

ORIGINAL

E-046-14

APPLICATION FOR EXEMPTION FOR THE CHANGE OF OWNERSHIP FOR AN EXISTING HEALTH CARE FACILITY

RECEIVED

OCT 31 2014

1. INFORMATION FOR EXISTING FACILITY

Current Facility Name St. Alexius Medical Center HEALTH FACILITIES & SERVICES REVIEW BOARD
Address 1555 N. Barrington Road
City Hoffman Estates, IL Zip Code 60194 County Cook
Name of current licensed entity for the facility St. Alexius 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. Michael Noland
State Senate District Number 22 Mailing address of the State Senator
164 Division Street, Suite 412 Elgin, IL 60120
Illinois State Representative for the district where the facility is located: Rep. Fred Crespo
State Representative District Number 44 Mailing address of the State Representative
1014 East Schaumburg Road Streamwood, IL 60107

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 X. If yes, refer to Section 1130.520(f), and indicate the projects by Project #

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

Exact Legal Name of Applicant PLEASE SEE FOLLOWING PAGE
Address
City, State & Zip Code
Type of ownership of the current licensed entity (check one of the following:) Sole Proprietorship
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 St. Alexius Medical Center
Address 1555 N. Barrington Road
City, State & Zip Code Hoffman Estates, IL 60194
Type of ownership of the current licensed entity (check one of the following:) Sole Proprietorship
Not-for-Profit Corporation X 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 to be Licensed St. Alexius Medical Center
Address 1555 N. Barrington Road
City, State & Zip Code Hoffman Estates, IL 60194
Type of ownership of the current licensed entity (check one of the following:) Sole Proprietorship
Not-for-Profit Corporation X For Profit Corporation Partnership Governmental
Limited Liability Company Other, specify

/

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

Exact Legal Name of Applicant Alexian Brothers-AHS Midwest Region Health Co.
Address 3040 West Salt Creek Road
City, State & Zip Code Arlington Heights, IL 60005
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

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

Exact Legal Name of Applicant Ascension Health
Address 4600 Edmundson Road
City, State & Zip Code St. Louis, MO 63134
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

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

Exact Legal Name of Applicant Adventist Health System Sunbelt Healthcare Corporation
Address 900 Hope Way
City, State & Zip Code Altamonte Springs, FL 32714
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

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

Exact Legal Name of Applicant Alexian Brothers Health System
Address 3040 West Salt Creek Road
City, State & Zip Code Arlington Heights, IL 60005
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

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

Exact Legal Name of Applicant Adventist Hinsdale Hospital
Address 120 North Oak Street
City, State & Zip Code Hinsdale, IL 60525
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

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

Exact Legal Name of Applicant St. Alexius Medical Center
Address 1555 N. Barrington Road
City, State & Zip Code Hoffman Estates, IL 60194
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

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

Exact Legal Name of Applicant Adventist Health System/Sunbelt, Inc.
Address 900 Hope Way
City, State & Zip Code Altamonte Springs, FL 32714
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:

- Purchase resulting in the issuance of a license to an entity different from current licensee;
- Lease resulting in the issuance of a license to an entity different from current licensee;
- Stock transfer resulting in the issuance of a license to a different entity from current licensee;
- 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;
- Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee;
- Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity;
- 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;
- 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;
- Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee;
- 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**.
not applicable

9. ANTICIPATED ACQUISITION PRICE: \$ not applicable

10. FAIR MARKET VALUE OF THE FACILITY: \$ 329,317,000
(to determine fair market value, refer to 77 IAC 1130.140)

11. DATE OF PROPOSED TRANSACTION: January 1, 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 September 30, 2014

*Alexian Brothers-AHS Midwest Region Health Co., which will serve as the joint operating company

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: Peg Wendell Vice President and General Counsel, Alexian Brothers Health System
Address: 3040 West Salt Creek Road
City, State & Zip Code: Arlington Heights, IL 60005
Telephone () Ext. 847/385-7148

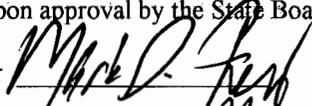
17. **ADDITIONAL CONTACT PERSON.** Consultant, attorney, other individual who is also authorized to discuss this application and act on behalf of the applicant.

Name: Jacob M. Axel President, Axel & Associates, Inc.
Address: 675 North Court, Suite 210
City, State & Zip Code: Palatine, IL 60067
Telephone () Ext. 847/776-7101

18. **CERTIFICATION**

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



Typed or Printed Name of Authorized Officer

Mark A. Frey

Title of Authorized Officer:

President/CEO

Address:

3040 Salt Creek Lane

City, State & Zip Code:

Arlington Heights, IL 60005

Telephone (

847) 385-7101

Date:

10/29/14

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

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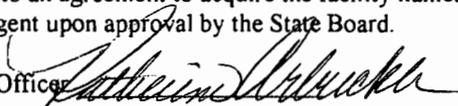
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Name: Jacob M. Axel President, Axel & Associates, Inc.
Address: 675 North Court, Suite 210
City, State & Zip Code: Palatine, IL 60067
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Signature of Authorized Officer



Typed or Printed Name of Authorized Officer Katherine A. Arbuckle

Title of Authorized Officer: Senior Vice President and Chief Financial Officer

Address: Ascension Health -- 4600 Edmundson Rd.

City, State & Zip Code: St. Louis, MO 63134

Telephone (314) 733. 8436 Date: 9.24.14

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: Ms. Nanette Bufalino Regional Chief Legal Officer-Adventist Midwest Region
Address: 120 North Oak Street
City, State & Zip Code: Hinsdale, IL 60521
Telephone (630) 856-6050 Ext. _____

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

Name: Jacob M. Axel President, Axel & Associates, Inc.
Address: 675 North Court Suite 210
City, State & Zip Code: Palatine, IL 60067
Telephone (847) 776-7101 Ext. _____

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Signature of Authorized Officer David L. Crane
Typed or Printed Name of Authorized Officer David L. Crane
Title of Authorized Officer: Vice President
Address: 5101 S. Willow Springs Rd
City, State & Zip Code: La Grange IL 60525
Telephone (708) 245-6000 Date: 9/29/14

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

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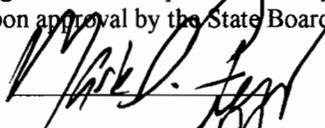
Name: Peg Wendell Vice President and General Counsel, Alexian Brothers Health System
Address: 3040 West Salt Creek Road
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Telephone () Ext. 847/385-7148

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Signature of Authorized Officer 
Typed or Printed Name of Authorized Officer Mark A. Frey
Title of Authorized Officer: President/CEO, ABHS
Address: 3040 Salt Creek Lane
City, State & Zip Code: Arlington Heights, IL 60005
Telephone (847) 385-07101 Date: 10/29/14

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

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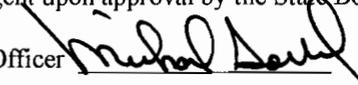
Name: Ms. Nanette Bufalino Regional Chief Legal Officer-Adventist Midwest Region
Address: 120 North Oak Street
City, State & Zip Code: Hinsdale, IL 60521
Telephone (630) 856-6050 Ext. _____

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Name: Jacob M. Axel President, Axel & Associates, Inc.
Address: 675 North Court Suite 210
City, State & Zip Code: Palatine, IL 60067
Telephone (847) 776-7101 Ext. _____

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Signature of Authorized Officer 
Typed or Printed Name of Authorized Officer Michael Goebel
Title of Authorized Officer: Chief Executive Officer
Address: 120 N. Oak St.
City, State & Zip Code: Hinsdale, IL 60521
Telephone (630) 856-6056 Date: 9/29/14

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

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Name: Peg Wendell Vice President and General Counsel, Alexian Brothers Health System
Address: 3040 West Salt Creek Road
City, State & Zip Code: Arlington Heights, IL 60005
Telephone () Ext. 847/385-7148

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Address: 675 North Court, Suite 210
City, State & Zip Code: Palatine, IL 60067
Telephone () Ext. 847/776-7101

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Signature of Authorized Officer Donna Gauthier

Typed or Printed Name of Authorized Officer DONNA GAUTHIER

Title of Authorized Officer: Assistant Secretary

Address: 3040 Salt Creek Lane

City, State & Zip Code: Arlington Hts, IL 60005

Telephone (847) 385-7104 Date: 10/27/14

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

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Name: Ms. Nanette Bufalino Regional Chief Legal Officer-Adventist Midwest Region
Address: 120 North Oak Street
City, State & Zip Code: Hinsdale, IL 60521
Telephone (630) 856-6050 Ext. _____

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Name: Jacob M. Axel President, Axel & Associates, Inc.
Address: 675 North Court Suite 210
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Signature of Authorized Officer

David L. Crane

Typed or Printed Name of Authorized Officer

David L. Crane

Title of Authorized Officer:

Vice President

Address:

5101 S. Willow Springs Rd.

City, State & Zip Code:

La Grange IL 60525

Telephone

(708) 245-6000

Date:

9/29/14

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

FUNDING

This application does not address the acquisition of a licensed health care facility, and the proposed change of control does not involve capitalized costs. As a result, this section of the Certificate of Exemption application form is not applicable.

NARRATIVE DESCRIPTION

The applicants are concurrently filing seven (7) Certificate of Exemption (“COE”) applications addressing the change of ownership/change of control of the following hospitals:

- Adventist Bolingbrook Hospital, Bolingbrook, Illinois
- Adventist GlenOaks Hospital, Glendale Heights, Illinois
- Adventist Hinsdale Hospital, Hinsdale, Illinois
- Adventist La Grange Memorial Hospital, La Grange, Illinois
- Alexian Brothers Behavioral Health Hospital, Hoffman Estates, Illinois
- Alexian Brothers Medical Center, Elk Grove Village, Illinois
- St. Alexius Medical Center, Hoffman Estates, Illinois

The seven COE applications are required by the contemplated affiliation between Adventist Health System Sunbelt Healthcare Corporation (“Adventist”) which “controls” four of the hospitals identified above and Ascension Health (“Ascension”), which “controls” three of the hospitals identified above. The proposed affiliation will be effectuated through the establishment of a joint operating company (“JOC”) that will manage and operate the seven hospitals. Adventist and Ascension will have equal representation on the JOC’s Board of Directors, and an organizational chart, representing the post-transaction relationships is attached.

Additional COE applications are being filed, consistent with a technical assistance telephone conference held with IHFSRB staff on July 9, 2014, addressing the “re-location” of Adventist LaGrange Memorial Hospital, Adventist Bolingbrook Hospital and Adventist GlenOaks Hospital within the Adventist system. The “re-locating” of these three hospitals will occur simultaneous to the seven changes of ownership/changes of control noted in the first paragraph, above.

This COE application addresses the resultant change of control of St. Alexius Medical Center.

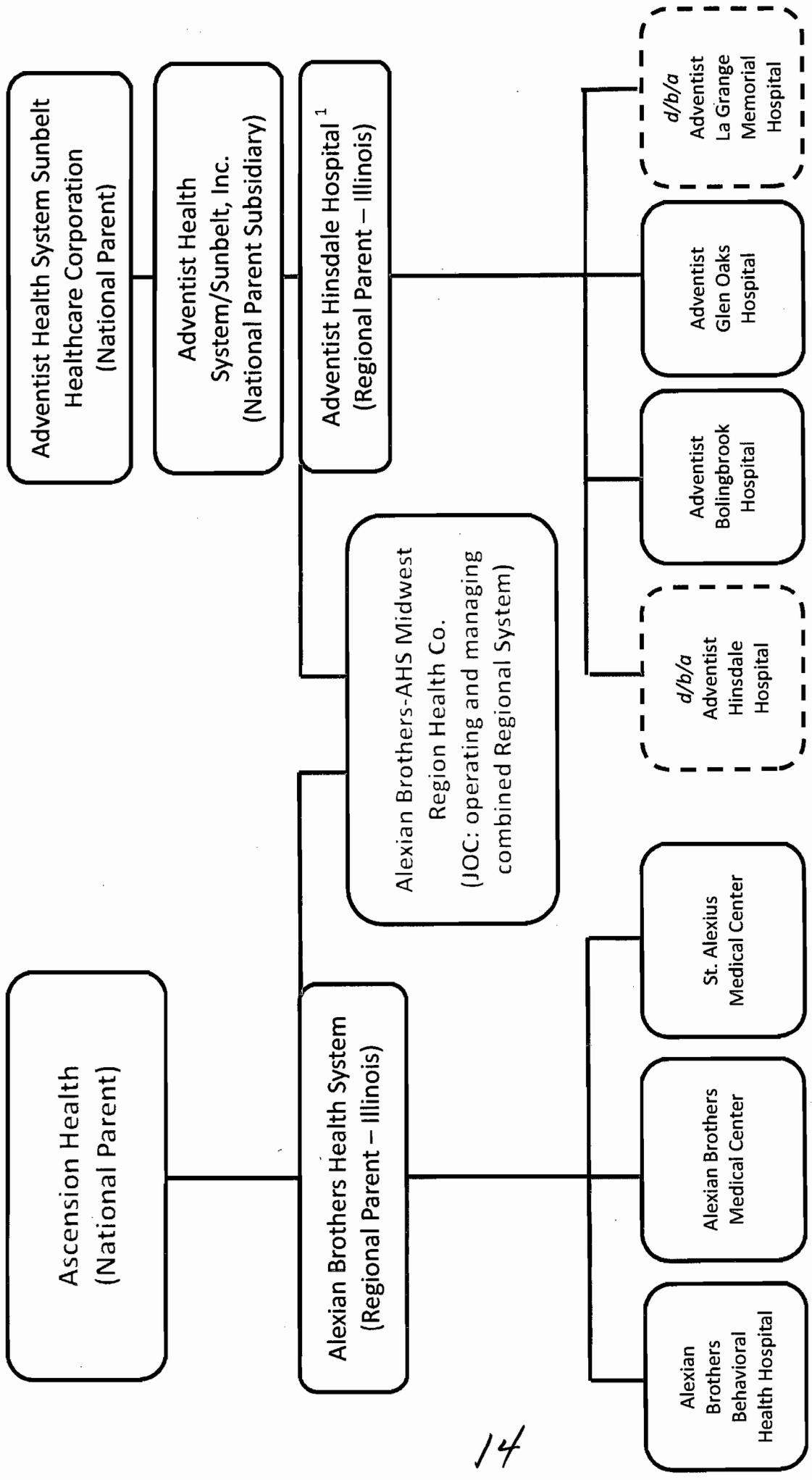
The goals of the affiliation are to:

- create a strong regional health care delivery network,
- facilitate the sharing of clinical expertise and resources to provide an enhanced patient care model,
- realize the resultant economies of scale that will reduce costs for patients, and
- facilitate joint negotiations, pricing, and strategic planning.

The proposed affiliation model, as opposed to a traditional merger model, will allow the realization of the goals identified above, while allowing the Ascension and Adventist hospitals to continue to operate within their respective religious codes and directives.

Through the affiliation agreement, Adventist and Ascension will delegate certain management and operational responsibilities to the JOC, thereby, and consistent with the Illinois Health Facilities and Services Review Board’s definition of “control”, changing the “control” of the individual hospitals. Among the management functions and responsibilities retained by Adventist and Ascension will be the ability to ensure the maintaining of the individual hospitals’ religious characteristics and the continued segregation of existing tax-exempt bond financing.

Proposed Ascension - Adventist Joint Operating Company



= legal entity
 = operating division of legal entity

¹ Once regulatory approval is obtained, the legal entity "Adventist Hinsdale Hospital" will change its name to "Adventist Midwest Health" and will establish "Adventist Hinsdale Hospital" and "Adventist La Grange Memorial Hospital" as d/b/a's for the licensed health care facilities it operates.



**Adventist
Midwest Health**

A Member of Adventist Health System

September 25, 2014

Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

This letter is being provided on behalf of Adventist Health System Sunbelt Healthcare Corporation and the hospitals identified below, as part of the Certificate of Exemption applications addressing the changes of ownership/changes of control of the following hospitals:

- Adventist Bolingbrook Hospital, Bolingbrook, Illinois
- Adventist GlenOaks Hospital, Glendale Heights, Illinois
- Adventist Hinsdale Hospital, Hinsdale, Illinois
- Adventist La Grange Memorial Hospital, La Grange, Illinois

I hereby attest to the following:

1. The categories of service and number of beds as reflected in the Inventory of Health Care Facilities will not substantially change for any of the above-identified hospitals for at least 12 months following the completion date of the change of ownership/change of control.
2. A transaction document signed by all required parties has been provided, and that document contains a provision that execution is subject to HFSRB issuance of an exemption, and that document contains the conditions and terms of the change of ownership/change of control.
3. No adverse action has been taken against any applicant referenced in this letter by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any Illinois health care facility owned or operated by an applicant, directly or indirectly, within three years preceding the filing of the applications.
4. A bond rating sufficient to meet HFSRB requirements is held by the applicants.
5. Ownership and control of the above-identified hospitals is intended to be maintained for a minimum of three years.

6. Any projects for which Permits have been issued have been completed, are obligated, or will be completed or altered in accordance with the provisions of this Section.
7. None of the above-identified hospitals will adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction; and the charity care policy will remain in effect for a two-year period following the change of ownership/change of control transaction.
8. Failure to complete the project in accordance with applicable provisions of Section 1130.500(d) no later than 24 months from the date of exemption approval (or by a later date established by HFSRB upon a finding that the project has proceeded with due diligence) and failure to comply with the material change requirements of this Section will invalidate the exemption.

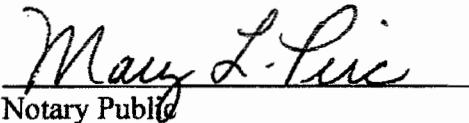
Sincerely,



David Crane
President & CEO

Date: September 25, 2014

Notarized:


Notary Public

September 25, 2014
Date





Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

This letter is being provided on behalf of Alexian Brothers-AHS Midwest Region Health Co., Alexian Brothers Health System and the hospitals identified below, as part of the Certificate of Exemption applications addressing the changes of ownership/changes of control of the following hospitals:

- Alexian Brothers Behavioral Health Hospital, Hoffman Estates, Illinois
- Alexian Brothers Medical Center, Elk Grove Village, Illinois
- St. Alexius Medical Center, Hoffman Estates, Illinois.

I hereby attest to the following:

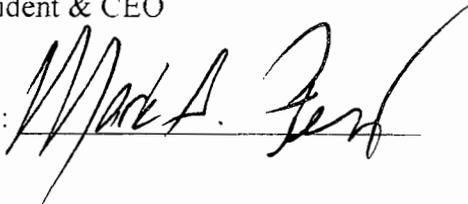
1. The categories of service and number of beds as reflected in the Inventory of Health Care Facilities will not substantially change for any of the above-identified hospitals for at least 12 months following the completion date of the change of ownership/change of control.
2. A transaction document signed by all required parties has been provided, and that document contains a provision that execution is subject to HFSRB issuance of an exemption, and that document contains the conditions and terms of the change of ownership/change of control.
3. No adverse action has been taken against any applicant referenced in this letter by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any Illinois health care facility owned or operated by an applicant, directly or indirectly, within three years preceding the filing of the applications.
4. A bond rating sufficient to meet HFSRB requirements is held by the applicants.
5. Ownership and control of the above-identified hospitals is intended to be maintained for a minimum of three years.
6. Any projects for which Permits have been issued have been completed, are obligated, or will be completed or altered in accordance with the provisions of this Section.

7. None of the above-identified hospitals will adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction; and the charity care policy will remain in effect for a two-year period following the change of ownership/change of control transaction.
8. Failure to complete the project in accordance with applicable provisions of Section 1130.500(d) no later than 24 months from the date of exemption approval (or by a later date established by HFSRB upon a finding that the project has proceeded with due diligence) and failure to comply with the material change requirements of this Section will invalidate the exemption.

Sincerely,

Mark A. Frey
President & CEO

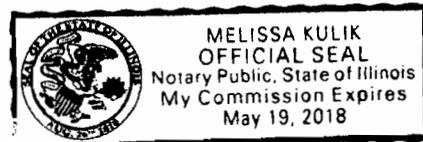
Date:



Notarized:

Melissa Kulik
Melissa Kulik

September 23, 2014





September 23, 2014

Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

This letter is being provided as part of the Certificate of Exemption applications addressing the changes of ownership/changes of control of the following hospitals:

- Alexian Brothers Behavioral Health Hospital, Hoffman Estates, Illinois
- Alexian Brothers Medical Center, Elk Grove Village, Illinois
- St. Alexius Medical Center, Hoffman Estates, Illinois
- Adventist Bolingbrook Hospital, Bolingbrook, Illinois
- Adventist GlenOaks Hospital, Glendale Heights, Illinois
- Adventist Hinsdale Hospital, Hinsdale, Illinois
- Adventist La Grange Memorial Hospital, La Grange, Illinois

I hereby attest on behalf of Ascension Health to the following:

1. The categories of service and number of beds as reflected in the Inventory of Health Care Facilities will not substantially change for any of the above-identified hospitals for at least 12 months following the completion date of the change of ownership/change of control.
2. A transaction document signed by all required parties has been provided, and that document contains a provision that execution is subject to HFSRB issuance of an exemption, and that document contains the conditions and terms of the change of ownership/change of control.
3. No adverse action has been taken against any Illinois applicant health care facility currently controlled by Ascension Health by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any Illinois health care facility owned or operated by Ascension Health, directly or indirectly, within three years preceding the filing of the applications.
4. A bond rating sufficient to meet HFSRB requirements is held by the applicants.
5. Ownership and control of the above-identified hospitals is intended to be maintained for a minimum of three years.

6. Any projects for which Permits have been issued have been completed, are obligated, or will be completed or altered in accordance with the provisions of this Section.
7. None of the above-identified hospitals will adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction; and the charity care policy will remain in effect for a two-year period following the change of ownership/change of control transaction.
8. Failure to complete the project in accordance with applicable provisions of Section 1130.500(d) no later than 24 months from the date of exemption approval (or by a later date established by HFSRB upon a finding that the project has proceeded with due diligence) and failure to comply with the material change requirements of this Section will invalidate the exemption.

Sincerely,

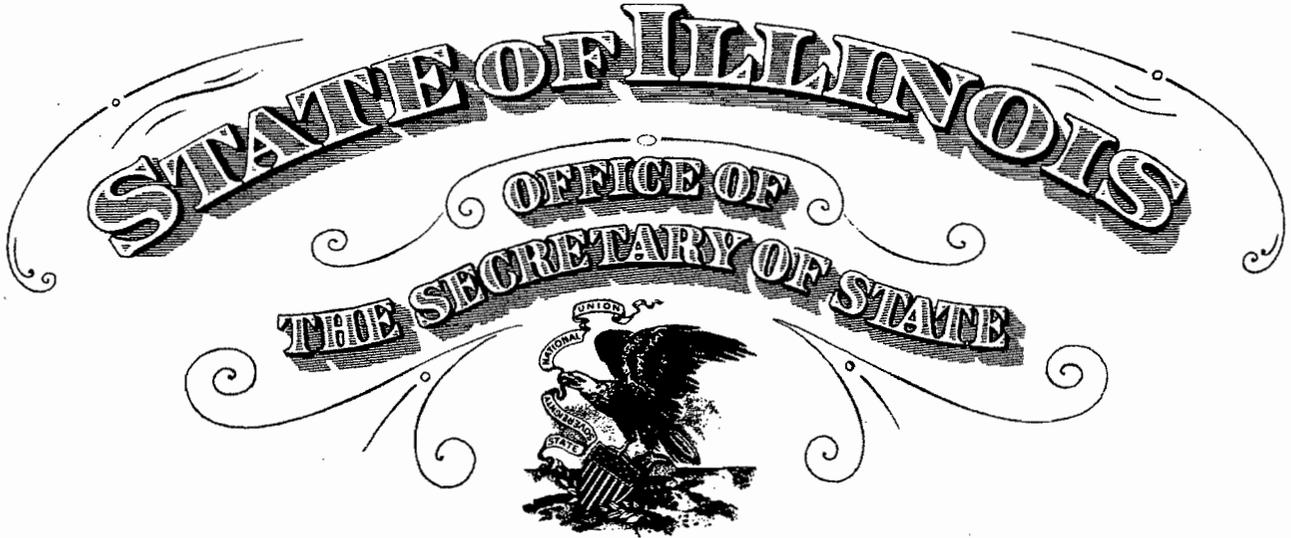


Katherine A. Arbuckle
Senior Vice President and Chief Financial Officer
Ascension Health

Date: 9-23-2014

Notarized: Jennifer May





To all to whom these Presents Shall Come, Greeting:

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

ALEXIAN BROTHERS-AHS MIDWEST REGION HEALTH CO., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 26, 2014, 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 30TH day of SEPTEMBER A.D. 2014

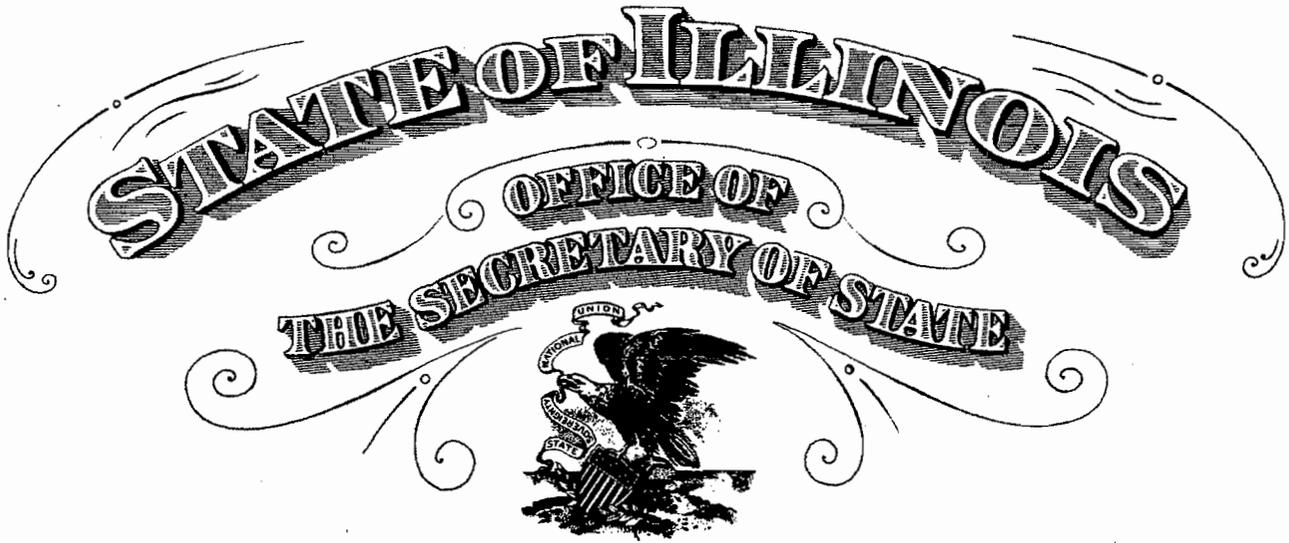
Jesse White

Authentication #: 1427301564

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

SECRETARY OF STATE

Attachment 4



To all to whom these Presents Shall Come, Greeting:

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

ASCENSION HEALTH, INCORPORATED IN MISSOURI AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON JUNE 27, 2011, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS 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 6TH day of AUGUST A.D. 2014 .

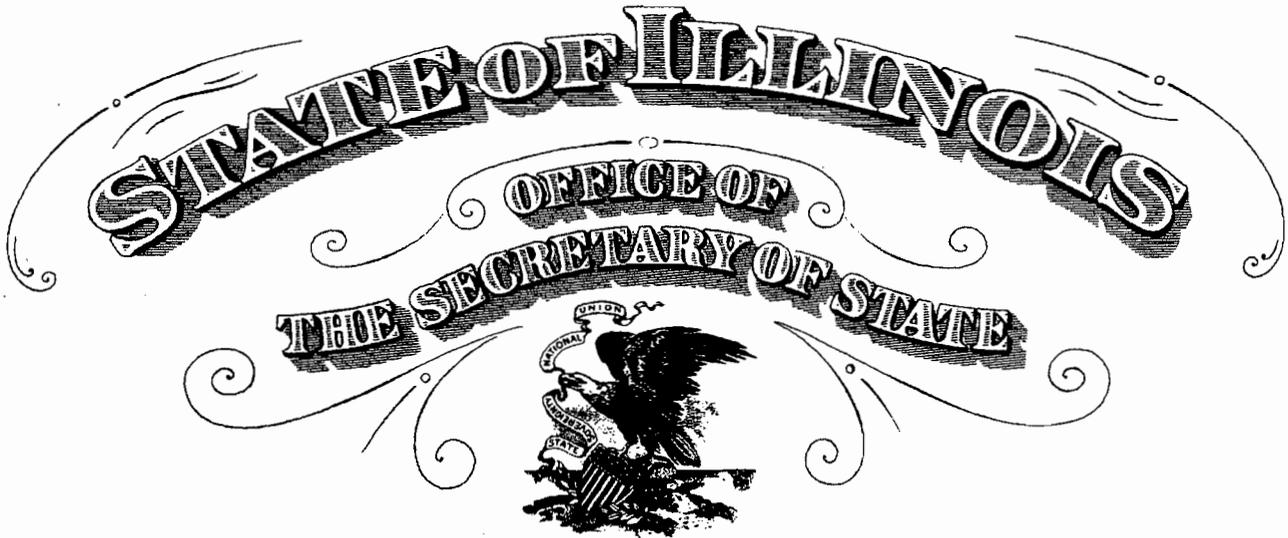
Jesse White

Authentication #: 1421801200

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

SECRETARY OF STATE

ATTACHMENT 4



To all to whom these Presents Shall Come, Greeting:

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

ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION, INCORPORATED IN FLORIDA AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON APRIL 28, 1997, AND MUST CONDUCT ALL AFFAIRS IN THIS STATE UNDER THE ASSUMED NAME OF ADVENTIST HEALTH SYSTEM, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS 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 26TH day of SEPTEMBER A.D. 2014*

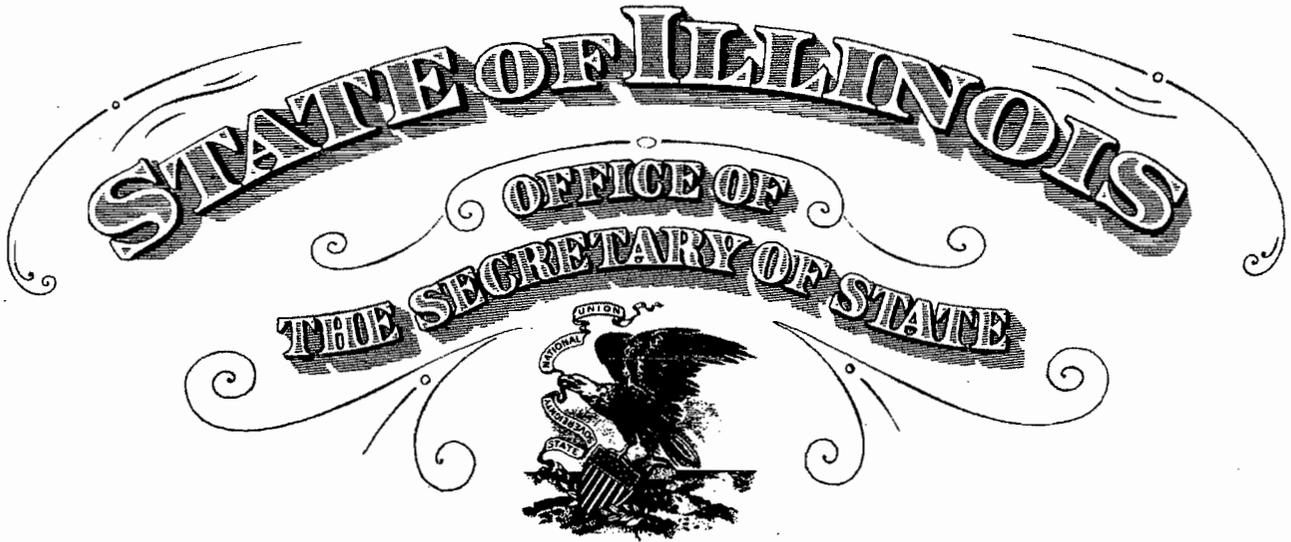
Jesse White

Authentication #: 1426901664

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

SECRETARY OF STATE

Attachment 4



To all to whom these Presents Shall Come, Greeting:

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

ALEXIAN BROTHERS HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON OCTOBER 03, 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.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 6TH day of AUGUST A.D. 2014 .



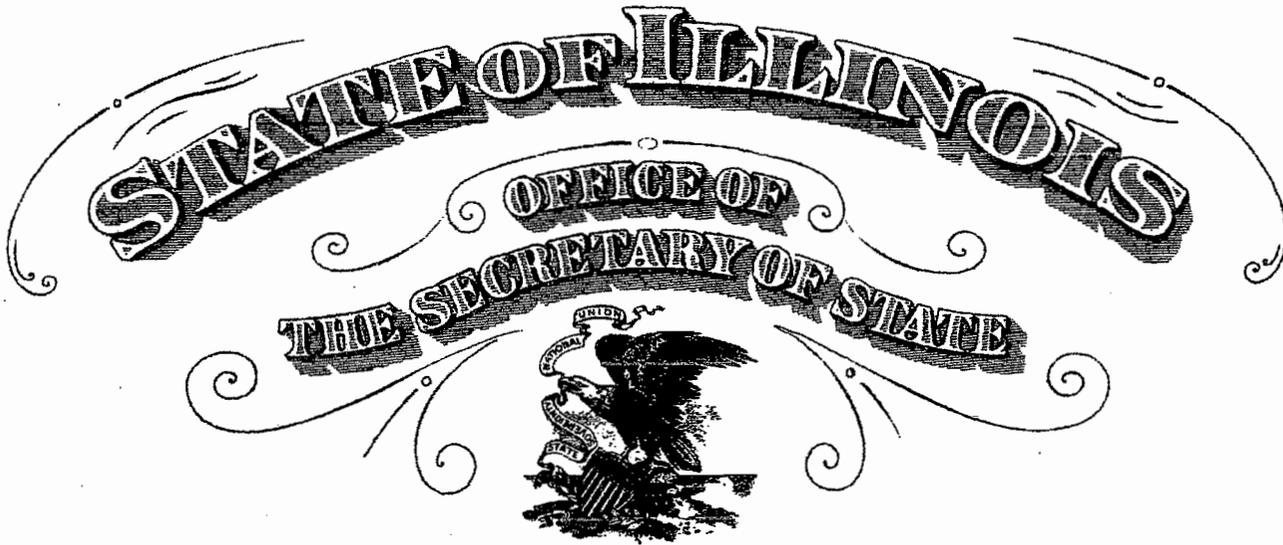
Authentication #: 1421801266

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

Jesse White

SECRETARY OF STATE

ATTACHMENT 4



To all to whom these Presents Shall Come, Greeting:

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

ADVENTIST HINSDALE HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 01, 1904, 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.

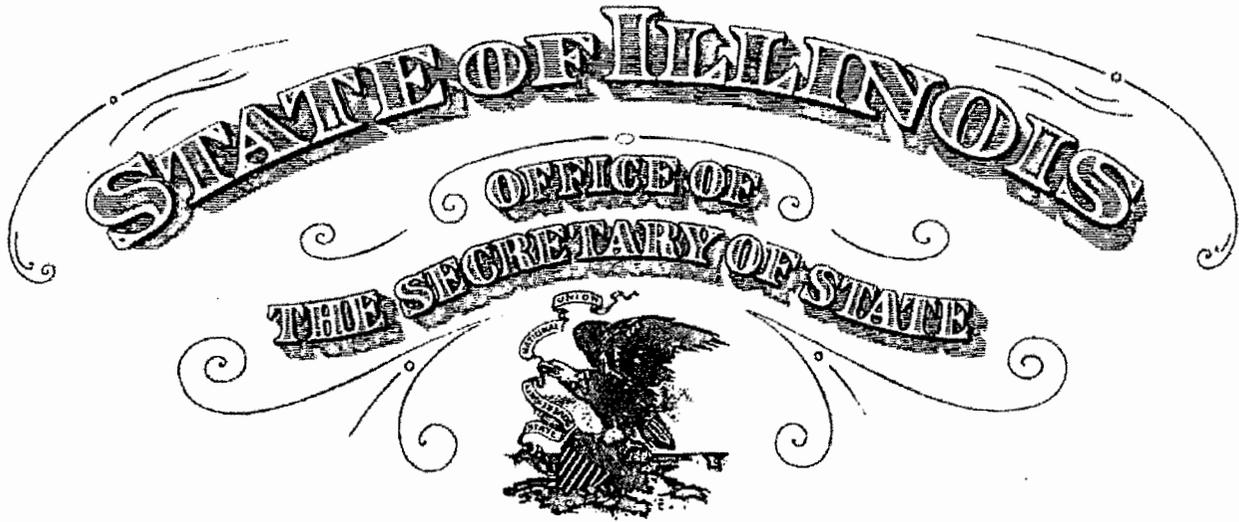
In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 1ST day of AUGUST A.D. 2014 .



Authentication #: 1421300328
Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE ATTACHMENT 4



To all to whom these Presents Shall Come, Greeting:

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

ST. ALEXIUS MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON AUGUST 21, 1998, 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 #: 1421702172

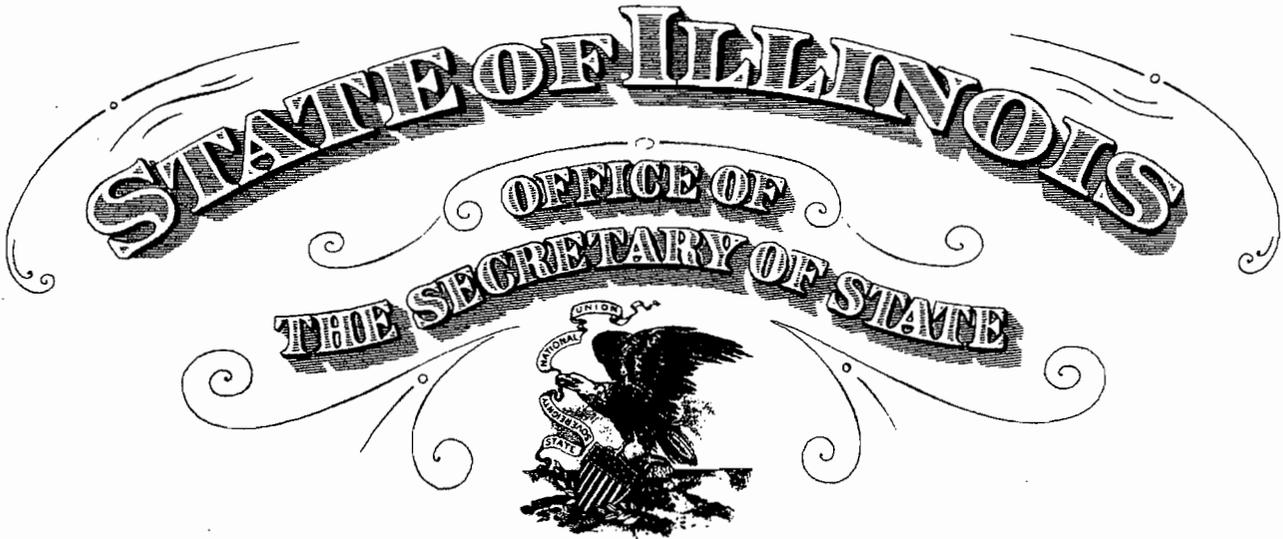
Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 5TH
day of AUGUST A.D. 2014

Jesse White

SECRETARY OF STATE

ATTACHMENT 4



To all to whom these Presents Shall Come, Greeting:

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

ADVENTIST HEALTH SYSTEM/SUNBELT, INC., INCORPORATED IN FLORIDA AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON APRIL 28, 1997, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS 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 AUGUST A.D. 2014*



Authentication #: 1421300334

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

Jesse White

SECRETARY OF STATE ATTACHMENT 4

St. Alexius Medical Center

Income Statement

Year Ended June 30, 2013

St. Alexius Medical
Center

Operating revenue:		
Net patient service revenue	\$	337,066
Less provision for doubtful accounts	\$	18,169
		<u>318,897</u>
Net patient service revenue, less provision for doubtful accounts		846
Capitation revenue		6,813
Other revenue		159
Net assets released from restrictions for operations		<u>326,715</u>
Total operating revenue		
Operating expenses:		
Salaries and wages		97,720
Employee benefits		22,558
Purchased services		14,768
Professional fees		29,738
Supplies		44,907
Insurance		4,675
Interest		8,610
Depreciation and amortization		11,579
Other		64,083
		<u>298,638</u>
Total operating expenses before impairment, restructuring, and nonrecurring gains (losses), net		28,077
Income (loss) from operations before impairment, restructuring, and nonrecurring gains (losses), net		<u>28,077</u>
Impairment, restructuring, and nonrecurring gains (losses), net		-
Income (loss) from operations		<u>28,077</u>
Nonoperating gains (losses):		
Investment return		80
Income (loss) from unconsolidated entities		-
Other		0
		<u>80</u>
Total nonoperating gains (losses), net		<u>28,157</u>
Excess (deficit) of revenues and gains over expenses and losses		
Less noncontrolling interests		-
Excess (deficit) of revenues and gains over expenses and losses attributable to controlling interest ⁶		<u>28,157</u>

ATTACHMENTS

St. Alexius Medical Center

Balance Sheet - Assets
As of June 30, 2013

St. Alexius Medical
Center

Assets	
Current assets:	
Cash and cash equivalents	\$ 18,776
Accounts receivable, less allowances for doubtful accounts	37,870
Estimated third-party payor settlements	910
Inventories	3,794
Other	2,953
Total current assets	<u>64,303</u>
Restricted funds	504
Property and equipment, net	263,401
Other assets:	
Investment in unconsolidated entities	1,411
Other	<u>(302)</u>
Total other assets	<u>1,109</u>
Total assets	<u>\$ 329,317</u>

29

St. Alexius Medical Center

Balance Sheet - Liabilities & Equity
As of June 30, 2013

St. Alexius
Medical Center

Liabilities and net assets

Current liabilities:

Accounts payable and accrued liabilities	14,950
Estimated third-party payor settlements	38,740
Current portion of self-insurance liabilities	805
Other	<u>27,845</u>
Total current liabilities	<u>82,340</u>

Noncurrent liabilities:

Self-insurance liabilities	7,771
----------------------------	-------

Other

Total noncurrent liabilities	<u>7,771</u>
Total liabilities	<u>90,111</u>

Net assets:

Unrestricted:

Controlling interest	\$238,702
Noncontrolling interests	\$0
Unrestricted net assets	<u>238,702</u>
Temporarily restricted	504
Permanently restricted	-
Total net assets	<u>239,206</u>

Total liabilities and net assets

	<u>\$ 329,317</u>
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