

**MINUTES OF THE OCTOBER 31, 2011, MEETING OF THE HEALTHCARE COMMITTEE OF THE
BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held a Healthcare Committee (the "Committee") Teleconference Meeting at 1:00 p.m. on October 31, 2011, at the Chicago Office of the Illinois Finance Authority, 180 North Stetson Avenue, Suite 2555, Chicago, IL 60601.

Board Members Participating:

Dr. William J. Barclay, Committee
Chairman
Michael W. Goetz
Heather Parish (joined at 1:10pm)
Bradley Zeller

IFA Staff Participants:

Pam Lenane, VP Healthcare
Nora O'Brien, Legal/Financial Analyst

Others Participating:

Courtney Shea, Sr. VP, Acacia Financial
Group
Shannon Williams, Scott Balice Strategies
Micah Maidenberg, Crains Chicago Business
Marj Halperin, Marj Halperin Consulting

GENERAL BUSINESS

I. Call to Order and Roll Call

Chairman Dr. Barclay called the Committee meeting to order at 1:02 p.m. with the above Board Members, IFA staff and other participants present. The Chairman asked Ms. O'Brien to call the roll. There being three members present, Chairman Dr. Barclay declared the quorum met.

II. Review and Approval of the October 7, 2011 Minutes

The Minutes from the Healthcare Committee meeting held on October 7, 2011, were reviewed. Mr. Goetz moved to approve the Minutes and Mr. Zeller seconded the motion. The Committee unanimously agreed to approve the Minutes.

III. Project Approvals

Ms. O'Brien presented the following projects for approval:

Item A: Covenant Retirement Communities - \$70,000,000 – One-time Final Resolution

Covenant Retirement Communities is requesting approval of a One-time Final Bond Resolution in an amount not-to-exceed \$70,000,000. Bond proceeds will be used to (i) refund Covenant Retirement Communities Series 1999, 2004 and 2006 Bonds, (ii) fund past and future capital expenditures and (iii) pay cost of issuance.

Chairman Dr. Barclay asked for a motion to approve the above project. Mr. Zeller moved to approve the above project and the motion was seconded by Ms. Parish. The Committee concurred that this project be recommended for Board approval.

Item B: Rush University Medical Center Obligated Group - \$56,000,000 – One-time Final Resolution

Rush University Medical Center Obligated Group is requesting approval of a One-time Final Bond Resolution in an amount not-to-exceed \$56,000,000. Bond proceeds will be used to refund Rush University Medical Center Obligated Group Series 1998A Bonds.

Chairman Dr. Barclay asked for a motion to approve the above amendment. Mr. Goetz moved to approve the above amendment and the motion was seconded by Mr. Zeller. The Committee concurred that this amendment be recommended for Board approval.

IV. Other Business

Ms. Lenane provided an overview of upcoming healthcare transactions including several potential refundings and a large potential financing by an out of state health system. Ms. Lenane also updated the group on the Medicaid Vendor Payment Program. She stated that CMS continues to work with potential purchasers on the program, as well as HFS and the Comptroller's Office on the payment systems.

V. Adjournment

Dr. Barclay asked if there was any other business for the Committee's consideration. Hearing none he asked for a motion to adjourn. Mr. Goetz moved to adjourn and Ms. Parish seconded the motion.

The meeting adjourned at 1:25 p.m.

Minutes submitted by:
Nora O'Brien
Legal/Financial Analyst