereto set  
my hand and cause to be affixed the Great Seal of  
the State of Illinois, this 9TH  
day of SEPTEMBER A.D. 2015 .**

*Jesse White*

SECRETARY OF STATE



**Illinois Department of  
PUBLIC HEALTH**

HF108291

**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	ID NUMBER
06/30/2016		0002659
<b>General Hospital</b>		
Effective: 07/01/2015		

**St. Mary's Hospital**  
111 East Spring Street  
Streator, IL 61364

← DISPLAY THIS PART IN A  
CONSPICUOUS PLACE

Exp. Date 06/30/2016

Lic Number 0002659

Date Printed 05/12/2015

St. Mary's Hospital

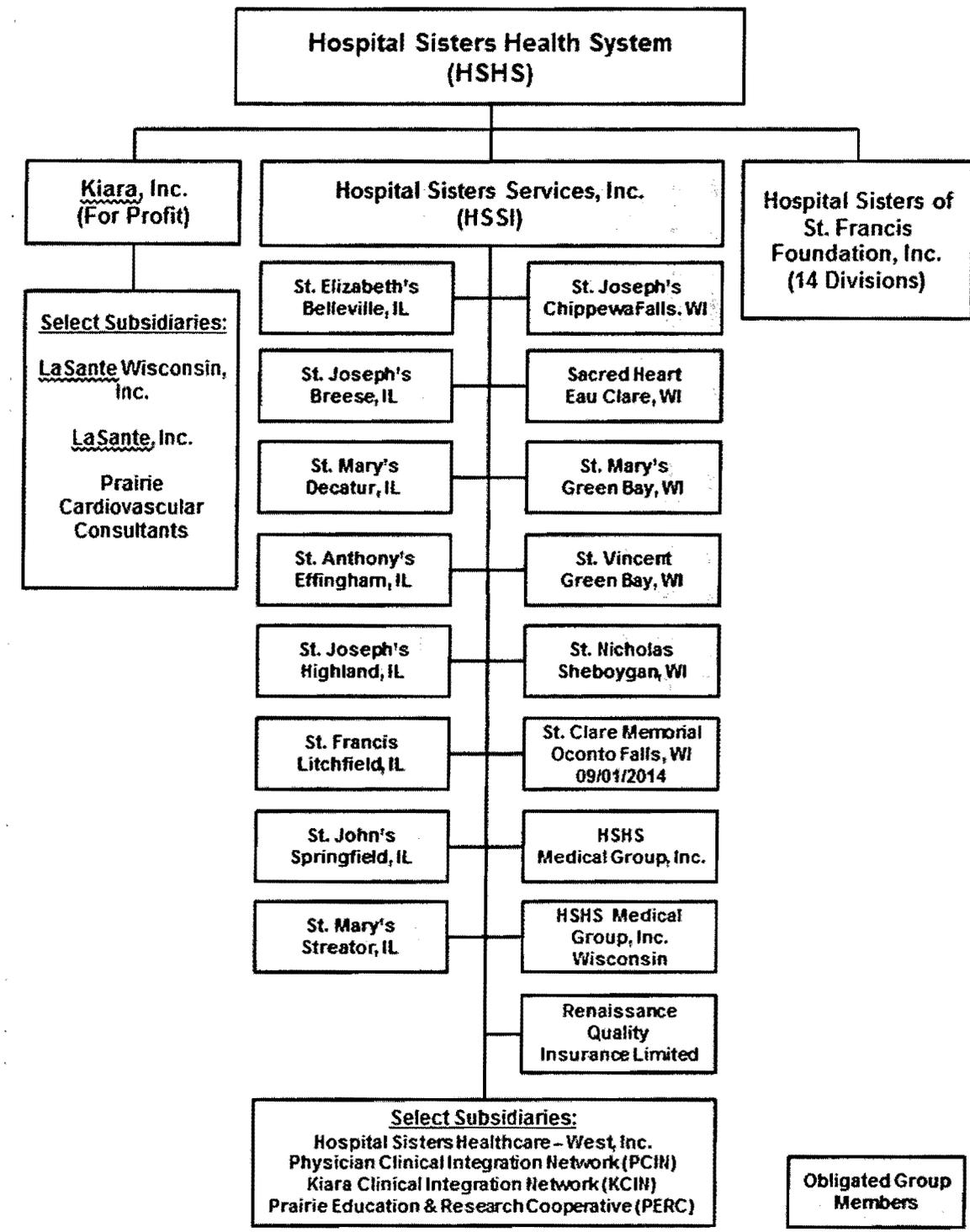
111 East Spring Street  
Streator, IL 61364

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

FEE RECEIPT NO.

Organizational Relationships

HSHS Organization Chart



## Discontinuation

### GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.

**The entire hospital is being discontinued. See attached.**

2. Identify all of the other clinical services that are to be discontinued.

**See above.**

3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.

**December 31, 2015**

4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.

**The hospital's physical plant (building) is being donated to OSF Healthcare System, which has agreed to provide outpatient services there. In addition, OSF has agreed to construct a new building for the provision of outpatient services within 2-3 years of St. Mary's discontinuation, with the understanding the current buildings will be sold, re-purposed or demolished with the remaining green lot being maintained.**

5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.

**All medical records will be maintained by Hospital Sisters Health System in compliance with state and federal law. Patients will be notified upon inquiry regarding how to obtain a copy of their records.**

6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

**See attached.**

### REASONS FOR DISCONTINUATION

**HSHS and St. Mary's Streator have been committed to providing the people of Streator, and surrounding communities, high quality health care for over 100 years. Significant time and effort have been expended in identifying the best model of care for the Streator community in the future. HSHS leadership believes the best model for Streator is one in which an integrated health care system provides care in a robust ambulatory setting. Therefore, the hospital acute care services are being discontinued due to lack of inpatient volume and need, coupled with OSF Healthcare's commitment to appropriately transition and operate healthcare services in the Streator community through a robust, ambulatory care center. OSF has committed to operate a robust ambulatory clinic and provide certain outpatient services in the community, including imaging services, rehabilitation services, laboratory services, and a 24-hour urgent care clinic. HSHS is geographically focused on the Central and Southern regions of Illinois. It has become increasingly difficult for the system to provide specialty and other services required for continuity of care in the Streator, Illinois area. OSF is more geographically proximate, with OSF St. Elizabeth's Hospital (19 miles away) in Ottawa, a hospital in Pontiac (34 miles away) and its tertiary facility, St. Francis Medical Center, in Peoria. The community will be served well via**

**robust outpatient services per the arrangement with OSF, as well as by the availability of the previously mentioned area hospitals.**

## **IMPACT ON ACCESS**

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.

**With OSF committing to (1) provide primary and specialty physician and clinic services, (2) establish a 24-hour urgent care clinic, and (3) maintain laboratory, imaging and rehabilitation services, the community will still retain access to significant healthcare services that meet the changing needs of the community. Any negative impact will be mitigated by the construction of a robust, ambulatory care center that will include a 24-hour urgent care clinic, imaging, rehabilitation and laboratory services. Acute care services will continue to be available in nearby Ottawa, Illinois and other locations in the service area (e.g. OSF St. Elizabeth's services 33.48% of the service area and OSF St. Francis in Peoria serves 15.93%; also Morris Hospital, Illinois Valley Community Hospital, OSF St. James and OSF St. Joseph serve less than 5% each respectively). The CON occupancy rate for in-patient medical surgical at St. Mary's, Streator is 18.2%, for pediatric is 3.6% and for intensive care is 41.4%. HSHS, the EMS Coordinator and OSF will work on issues associated with the delivery of emergency services and while the closure of the emergency department will have some impact on emergency services, OSF St. Elizabeth's has provided a letter (attached) acknowledging its ability to provide care and treatment to patients who otherwise might have been brought to or presented to St. Mary's. The drive via ambulance from most of Streator's zip codes is approximately 19 minutes. In addition, one of OSF's goals is to develop a freestanding emergency center in Streator. However, doing so would require an analysis of the need for same as well as a change to the Emergency Medical Services Act and Health Facilities & Services Review Board's rules and regulations. At a minimum, OSF has committed to providing 24-hour urgent care services in Streator. HSHS was reluctant to discontinue the hospital without the commitment from another mission oriented health care provider such as OSF. HSHS believes that given its arrangement with OSF, there will be continued access to appropriate outpatient-focused healthcare within the Streator community.**

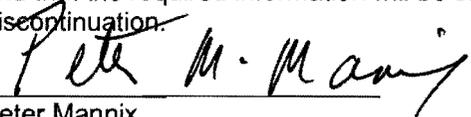
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.

**N/A per technical assistance, since the discontinuation of a category of service is now subject to an exemption.**

3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

**N/A per technical assistance.**

I, Peter Mannix, Vice President for Hospital Sisters Health System do hereby certify that all questionnaires and data required by HFSRB or IDPH will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

  
Peter Mannix

Subscribed and sworn to before me this

16 day of Sept, 2015

  
Notary Public





September 17, 2015

Ms. Mary Starmann-Harrison  
Chief Executive Officer  
Hospital Sisters Health System  
4936 LaVerna Road  
Springfield, IL 62707

**Re: Discontinuation of St. Mary's Hospital, Streator**

Dear Ms. Starmann-Harrison:

I am writing in support of the efforts that have been made over the last several months to arrive at a transition plan that ensures that the residents of Streator continue to have access to healthcare services. We share the same philosophy in terms of how we want to provide health care in the communities we serve. OSF Saint Elizabeth Medical Center has capacity to provide inpatient and emergency services to residents of Streator and the surrounding service area, and any of the patients St. Mary's Hospital previously served. These inpatient services are important to assure continuity of care for Streator residents.

Given our regional presence in the Streator area, we are pleased to be able to work together to create a model for healthcare in the Streator community that will serve its residents now and in the future. We are excited to move forward with our plans to construct a robust ambulatory center for the residents of Streator that will provide dedicated specialty care, physician services, imaging services, rehabilitation services, laboratory services and 24-hour urgent care services. As you are aware, we intend to pursue legislation that would allow us to operate a free-standing emergency department in Streator, which would further enhance the services available to Streator residents.

As you know, consistent with the practices of HSHS, OSF Healthcare System accepts all patients, regardless of payer status and/or ability to pay. We look forward to continuing to work with HSHS and the Streator community to deliver this new model of care.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. D. Schoepfle'.

Kevin D. Schoepfle  
Chief Executive Officer  
OSF Healthcare System

cc: Mr. John Flanders, President & CEO, St. Mary's Hospital

800 N.E. Glen Oak Avenue, Peoria, Illinois 61603-3200 Phone (309) 655-2850 www.osfhealthcare.org  
DM\_US 64162424-1.T13706.0010 The Sisters of the Third Order of St. Francis

**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.*

**To the applicant's knowledge, the proposed discontinuation will have no material impact on essential safety net services as to the community.**

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.*

**To the applicant's knowledge, the project will have no impact on the ability of any other provider or health care system to cross subsidize safety net services.**

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.*

**To the applicant's knowledge, the discontinuation of St. Mary's Hospital, Streator will not impact safety net services in the service area. The availability of continued outpatient services in Streator and the capacity at other nearby hospitals will continue to make safety net services available to those in need.**

### Safety Net Information

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year 2012	Year 2013	Year 2014
Inpatient	226	260	221
Outpatient	1,743	2,118	2,762
<b>Total</b>	<b>1,969</b>	<b>2,378</b>	<b>2,983</b>
Charity (cost in dollars)			
Inpatient	565,791	576,909	410,367
Outpatient	1,803,302	1,803,176	1,512,743
<b>Total</b>	<b>\$2,369,093</b>	<b>\$2,380,085</b>	<b>\$1,923,110</b>
MEDICAID			
Medicaid (# of patients)	Year 2012	Year 2013	Year 2014
Inpatient	214	192	216
Outpatient	8,746	8,543	9,460
<b>Total</b>	<b>8,960</b>	<b>8,735</b>	<b>9,676</b>
Medicaid (revenue)			
Inpatient	1,915,079	386,272	942,301
Outpatient	2,474,631	3,989,172	3,630,488
<b>Total</b>	<b>\$4,389,710</b>	<b>\$4,375,444</b>	<b>\$4,572,789</b>

### Charity Care

CHARITY CARE			
	Year 2012	Year 2013	Year 2014
<b>Net Patient Revenue</b>	51,798,511	46,234,430	41,058,054
Amount of Charity Care (charges)	7,893,451	8,138,739	7,100,436
Cost of Charity Care	2,369,093	2,389,085	1,923,110