

**MINUTES OF THE DECEMBER 5, 2012, 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 3:00 p.m. on December 5, 2012, at the Chicago Office of the Illinois Finance Authority, 180 North Stetson Avenue, Suite 2555, Chicago, IL 60601.

IFA Staff Participants:

Board Members Participating:

Others Participating:

Dr. William J. Barclay, Committee
Chairman
Michael W. Goetz
Heather Parish
Brad Zeller

Christopher B. Meister, Executive Director
Nora O’Brien, Legal/Financial Analyst

Courtney Shea, Acacia Financial Group
Claire Bushey, Crains Chicago Business
Brie Callahan, Marj Halperin Consulting

GENERAL BUSINESS

I. Call to Order and Roll Call

Chairman Dr. Barclay called the Committee meeting to order at 3:05 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 four members present, Chairman Dr. Barclay declared a quorum had been met.

Dr. Barclay explained that the minutes from the November meeting were misplaced and would be reviewed at the January meeting.

II. Project Approvals

Ms. O’Brien presented the following project:

Item A: Ingalls Health System - \$90,000,000 – One-time Final Resolution

Ingalls Health System is requesting approval of a One-time Final Resolution in an amount not-to-exceed \$90,000,000. Bond proceeds will be used by **Ingalls Health System** (“**Ingalls**”, the “**Corporation**” or the “**Borrower**”) to: (i) refund all of the Illinois Health Facilities Authority Revenue Bonds, Series 1994 (Ingalls Health System Project); (ii) pay or reimburse the Corporation for the payment of the cost of acquiring, constructing, renovating, remodeling and equipping certain of its health facilities, including without limitation the renovation of the Corporation’s intensive care unit and heart catheterization laboratory; (iii) pay a portion of the interest on the Series 2013 Bonds; (iv) provide working capital; (v) establish a debt service reserve fund for the benefit of the Series 2013 Bonds, if deemed necessary or desirable; and (vi) pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Series 1994 Bonds.

The Committee asked if there was a possibility of minority participation on this project. Ms. O’Brien responded that she was not sure if Pam had not discussed this yet with the Borrower, but would check with her.

The Committee asked what denial management was. Ms. Shea responded that she thought it was how hospitals managed their denials of claims.

The Committee asked if the debt service reserve fund was included in cost of issuance in the uses of funds. Ms. O’Brien responded that she would check with the Borrower.

Chairman Dr. Barclay asked for a motion to approve the above project. Mr. Goetz moved to approve the above project and the motion was seconded by Ms. Parish. By voice vote, the Committee agreed that this project be recommended for Board approval

Item B: Clare Oaks - \$90,000,000 – One-time Final Resolution

Director Meister stated that agenda Item B, Clare Oaks, would not be considered at the committee meeting. He said that IFA staff are still developing a presentation for the Board and want to make sure it is fully formed before presenting to the Committee. A decision was made that it was not ready to be shared with the Healthcare Committee today. The goal is to have it in the package to be considered at the Board Meeting on Tuesday.

III. Other Business

There was no other business

IV. Public Comment

There was no public comment.

V. Adjournment

Dr. Barclay asked for a motion to adjourn. Mr. Zeller moved to adjourn and Mr. Goetz seconded the motion.

The meeting adjourned at 3:15 p.m.

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