BID/RFP No: RFP#22060

Bid/RFP Description: Pre-Employment Physicals and Employee Vaccination Services for Lake County

ALL SUBMITTALS SHOULD BE LABELED ACCORDINGLY. PLEASE USE BELOW LABEL FOR YOUR CONVENIENCE.

BID/RFP No. RFP #22060	Vendor Name: Advocate Condell Medical Center
Buyer: Susan August	Vendor Addres 801 S. Milwaukee Ave., Libertyville, IL 60048
Bid/RFP Description: Pre-Employment Physicals and Employee Vaccination Services for Lake County	Lake County **ATTN: PURCHASING DIVISION** 18 N. County Street – 9th Floor Waukegan, IL 60085-4350
BID/RFP Due Date*: **JUNE 28, 2022, 11:00 a.m. local time**	

PREPARED BY:

Vendor Name (Proposer): Advocate Condell Medical Center

Vendor Address: 801 S. Milwaukee Ave, Libertyville, IL 60048

Vendor Phone: 630-207-8032

Email Address: joseph.barbosa@aah.org

Date: 6/23/2022

AdvocateAuroraHealth

Lake County Government
Purchasing Department
18 N. County Street 9th Floor
Waukegan, IL 60085-4350
Attention: Susan August

June 24, 2022

Thank you for this opportunity to respond to your RFP #22060 for pre-employment physicals and employee vaccinations. We are happy to provide our pricing and a response to Lake County Government.

At Advocate Aurora Health, ***helping people live well is our purpose.*** As one of the top 12 largest integrated health systems in the county, known for high-quality care, we're helping companies maintain and improve the health and wellness of their employees with a full portfolio of innovative services that continue to expand to meet emerging needs.

Advocate Aurora Health System offers Occupational Health services to over 2,300 active clients in 6 counties with 16 locations in the Chicagoland area, in addition to 14 counties and 23 locations in Wisconsin. With experience with working with municipalities, school districts and employers of all sizes, with products like High Performing Networks, Wellness, Employee Assistance Programs, Occupational Health, Employer Clinics and Executive Health Physicals, we'll help find solutions that are right for you, your employees and your company's bottom line. As a leader in clinical innovation, health outcomes and value-based care, we can help provide employees with resources to be their best.

Together, we are living our purpose.

Sincerely,

Joseph Barbosa- Manager
Condell Immediate Care Centers
1445 Hunt Club Rd, Gurnee, IL 60031
M: 630.207.8032
Joseph.Barbosa@aah.org

Karen Carter

Karen Carter, MBA, CQA, CQE
Employer Solutions Executive
Advocate Aurora Health
450 IL-22
Barrington, IL 60010
M: 224-407-1041
Karen.Carter@aah.org

Table of Contents

Executive Summary

Advocate Aurora Health is one of the 12th largest not-for-profit, integrated health system in the United States and a leading employer in the Midwest with more than 75,000 employees, including more than 22,000 nurses and the region's largest employed medical staff and home health organization. A national leader in clinical innovation, health outcomes, consumer experience, and value-based care, the system serves nearly 3 million patients annually in Illinois and Wisconsin across more than 500 sites of care and more than 1 million users of the LiveWell app. Advocate Aurora is engaged in hundreds of clinical trials and research studies and is nationally recognized for its expertise in cardiology, neurosciences, oncology, and pediatrics. The organization also contributed $2.5 billion in charitable care and services to its communities in 2020.

At Advocate Aurora Health our purpose is To Help People Live Well – at home, at work, and in the community. Helping companies create a healthy workplace with products like Wellness, Employee Assistance Programs, Occupational Health and On-Site clinics give employees the resources to be their best. Together, we are living our purpose.

Advocate Aurora Health has been performing employment physicals for 25+ years. Our services include but are not limited to Department of Transportation (DOT) regulated physicals, DOT drug and alcohol testing, random drug testing, reasonable suspicion drug testing, surveillance exams, pre-placement testing, fit-for-duty and other specialty evaluations, independent medical exams, functional testing, and various rehabilitation services relative to the work setting. In addition, we can provide care and treatment for any employees who report a work-related injury. Our centers service some of the largest municipals and employers. Advocate Aurora Health offers Occupational Health services to over 2,300 active clients in 6 counties with 16 locations in the Chicagoland area, in addition to 14 counties and 23 locations in Wisconsin. We offer same day walk-in and scheduled appointments.

Our patient-centered approach makes sure that employees who become injured or ill from work-related events are treated with best practices, their care is managed effectively, and they are returned to work as quickly and safely as possible. We believe that a team approach with the employee, employer and the provider leads to the best outcome.

Our strategy for providing the services requested starts with dedicated and trained team of physicians, certified nurse practitioner, registered nurses, certified medical assistances and patient care technicians. We help employers hire and keep a healthy and safe workforce. Our pre-placement physicals, drug screens and ADA-compliant functional job testing ensure you hire the right candidate. Specialized occupational health providers and sales staff will help you understand and comply with OSHA, DOT and CDC regulations. Our physician group meets regularly throughout the year and regularly reviews all regulatory changes to include FMSCA, OHSA, HIPPA, State of IL Worker Compensation law, CDC, and IL state HHS regulatory changes.

Company Background

Below is information about the Advocate Aurora Health so that the County can evaluate our stability and ability to support the commitments set forth in our response to this RFP. Information in this section contains the requested information in addition to the *General Information Sheet* (**page 43**) that is also included in this RFP response.

1. Advocate Aurora Health headquarters is located at 3075 Highland Parkway, Downers Grove, IL 60515. The nearest office is our Gurnee Immediate Care Center at 1445 Hunt Club Rd, Gurnee, IL 60031.

2. Advocate Aurora Health was founded in 1984. Years of service to public sector: 38 years

3. Number of public sector clients: 646; Number of local government clients 21; Number of public sector clients in the state 2,300.

4. Advocate Aurora Health is a not-for-profit, integrated health care network with 73,300 employees, some 500 care sites serving Illinois and Wisconsin. The organization includes about 30 acute and specialty care hospitals (including Advocate Christ Medical Center, Aurora St. Luke's Medical Center, Aurora Lakeland Medical Center, and Lutheran General Hospital) with more than 7,000 beds, as well as community health clinics, walk-in clinics (with Walgreen's), physician offices, and home health care and hospice agencies. The company was formed when Illinois-based Advocate Health merged with Wisconsin-based Aurora Health Care in 2018, creating one of the nation's largest not-for-profit health systems.

   Lake County employees have access to facilities throughout Lake County and the Chicagoland Region. In Lake County, Advocate Aurora Health has 2 hospitals (Condell Medical Center in Libertyville and Good Shephard Hospital in Barrington), 4 Occupational Health Centers (Round Lake, Gurnee, Vernon Hills and Lake Zurich), primary care and specialty physician offices, immediate care centers, imaging centers, and other health care facilities across the county.

5. Business affiliations for Condell Medical Center: Surgery Centers of America

   Business affiliations for Advocate Aurora Health:

   Advocate Aurora Enterprises, a subsidiary of Advocate Aurora Health, is established in 2021. AAE leads investment in digital health tool Health, investment in Foodsmart, and acquisition of national leader in home care and wellness offerings, Senior Helpers. Advocate Aurora Health, Beaumont Health end partnership discussions (October 2020).

Company Background *(continued)*

Advocate Aurora Health and Atrium Health has announced in May 2022 plans to come together to create a leading health and wellness delivery system to best meet patients' needs by redefining how, when and where care is delivered. A board of directors comprising an equal number of members from Advocate Aurora and Atrium Health will govern the enterprise. Jim Skogsbergh and Eugene Woods will serve as co-CEOs for the first 18 months, at which point Jim Skogsbergh will retire and Eugene Woods will become the sole CEO.

The combined organization will transition to a new brand: Advocate Health, with the Advocate Aurora and Atrium Health brands continuing to be used in their respective local markets. Wake Forest University School of Medicine will be the academic core of the combined entity. The new organization will be headquartered in Charlotte, while continuing to maintain a strong organizational presence in Chicago and Milwaukee, including a new institute for health equity located in Milwaukee.

6. List of Board of Directors with contact information: Our board of directors brings together key leadership from both Advocate Health Care and Aurora Health Care. The board oversees the strategic and financial decisions for Advocate Aurora Health. Our Advocate Aurora Health Board of Directors can be reached through our public affairs team, please email mediarelations@aah.org.

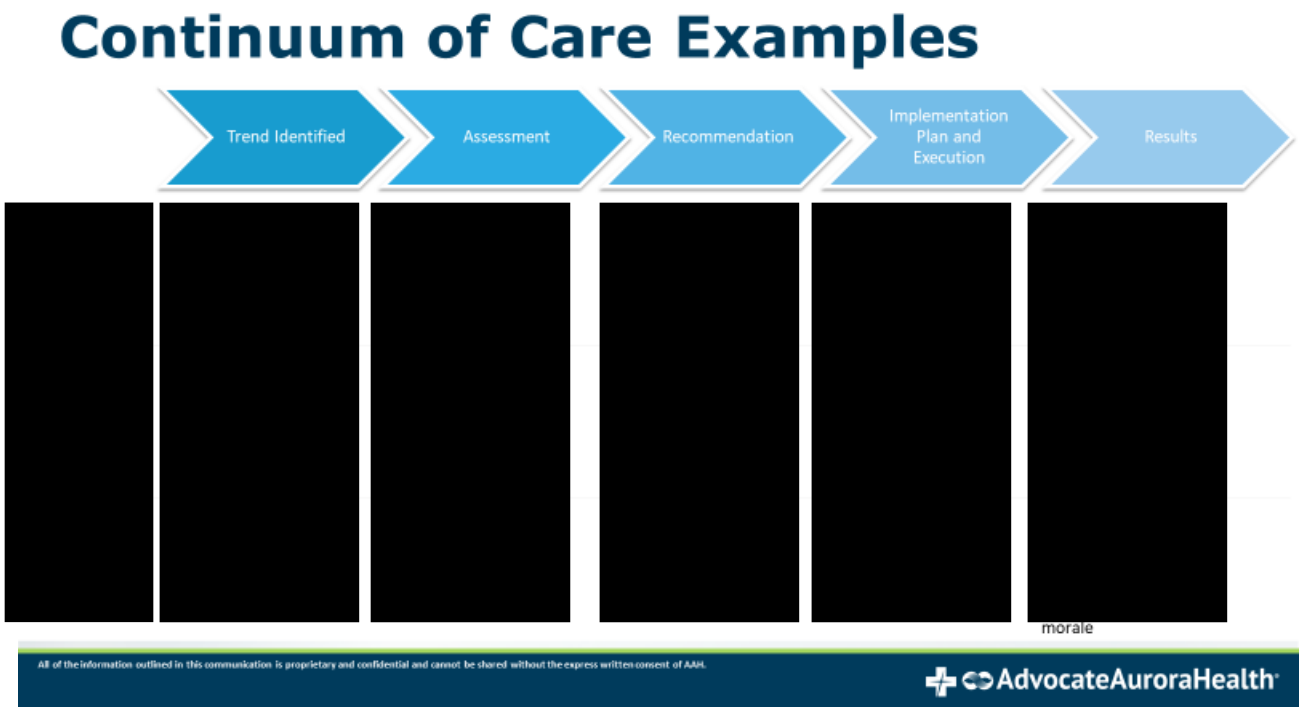
   AAH Board of Directors:

   - Michele Baker Richardson, JD- Board Director and President and CEO, Higher Education Advocates, LLC
   - Joanne Bauer- Clark Health Care
   - Thomas Bolger- Retired President and CEO, Johnson Financial Group, Inc
   - Lynn Crump-Caine- Founder and CEO Outside-in Consulting
   - John Daniels, Jr- Chairman Emeritus, Quarles and Brady, LLP
   - Joanne Disch, PhD, RN, FAAN- Professor and Honorem, University of Minnesota School of Nursing
   - Mark Harris- Senior Council, Law Department, The Boeing Company
   - Charles Harvey- Retired Chief Diversity Officer and Vice President of Community Affairs, Johnson Controls, Inc.
   - Richard Jakle, CSP- Retired President and CEO, WRMN, WBIG, KSHP, The Radio Shopping Show, Colorado Broadcasting Company and Las Vegas land Company
   - Jim Skogsbergh- President and CEO, Advocate Health, Inc. Ex Officio
   - John Timmer- Retired Senior Vice President and Chief Credit Officer, First National Bank of Brookfield

Company Background *(continued)*

Please refer to the following link for additional information regarding the Board of Directors: Advocate Aurora Health Leadership

7. Examples of similar work including one reference for similar work with a Continuum of Care.

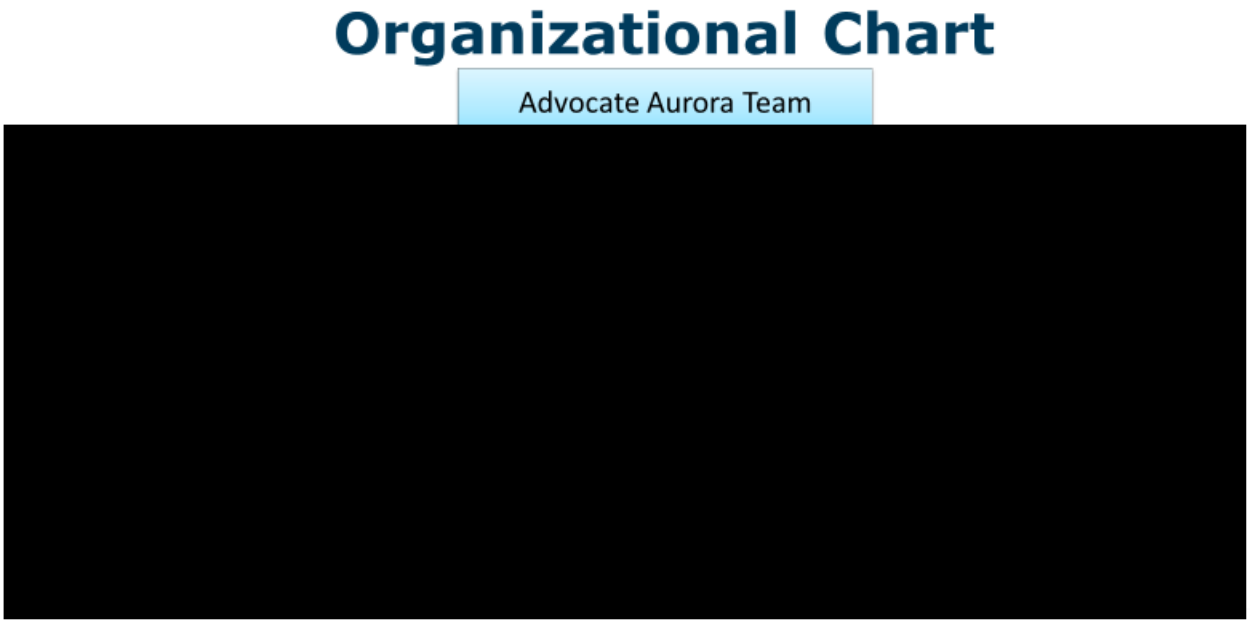


Reference for Continuum of Care example above:

Company Name: [redacted]
Address: [redacted]
City, State, Zip Code: [redacted]
Telephone Number: [redacted]
E-mail: [redacted]
Contact Person: [redacted]
Dates of Service: [redacted]
# of Employees: [redacted]

Company Background *(continued)*

8. Organization Chart



Company Background *(continued)*

Name	Title	Years of Experience	Years with Advocate	Professional Designation	Contact Information
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

9. Resumes/CV: Resumes for personnel to be directly involved in services associated with this RFP are attached.

Scope of Services

Our strategy for providing requested services starts with our dedicated and trained team of physicians, certified nurse practitioners, registered nurses, radiology technicians, certified medical assistances, and patient care technicians. Our 4 sites in Lake County, IL maintain 7-day operations, with morning, evening, weekend, and holiday hours. We welcome walk-ins but can also make appointments to help expedite a visit. We also have the ability and experience to handle offsite site testing and vaccinations. The Advocate Aurora Healthcare system also provides access to 16 occupational health locations in the Chicagoland area, and 23 locations in Wisconsin. We look forward to our partnership between Lake County Government and Advocate Aurora Health Care System, the largest health care organization in the Midwest.

Employee Vaccination/Immunization Services, TB Screenings and Fit Testing: [redacted]

Pre-Employment and Random Drug and Breath Alcohol Testing: For over 20 years, AAH has maintained a pre-employment and random drug/breath alcohol consortium program for several hundred clients in the Illinois and Wisconsin market. [redacted]

[redacted]

Standard Operating Procedure Urine Drug Screen
Resource: U.S. Department of Transportation Drug Testing 49CFR Part 40
Procedure:

1. Collector will ensure that the donor/employee has signed proper authorization forms
2. Collector will explain testing procedure to the donor.
3. Collector will verify identity of the donor by the following:
    a. Picture ID such as driver's license or employee ID badge
    b. Employer representative verification
4. Collector will obtain proper Chain of Custody Form (CCF).
5. Collector will complete Step #1 on Chain of Custody Form:
    a. Employer information
    b. MRO information (pre-printed)
    c. Donor SSN or ID
    d. Name
    e. Reason for test
    f. Collection site information

6. Collector will have the donor wash their hands with soap and water and dry them. If the donor refuses to wash their hands this is a refusal to test.
7. Collector will instruct the donor to remove and leave any outer garments or excess clothing in waiting area.
8. Collector asks donor to empty all pockets and place personal items in safe lock box and the donor keeps the key.
    a. If donor refuses to empty pockets, this is considered a refusal to cooperate with the testing process.

b. If collector finds an item that appears to have been brought to the collection site to tamper with the specimen, the collector should initiate a direct observation collection and describe in detail on a memorandum the device or item brought in to tamper with the specimen.

9. Collector will secure the bathroom by bluing the toilet water or urinal and ensuring that the water supply is turned off or the sink faucet is sealed with tape.
10. Collector will have the donor select a collection kit and instruct them to open the package.
11. Collector will instruct the donor to void at least 45ml into the specimen container. Collector will notify the donor of the need to read within four minutes of the void and to not flush the toilet.
12. Donor will provide collector with specimen within four minutes of completing the void. If the sample is not enough and the temperature is within acceptable range, proceed with shy bladder procedures.
13. Collector will record temperature of the specimen in Step #2 on form and mark whether the collection is a split.
    Temperature must be read within four minutes of collection. Collector will record actual temperature of the specimen if out of range. Temperature should be 90 to 100 degrees.
    -If the temperature is out of range, proceed with completion of collection process and initiate a new collection immediately under direct observation.
14. Collector pours 30 ml of specimen into bottle A and 15ml of specimen into bottle B.
15. Collector applies labels from the CCF to the appropriate bottles.
    - Label A on the bottle with 30ml and Label B on the bottle with 15 ml
16. Collector dates the labels and instructs the donor to write their first, middle and last initials on the specimen labels.
17. Collector places the sealed bottles in the appropriate pouch of the specimen bag.
18. Collector directs the employee to read, sign and date the certification statement in Step #5, and provides date of birth, printed name, and day and/or evening contact phone numbers.
19. Collector completes Step #4 on the CCF by printing, signing, recording the date and time of the collection and entering the courier or delivery service name.
20. Collector ensures that paperwork is filled out correctly and legibly.
21. Collector removes Copy #1, folds it and places in the appropriate pouch of the specimen bag.
22. Collector seals specimen bag in front of the donor.
23. Collector provides Donor Copy of CCF to the donor and instructs the donor to wash their hands.
24. The donor may retrieve the locked items at this time.
25. Collector will place the specimen in designated refrigerator for pickup by the courier. Courier service will pick up from the site per contractual agreement.

Standard Procedure for Breath Alcohol Testing

To collect a proper breath sample, collector must collect deep lung air and we must also make sure that the employee does not have any residual mouth alcohol. If deep lung air is not collected the concentration in the breath can be diluted, resulting in a lower than optimum test.

1. Upon arrival the employee must present provide identification (driver's license, I.D. card, or identification by employer). If donor cannot be positively identified the test cannot be conducted.
2. If donor presents for drug screen and breath alcohol. The breath alcohol test should always be performed before a urine drug collection.
3. Collector will provide location that is both aural and visual privacy.
4. Collector will identify the donor and bring to testing area
5. Collector will educate the donor that we will be performing a breath alcohol test. The donor will need to blow forcefully until instructed to stop.
6. Utilizing the appropriate chain of custody form- the collector will complete Step 1 on Alcohol Testing Form (ATF) to include (employee name, employee ID#, employer name, street address, DER and reason for testing)
7. Donor must sign Step 2 on ATF if they agree to testing.
8. Conduct Air blank – must read .000 (to eliminate any residual alcohol that might be left from prior test).
9. Collector will show donor their unique test number displayed on EBT for test about to be given.
10. Collector will provide new mouthpiece from wrapped unopen packaging and install on EBT
11. Collector will instruct donor to blow forcefully into mouthpiece for at least 6 seconds or until instructed otherwise.
12. Once result determined, the collector will show to donor and document on Step 3 of ATF.
13. Collector must sign Step 3 of ATF. You must include (company name, address and phone).
14. If test is below .020 no further testing is required. Affix labels to the ATF, provide copy 2 of the form to the employee, forward copy 1 to the employer, and keep copy 3.

Confirmation Testing

If a test result is .020 or higher it is considered inconclusive and must be confirmed. Collector will continue to use the same ATF. Test should be repeated 15 minutes after completion of first test. Collector may not test another individual in between the screening and confirmation test.

At times residual mouth alcohol can cause an initial positive on screening. This can be caused by mouth wash or mouth spray. The presence of this residual mouth alcohol typically dissipates within 7 minutes. We give 15 minutes between screening and confirmation testing.

1. Collector will explain the testing procedure to donor. Collector will inform donor they will be conducting a confirmation test (as part of testing we are required to explain to the individual why we are waiting 15 minutes to retest).
2. Collector will explain to the donor that they must observe a 15-minute waiting period and during this time they may not:
    a. Eat
    b. Drink
    c. Put any object or substance in their mouth
    d. Belch excessively

3. Collector will explain that the test will be conducted at the end of the waiting period, even if the donor has disregarded the instruction above.
4. Collector will use a new mouthpiece for the confirmation test.
5. Collector will conduct air blank test (must read .000)
6. Collector will instruct donor to provide a breath sample (forcefully for at least 6 seconds or instructed otherwise).
7. Collector will record test results on ATF
8. Collector will show the donor the result displayed on the EBT
9. Collector will affix the labels to the ATF in designated space.
10. If donor tests positive on confirmation test (0.020 and above) – Step 4 of the ATF must be signed.

Scope of Work for Pre-Employment Physicals:

ADA and Designation of a Primary Physician: [redacted]

Hours of Operation and Scheduling:

Advocate Aurora Health System offers Occupational Health services to over 2,300 active clients in 6 counties with 16 locations in the Chicagoland area, in addition to 14 counties and 23 locations in Wisconsin. The following locations are in the immediate service of Lake County Government: Vernon Hills, Gurnee, Lake Zurich, and Round Lake Beach.

- Vernon Hills: 9a-7p Monday-Saturday and Sunday 9a-5p
- Gurnee: 8a-8p 7 days a week
- Lake Zurich: 7:30a-5p Monday-Friday
- Round Lake Beach: 9a-7p Monday-Saturday and Sunday 9a-5p

After Hours Emergency Telephone Consultations:

For after-hours emergency telephone consultation our can be accessible.

After Hours Drug Testing Protocols:

We recommend

Large Group Testing (over 25 employees)

[redacted]

Medical Guidelines: [redacted]

[redacted]

[redacted]

Approach to Pre-employment Physicals: [redacted]

Report of Examination Results:

For visits that result in a:

- **Status Category 1:**
- **Status Category 2:**
- **Status Category 3:**
- **Status Category 4**:

Online Portal:

Overview:

Logging- In:

Login:

Username:

Password:

Log In

Search options:

Search Options

The search options available in each category are summarized in Table 3:

Searching by Patient

Drug Screens

Drug Screens Views

Drug Screen Details

[redacted]

Physicals:

Other Results Views

Recalls: reminders for Employees to Follow-Up:

Recalls

Immunizations

TB Screenings

[redacted]

[redacted]

Laboratories

[redacted]

Annual Audiograms

Audiogram Process:

1. Patient completes audiogram questionnaire. Any clarification on replies will be addressed prior to patient entering the testing booth.
2. Confirm the patient for testing with two identifiers (date of birth, name, SSN, address…)
3. Patient to remove cell phone or MUTE, if phone is on vibrate it will interfere with test.
4. Patient identifiers entered the audio machine
5. Place patient into certified audio booth
6. Explain to patient about "series of tones will be heard, one ear at a time will be tested, press hand held device to acknowledge hearing of tone only once." Place head set on tightly – color red goes onto Right ear. Color green goes on the left ear. Close door on both.
7. Audio booth machine is activated, testing initiated.
8. Test will proceed & record scores automatically until finished.
9. Once finished a printout will show scores.
10. Patient to sign results with tester to ensure validity
11. Scores are entered into [redacted] under patient audiogram file
12. Scores higher than 30 decibels (dB) or higher are faxed with questionnaire printout to Audiometric- industrial audiologist. If scores are 25 dB or less, then results can be printed through [redacted] & sent directly to DER without interpretation from Audiometric.
13. Patient completes audiogram questionnaire. Any clarification on replies will be addressed prior to patient entering the testing booth.
14. Confirm the patient for testing with two identifiers (date of birth, name, SSN, address…)
15. Patient to remove cell phone or MUTE, if phone is on vibrate it will interfere with test.
16. Patient identifiers entered the audio machine
17. Place patient into certified audio booth
18. Explain to patient about "series of tones will be heard, one ear at a time will be tested, press handheld device to acknowledge hearing of tone only once." Place head set on tightly – color red goes onto Right ear. Color green goes on the left ear. Close door on both.
19. Audio booth machine is activated, testing initiated.
20. Test will proceed & record scores automatically until finished.
21. Once finished a printout will show scores.
22. Patient to sign results with tester to ensure validity
23. Scores are entered into [redacted] under patient audiogram file
24. Scores higher than 30 decibels (dB) or higher are faxed with questionnaire printout to Audiometric- industrial audiologist. If scores are 25 dB or less, then results can be printed through [redacted] & sent directly to DER without interpretation from Audiometric.

[redacted]

Spirometry

[redacted]

Vision Screening

[redacted]

Implementation Plan

Below is a summary of the implementation plan. The proposed project plan timeline shows the specific areas that will require Lake County staff partnership. With the current agreement for these services ending on August 13, 2022, Advocate Aurora Health is planning for an

Implementation Plan

Contract Award:

REFERENCES **JUNE 2022**

List below other similar size clients for whom you have provided similar services. Please include the email address for each reference.

Agency Name:
Address
City, State, Zip Code
Telephone Number
E-Mail
Contact Person
Dates of Service
# of Employees

Agency Name:
Address
City, State, Zip Code
Telephone Number
E-Mail
Contact Person
Dates of Service
# of Employees

Agency Name:
Address
City, State, Zip Code
Telephone Number
E-Mail
Contact Person
Dates of Service
# of Employees

Agency Name:
Address
City, State, Zip Code
Telephone Number
E-Mail
Contact Person
Dates of Service
# of Employees

Exceptions to the RFP

Vendor Disclosure Statement

[redacted]

[redacted]

Vendor Certification Form

[redacted]

PRE-EMPLOYMENT PHYSICALS AND EMPLOYEE VACCINATION SERVICES FOR LAKE COUNTY

PROPOSAL PRICE SHEET **JUNE 2022**

THE PRICE PROPOSAL SHALL INCLUDE A TOTAL PRICE AS A FIXED FEE FOR ALL SERVICES DELINEATED IN THIS RFP. THE PROPOSER WILL CONSIDER ALL COSTS (LABOR, OVERHEAD, ADMINISTRATION, PROFIT, TRAVEL, ETC.) ASSOCIATED WITH PROVIDING THE SERVICES LISTED IN THIS RFP. ANY HOURLY RATES FOR SERVICES THAT MAY NOT BE INCLUDED SHALL BE PROVIDED WITH THE CORRESPONDING SERVICE AND RATE.

All additional services beyond the initial scope of the project, identified by the Proposer as beneficial to the County, shall be delineated separately for the County to consider.

The quote will consider all costs (labor, material, overhead, administration, profit, travel, etc.) associated with providing the services listed in this RFP. (Please attach additional sheets if necessary) Please indicate any hourly rates for services that may not be included in the original scope of the RFP. (Please indicate below the positions and hourly rates.)

Enter below the unit cost of each component of the pre-placement medical examination, drug screen, optional tests, and other services. The quantity estimates provided are only estimates of services expected and are offered here to assist the clinic in providing an accurate cost proposal. Prices quoted must include all direct costs, indirect costs and profit.

PRE-PLACEMENT MEDICAL EXAMINATIONS COSTS

Medical Health Service	Unit Cost	Estimated Quantity	Extended Total Cost
Examination Occupational Medical History including Review by Nurse Practitioner, Vision Screen and Vital Signs	[redacted]	200	[redacted]
Core+ and all Groups I-III Occupational Medical History including Review by Physician, Vision Screen, and Vital Signs	[redacted]	100	[redacted]
Complete Blood Count	[redacted]	250	[redacted]
TB Testing	[redacted]	200	[redacted]
QFT Testing	[redacted]	200	[redacted]
Blood Chemistry Panel (SMA 24)	[redacted]	250	[redacted]
Venipuncture (per visit not individual lab)	[redacted]	250	[redacted]
Urinalysis with microscopy	[redacted]	250	[redacted]
Urinalysis Dipstick	[redacted]	250	[redacted]
Hepatitis B Vaccination	[redacted]	100	[redacted]
Audiometry	[redacted]	150	[redacted]
Spirometry	[redacted]	150	[redacted]
Electrocardiogram (12 lead)	[redacted]	50	[redacted]
Stress Treadmill	[redacted]	25	[redacted]
Chest X-rays	[redacted]	60	[redacted]

Drug Screen 10 Panel Collection Fee (including suspected impairment and/or post-accident random drug testing)	[redacted]	550	[redacted]
10 Panel Send Out			
MRO Services (only applied when positive drug screen)		65	
BAT		15	
Other Support Activities M.D. Court Appearance		15	
TOTAL ANNUAL COST			

Pricing for vaccinations for the employees of the Lake County Government.

Procedure	Unit Charge	Estimated Quantity Annually	Total Cost
1. Chest X-ray	[redacted]	12	[redacted]
2. Fit Testing		1000	
3. TB Screening		1000	
4. Hep B Titer (Venipuncture billed separately per visit- not per lap)		50	
5. Hep B series		150	
6. MMR Vaccine		40	
7. MMR Titer (billed in 3 parts: Mumps, Rubella, Rubeola; Venipuncture billed separately per visit, not per lab)		40	
8. Varicella Vaccine		40	
9. Varicella Titer (Venipuncture billed separately per visit, not lab)		40	
10. Tdap		200	
11. Rabies Titer (Venipuncture billed separately per visit, not lap)		21	
12. Rabies Vaccine		21	
13. Flu Vaccine (purchased and Administered)		600	
Total			

Unit Price per hour for onsite services

Position	Rate for Service
MA/PCT	[redacted]
RN	[redacted]

Value Added Services

[redacted]

Employer Solutions

An overview of the Employer Solutions offerings is provided for your review on page 36. Please contact your Employer Solutions Executive for more information. To learn how we can work with you, visit employersolutions.aah.org.

Employer Solutions

Experience the Advocate Aurora difference

We will work with you to identify risks and opportunities and then develop a customized solution with targeted interventions designed to engage employees. Investing in the health of your employees will result in a healthier bottom line.

We have a solution that's right for you and your employees.

Advocate Aurora Health's High Performance Networks
Offering convenient access to high-quality, cost-effective care with shared risk options that will improve the health of your employees and your bottom line.

Employee Assistance Program
Caring for your employees while reducing absenteeism and increasing engagement. We'll partner with your employees on challenges such as childcare needs, money matters or financial issues.

Employer Clinics
Providing easy access to an advanced practice provider, making treatment more convenient. Services include primary care, preventive care, laboratory services and disease management.

Executive Health Program
Offering a premier health care experience designed to help you hire and retain top talent. We include a medical evaluation, diagnostic testing, risk factor assessment and lifestyle management.

Occupational Health Services
Preventing problems, managing outcomes, complying with regulations and ensuring the continuing good health and productivity of your employees.

Wellness Services
Helping employees manage and improve their health through services such as a health risk assessment, biometric screening and health coaching services.

AdvocateAuroraHealth™

To learn how we can work with you, visit **employersolutions.aah.org**

Sustainability Statement

[redacted]

Sustainability Statement *(continued)*

[redacted]

Sustainability Statement *(continued)*

For more information on our clean air, waste management and energy saving measures please reference our webpages:

- System: https://www.advocateaurorahealth.org/our-story/sustainability/
- What we are doing: https://www.advocatehealth.com/about-us/sustainability-wellness/what-were-doing/
- Recognition/Awards: https://practicegreenhealth.org/sites/default/files/2020-05/2020%20Awards%20List%20for%20website.pdf
- Advocate: https://www.advocatehealth.com/about-us/sustainability-wellness/?_ga=2.213361437.824610098.1655905120-1532281466.1643295968

LakeCounty

VENDOR DISCLOSURE STATEMENT

Vendor Name:	Advocate Aurora Health - Condell Medical Center
Address:	801 S. Milwaukee Ave., Libertyville, IL 60048
Contact Person:	[redacted]
Bid/RFP/SOI/Contract/Renewal:	**22060**

Vendors wishing to contract with Lake County for goods and services in an amount greater than $30,000 shall submit this form in advance of award. This disclosure statement is not required for utility companies regulated by the Illinois Commerce Commission or local units of government. Vendors shall disclose:

- A familial relationship between a Lake County elected official, department director, deputy director and manager and owners, principals, executives, officers, account managers or other similar managerial positions of the vendor's company. Familial relationship is defined as a spouse (including civil partner), child, stepchild, parent, stepparent, grandparent, in-laws (including parent, grandparent, sibling, or child), relatives and non-relatives living in the same residence, and offspring born to any aforementioned person.
- All political campaign contributions made by the vendor or an owner, principal, executive, officer, account manager, or other similar managerial position of the vendor to any county board member, county board chair, or countywide elected official within the last five years.

If there is nothing to report in a section, please state none in the appropriate space.

FAMILIAL RELATIONSHIPS

List names and departments/agencies of Lake County employees or public officials with whom owners, principals, or officers of the vendor's company have a familial relationship and the nature of the relationship. Attach additional pages, as necessary. (Provide all names or state none in the space below. Do not leave blank.)

Name and Department/Agency of Lake County Employee/Public Official	Familial Relationship

CAMPAIGN CONTRIBUTIONS

List campaign contributions that have been made within the last five years that exceed $150 annually. Attach additional pages, as necessary. (Provide all names or state none in the space below. Do not leave blank.)

Recipient	Donor	Description (e.g., cash, type of item, in-kind service, etc.)	Amount/Value	Date Made

Continuing disclosure is required if information changes. This Vendor Disclosure Statement form is available at www.lakecountyil.gov.

The full text of the County's Ethics and Procurement policies and ordinances are available at www.lakecountyil.gov.

I hereby acknowledge that the information above is accurate and complete, that I am an authorized signer on behalf of the vendor, that I have read and understand these disclosure requirements, and that I agree to update this information if there are any related changes by submitting a new Vendor Disclosure Statement.

Authorized Signature:	[redacted]
Printed Name:	

Vendors must insert "x" in th

LakeCounty

VENDOR CERTIFICATION FORM

Bid/RFP/SOI Number:	**22060**		
Vendor Name:	Advocate Aurora Health - Condell Medical Center		
Address:	801 S. Milwaukee Ave., Libertyville, IL 60048		
Primary Contact Name:	[redacted]		
Primary Contact Email Address:			
Primary Contact Phone Number:			
Project Manager Name:			
Project Manager Email Address:			
Project Manager Phone Number:			
# Years in Business:	25+ (Employer Solutions)	Number of Employees:	73,000 (AAH)
Annual Sales:	$	Dunn & Bradstreet #:	

Vendor Certification Statement: Please identify all the following that apply to the ownership of this firm. This information is collected for reporting purposes only and not vendor selection. Please include a copy of the certification. (Definitions are included on the second page of Vendor Certification Form).

	Contractor certifies as a Minority – Business Enterprise (MBE)
	Contractor certifies as a Women Business Enterprise (WBE)
	Contractor certifies as a Veteran-Owned (VBE) Business Enterprise
	Contractor certifies as a Persons with Disabilities Owned Business Enterprise (PDBE)
	Contractor certifies as a Service-Disabled Veteran-Owned (SDVBE) Business Enterprise
	Contractor certifies as a Business Enterprise Program (BEP)
	Contractor certifies as a Small Disadvantaged Businesses (SDB)
	Contractor certifies as a Veteran-Owned Small Business (VOSB)
	Local Business
	None
Other (Specify)	
Certification Number:	
Certified by (Agency):	

I certify that this information is accurate to the best of my knowledge and that I am authorized to provide this information on behalf of my company.

[redacted]

_____

Date

LakeCounty

Addendum Acknowledgement RFP #22060

The undersigned acknowledges receipt of the following addendum(s):

ADDENDUM #	SIGNATURE
1	[redacted]

I have examined and carefully prepared the submittal documentation in detail before submitting my response to Lake County.

Submittal Number: **22060**

Company Name: Advocate Aurora Health - Condell Immediate Care Centers

Authorized Representative: [redacted]

Authorized Representative:

Date:

It is the vendor's responsibility to check for addendums, posted on the website at http://lakecountypurchasingportal.com prior to the submittal due date. No notification will be sent when addendums are posted unless there is an addendum posted within three business days of the submittal due date.

If the submittal has already been received by Lake County, vendors are required to acknowledge receipt of addendum via email to purchasing@lakecountyil.gov prior to the due date.

Submittals that do not acknowledge addendums may be rejected.

All responses are to be submitted in a sealed envelope. Envelopes are to be clearly marked with required submittal information.

AUTHO[redacted]

Name:[redacted]

Name:[redacted]

BUSINESS ORGANIZATION: (check one only)

____ Sole Proprietor: An individual whose signature is affixed to this proposal.

____ Partnership: State full names, titles, and addresses of all responsible principals and/or partners on attached sheet.

____ Corporation: State of incorporation: _____

X___ Non-profit Corporation

____ 501c3-- U.S. Internal Revenue Code

By signing this proposal document, the proposer hereby certifies that it is not barred from responding on this contract as a result of a violation of either Section 33E-3 or 33E-4 of the Illinois Criminal Code of 1961, as amended.

Advocate Aurora Health - Condell Immediate Care Centers

[redacted]

_____ _____

Title Date

RESUMES

[redacted]

[redacted]

[redacted]

The Board of

[redacted]

The Board of

[redacted]

RFP #22060

LakeCounty

Purchasing Division

http://doingbusiness.lakecountyil.gov/

Lake County will be accepting **only** electronic RFP submissions for Request for Proposal.

Please follow the steps below to upload your electronic RFP Submission:

1. Go to www.lakecountypurchasingportal.com
2. Click on the RFP Number: 22060
3. Click on register for this bid
4. Enter your username and password
5. Under the Submittals section, you will be able to upload your RFP submittal
    a. Click on the browse button
    b. Navigate your computer and select the appropriate file
        i. Multiple files can be uploaded, each file can be no more than 20 MB
        ii. Files can also be uploaded as a .zip file
    c. Click on save submittals
    d. Close the browser

ALL SUBMITTALS SHOULD BE LABELED ACCORDINGLY. PLEASE USE BELOW LABEL FOR YOUR CONVENIENCE.

BID/RFP No. RFP #22060	Vendor Name: _____
Buyer: Susan August	Vendor Address: _____
Bid/RFP Description: Pre-Employment Physicals and Employee Vaccination Services for Lake County	Lake County **ATTN: PURCHASING DIVISION**
BID/RFP Due Date*: **JUNE 28, 2022, 11:00 a.m. local time**	18 N. County Street – 9th Floor Waukegan, IL 60085-4350

***Please note: Responses are due at 11:00 a.m. local time on June 28, 2022. Please allow sufficient time for any technical issues you may have and upload your RFP early. Please email Purchasing at purchasing@lakecountyil.gov to receive confirmation that we have successfully received your submission.**

Lake County, Illinois
Request for Proposals # 22060
Pre-Employment Physicals and Employee Vaccination Services for Lake County

Request for Proposal (RFP) is for the purpose of establishing a contract with a qualified firm to perform Pre-Employment Physicals and Employee Vaccination Services for Lake County.

GENERAL REQUIREMENTS: Proposers are to submit electronic proposals, to be opened and evaluated in private. Submit one (1) complete electronic unprotected copy via the Lake County Purchasing Portal and one (1) redacted copy that can be used to comply with the Illinois Freedom of Information Act (FOIA). Please refer to the FOIA statute, 5 ILCS 140/1 et seq., and specifically Section 7 therein, for an explanation of the information that may be redacted.

SUBMISSION DATE & TIME: **June 28, 2022 by no later than 11:00 a.m. local time**. Proposals received after the time specified will not be opened.

CONTACT / QUESTIONS: **All contact and questions regarding the Request for Proposal shall be with the Purchasing Division.** Should the proposer require additional information about this RFP, please submit questions on our website at http://lakecountypurchasingportal.com by selecting the RFP number and addendum link. Questions may also be submitted via email to purchasing@lakecountyil.gov. All questions shall be submitted no less than seven (7) days prior to the RFP opening date.

CONTENTS: The following sections, including this cover sheet, shall be considered integral of this solicitation:

*General Terms and Conditions
*Insurance and Bonding Requirements
*Special Terms and Conditions
*General Information
*Scope of Work
*Submittal Requirements
*Evaluation Criteria
*Proposal Price Sheet
*Addendum Acknowledgement
*General Information Sheet
*References
*Sustainability Statement
*Vendor Disclosure Statement
*Vendor Certification

If your RFP includes any exceptions, proposers must insert an "X" in the following box indicating a submission with exceptions and provide separately a submission with noted exceptions. ☐

NOTE TO PROPOSERS.: Any and all exceptions to these specifications MUST be clearly and completely indicated in the Proposer's response to the RFP. Failure to do so may lead the County to declare any such term non-negotiable. Proposer's desire to take exception to a non-negotiable term will not disqualify it from consideration for award

1. NEGOTIATIONS
   Lake County reserves the right to negotiate specifications, terms, and conditions, which may be appropriate to the accomplishment of the purpose of this Request for Proposal (RFP).

2. CONFIDENTIALITY
   Proposals are subject to the Illinois Freedom of Information Act (FOIA) once an award or final selection is made. As such, all Proposers responding are asked to submit one redacted copy of their proposal that can be used by the County to respond to any future FOIA requests for the proposal.

   Please refer to the FOIA statute, 5 ILCS 140/1 et seq., and specifically Section 7 therein, for explanation of information that may be redacted. For example, information exempt from disclosure in response to a FOIA request includes but is not limited to: highly personal or objectionable information; trade secrets and commercial or financial information claimed as proprietary, privileged or confidential, the disclosure of which would cause your business competitive harm; valuable formulae, computer geographic systems, designs, drawings and research data when disclosure of the same would produce private gain or public loss; certain construction related technical documents; and information associated with automated data processing operations that, if disclosed, would jeopardize system or data security.

   If no redacted copy is provided, the Lake County Purchasing Division reserves the right to determine what information should be redacted as proprietary, privileged, or confidential in response to a FOIA request. A Proposer who fails to provide a redacted copy of its proposal waives its right to maintain any claims against Lake County, its agents, or employees for disclosure of this information.

3. RESERVED RIGHTS
   Lake County reserves the right, at any time and for any reason, to cancel this RFP or any portion thereof, to reject any or all proposals, or to accept an alternate proposal. The County reserves the right to waive any immaterial defect in any proposal. Unless otherwise specified by the Proposer, the County has ninety (90) days to accept. The County may seek clarification from a Proposer at any time. Proposer's failure to respond promptly is cause for rejection. The County may require submission of best and final offers.

4. INCURRED COSTS
   Lake County will not be liable for any costs incurred by respondents in replying to this RFP.

5. AWARD
   Lake County reserves the right to award this contract based on the evaluation criteria set forth herein. Award shall be made by the Lake County Board to the responsible Proposer(s) determined to be the most qualified and advantageous to the County. Lake County reserves the right to award this Contract in whole or in part if determined to be in the best interests of the County.

6. ADDITIONAL INFORMATION
   Should the Proposer require additional information about this RFP, please submit questions on our website at http://lakecountypurchasingportal.com by selecting RFP number and addendum link. Questions may also be submitted via email to purchasing@lakecountyil.gov. All questions shall be submitted no less than seven (7) days prior to RFP opening date. ANY and ALL changes to these specifications are valid only if they are included by written Addendum to all Proposers. No interpretation of the meaning of the plans, specifications or other contract documents will be made orally. Failure of any Proposer to receive any such addendum or interpretation shall not relieve the Proposer from obligation under this RFP as submitted. All addenda so issued shall become part of the RFP documents. Failure to request an interpretation constitutes a waiver to later claim that ambiguities or misunderstandings caused a Proposer to improperly submit a proposal.

7. DISCUSSION OF PROPOSALS AND NEGOTIATION
Lake County may conduct discussions with any Proposer who submits a proposal. During the course of such discussions, the County shall not disclose any information derived from one proposal to any other Proposer. Lake County anticipates conducting negotiations with the successful Proposer. Your proposal should indicate any exceptions taken to this.

8. EXCEPTIONS
Any and all exceptions taken by Proposer to the terms of this RFP are to be identified in writing and included in the list of submittals.

9. CONTRACT TERM
This contract shall be in effect for a one (1) year period beginning upon execution. Lake County reserves the right to renew this contract for four (4) additional one (1) year period(s), subject to acceptable performance by the contractor. At the end of any contract term, Lake County reserves the right to extend this contract for a period of sixty (60) days for the purpose of getting a new contract in place. For any year beyond the initial year, this contract is contingent on the appropriation of sufficient funds; no charges shall be assessed for failure of the County to appropriate funds in future contract years.

10. RESPONSIBILITY & DEFAULT
The Proposer shall be required to assume responsibility for all items listed in this RFP. The successful Proposer shall be considered the sole point of contact for purposes of this contract.

11. INTERPRETATION OR CORRECTION OF REQUEST FOR PROPOSALS
Proposers shall promptly notify the Purchasing Division of any ambiguity, inconsistency, or error that they may discover upon examination of the RFP. Interpretation, correction, and changes to the RFP will be made by addendum. Interpretation, corrections, or changes made in any other manner will not be binding.

12. TAXES
The County is exempt from paying certain Illinois State Taxes.

13. TERMINATION
Lake County reserves the right to terminate this Agreement as set forth below.

a. Termination for Convenience:
Lake County reserves the right to terminate this Agreement, or any part of this Agreement, with or without cause, upon 30 days' written notice. In case of such termination, Consultant shall be entitled to receive payment from Lake County for work completed to the date of termination in accordance with the terms and conditions of this Agreement.

b. Termination Due to Material Breach:
In the event that this Agreement is terminated due to the Consultant's material breach, Lake County shall be entitled to purchase substitute items or services elsewhere and charge Consultant with losses the County incurs, including attorney's fees and expenses, notwithstanding any damage limitations the parties may agree to elsewhere.

c. Termination Due to Lack of Appropriations:
If sufficient funds are not appropriated by the Lake County Board to continue the services under this Agreement, then Lake County may terminate this Agreement. Lake County agrees to give written notice of termination to Consultant at least 30 days prior to the end of the last fiscal year for which appropriations were made. Lake County shall remit payment for all work completed and approved or accepted by the County, to the

date of termination. Termination under this subsection shall not entitle the Consultant to contractual damages of any kind.

d. Termination Due to Force Majeure Events:

(1) If a Force Majeure Event prevents a party from complying with any one or more obligations under this agreement, that inability to comply will not constitute breach if that party uses reasonable efforts to perform those obligations, that party's inability to perform those obligations is not due to its failure to (A) take reasonable measures to protect itself against events or circumstances of the same type as that Force Majeure Event or (B) develop and maintain a reasonable contingency plan to respond to events or circumstances of the same type as that Force Majeure Event, and that party complies with its obligations under section 16(d)(3), below.

(2) For purposes of this agreement, "Force Majeure Event" means, with respect to a party, any event or circumstance, whether or not foreseeable, that was not caused by that party and any consequences of that event or circumstance.

(3) If a Force Majeure Event occurs, the noncomplying party shall promptly notify the other party of occurrence of that Force Majeure Event and may terminate the Agreement based on it, with an obligation to pay only for services performed prior to the Force Majeure Event.

14. DEBARMENT AND SUSPENSION WITH LAKE COUNTY

The Lake County Purchasing Ordinance § 33.125 through 33.126 defines the County's Authority and Decision to Debar.

The Proposer certifies to the best of his or her knowledge and belief that the Proposer:

Is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency.

Has not within a 3-year period preceding this contract been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property;

Is not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and has not, within a three-year period preceding this contract, had one or more public transactions (Federal, State, or local) terminated for cause or default.

Proposer agrees that, during the term of this Agreement, Bidder shall report to the County's contract administrator, within 10 days, any allegations to or findings by the National Labor Relations Board (NLRB) or Illinois Labor Relations Board (ILRB) that Proposer has violated a statute or regulation regarding labor standards or relations. If an investigation by the County results in a final determination that the matter adversely affects Consultant's responsibilities under this Agreement, then the County may terminate this contract.

15. NON-DISCRIMINATION

The Proposer agrees to and shall comply with (1) the Equal Opportunity Employer provisions of Section 2000e of Chapter 21, Title 42 of the United States Code and Federal Executive Order Number 11246, as amended by Executive Order 11375, and (2) Chapter 33 of Title III of the Lake County Code of Ordinances (titled "Purchasing").

16. INDEMNIFICATION

The Proposer agrees to indemnify and defend Lake County (its employees, elected officials, executives, and agents) from all claims, actions, demands, judgments or liabilities, fines, penalties, and expenses, including without limitation reasonable legal fees and expert costs, arising out of this Agreement and arising from the Consultant's (its employees', executives', and agents') actions, whether negligent, reckless, or intentional. Lake County shall provide notice

to Consultant promptly of any such claim, suit, or proceeding, and will assist Consultant, at Consultant's expense, in defending any such claim, suit, or proceeding.

17. ASSIGNMENT, ALTERATIONS AND MODIFICATIONS

Any Agreement entered into as a result of this RFP shall not be assigned, delegated, or modified without the express written consent of both parties. The Agreement supersedes all other agreements, oral or written, between the parties with respect to the subject matter of the Agreement.

If Lake County agrees that the Consultant may assign, delegate, or subcontract the work under the Agreement, Consultant shall remain contractually liable to Lake County unless otherwise agreed in writing.

18. CHANGE ORDERS

In the event changes to the scope of the project or additional work become necessary or desired (a "Change"), the parties shall follow the procedures set forth in this Section to memorialize the change (a "Change Order"). A Change Order shall be effective only if documented in writing, dated and signed by both parties, and expressly referencing this Agreement. The Change Order shall set forth in detail: (i) the Change requested, (ii) the reason for the proposed Change; (iii) the cost of the Change; and (iv) the Change's impact on the time for completing the project.

In the event either party desires a Change, the Project Manager for such party shall submit to the other party's Project Manager a proposed Change Order. If the receiving party does not accept the Change Order in writing within 10 business days, the receiving party shall be deemed to have rejected the Change Order. If the parties cannot reach agreement on a proposed Change, Contractor shall nevertheless continue to render performance under this Agreement in accordance with its (unchanged) terms and conditions.

Changes that involve or increase in the amounts payable by the County may require execution by the County Purchasing Agent. Some increases may also require approval by the County Board. In cases where the Purchasing Agent's signature is required, or where County Board approval is needed, the Change Order shall not be deemed rejected by County after 10 days if the County's Project Manager has indicated in writing within the 10-day period an intent to present the Change Order for appropriate signature or approval.

19. JURISDICTION, VENUE, CHOICE OF LAW AND PROFESSIONAL STANDARDS

This RFP and any contract resulting there from shall be governed by and construed according to the laws of the State of Illinois. Jurisdiction and venue shall be exclusively found in the 19th Judicial Circuit Court of Lake County Illinois.

20. CHANGE IN STATUS

The Proposer shall notify Lake County immediately of any change in its status resulting from any of the following: (a) Proposer is acquired by another party; (b) Proposer becomes insolvent; (c) Proposer, voluntary or by operation law, becomes subject to the provisions of any chapter of the Bankruptcy Act; (d) Proposer ceases to conduct its operations in normal course of business. Lake County shall have the option to terminate its Agreement with the Proposer immediately on written notice based on any such change in status.

21. DISPUTE RESOLUTION

All issues, claims, or disputes arising out of this Agreement shall be resolved in accordance with the Contract Disputes provision of the Lake County Purchasing Ordinance, § 33.097.

22. NON-ENFORCEMENT BY THE COUNTY

The Proposer shall not be excused from complying with any of the requirements of the Contract because of any failure on the part of the County, on any one or more occasions, to insist on the Proposer performance or to seek the Proposers compliance with any one or more of said terms or conditions.

23. PRECEDENCE

Where there appears to be variances or conflicts, the following order of precedence shall prevail: Lake County General Terms & Conditions, Lake County Request for Proposal Terms Scope of Work, and the Proposal Response.

24. PERSONAL EXAMINATION

Proposers are required to satisfy themselves, by personal examination of the site as to work involved and the difficulties likely to be encountered in the performance of work under this Agreement. No plea of ignorance of conditions that exist now or hereafter, or of any conditions of difficulties that may be encountered in the execution of the work under this Agreement will be accepted as an excuse for failure to or omission on the part of the Proposer to fulfill in every respect all the requirements and specifications, nor will same be accepted as a basis for any claim for extra compensation.

The Proposer is responsible to investigate and gather all relevant and pertinent information prior to submitting a proposal. By submitting a proposal, the Proposer affirms that they have performed all due diligence and are aware of all critical factors that may affect the provision of the services as described in the RFP. Such critical factors may include but are not limited to; location, space, utilities, scope of operations, and any other conditions, which may affect the Proposer operations. No allowance will be made for not being familiar with existing conditions to be encountered.

25. PRICING

Pricing shall be included on Proposal Price Sheet. Please note, the price sheet must be completed and submitted with your response. Failure to complete and submit this form may cause you to be considered to be unresponsive to this RFP. A responsive Proposer is defined as a person who has submitted a proposal that conforms in all material respects to the requirements set forth in the Request for Proposal.

26. JOINT PURCHASING

The purchase of goods and services pursuant to the terms of this Contract shall also be offered for purchases to be made by other governmental units, as authorized by the Governmental Joint Purchasing Act, 30 ILCS 525/0.01 et seq. (the "Act"). All purchases and payments made under the Act shall be made directly by and between each governmental unit and the successful Proposer. The Proposer agrees that Lake County shall not be responsible in any way for purchase orders or payments made by the other governmental units. The Proposer further agrees that all terms and conditions of this Contract shall continue in full force and effect as to the other governmental units during extended terms. The credit or liability of each governmental unit shall remain separate and distinct. Disputes between Proposers and governmental units shall be resolved between the immediate parties.

The Proposer and the other governmental units may negotiate such other and further terms and conditions to this Contract ("Other Terms") as individual projects may require. To be effective, other terms shall be reduced to writing and signed by a duly authorized representative of both the successful Proposer and the other governmental unit.

The Proposer shall provide the other governmental units with all required documentation set forth in the solicitation including but not limited to performance and payment bonds, Certificates of Insurance naming the respective governmental unit as an additional insured, and certified payrolls to the other governmental unit as required.

27. ECONOMIC OPPORTUNITY PROGRAM

Lake County launched a **Buy Local. Build Local. Work Local.** initiative in 2013 to increase the outreach and procurement opportunities for businesses located within Lake County, including women-owned businesses and minority-owned business enterprises (L/W/MBE). The overarching objective is to maximize participation from these businesses in the County's procurement process, in accordance with applicable law. The County will take all necessary and reasonable steps to assure that business enterprises defined as L/W/MBE shall have a fair opportunity to participate in County contracts. As part of its Economic Opportunity Program (EOP) commitment, the County will make every effort to achieve the following objectives:

(a) To ensure nondiscrimination in the award and administration of contracts;
(b) To create a level playing field on which L/W/MBEs can compete fairly for contracts by providing

any necessary training and assistance in bid preparation;

(c) To ensure that the County's EOP is narrowly tailored in accordance with applicable law;

(d) To establish a means for firms identifying themselves as L/W/MBEs to register for procurement opportunities and work cooperatively with contracted firms to report on measures that demonstrates the County's commitment to its EOP; and,

(e) To help remove barriers to the participation of L/W/MBEs through notification of contract opportunities.

Successful Proposers are encouraged to work with Workforce Development to post any and all opportunities for employment on County contracts. Lake County's Workforce Development mission is to foster and ensure the economic prosperity of the Lake County community by maximizing the potential of businesses and workers. As such, Workforce Development provides a key resource for job seekers and employers.

State law mandates an open and competitive procurement process and requires that publicly procured contracts be awarded with no demonstrated preference based on the proposer's 's location, race and gender.

28. REPORTING REQUIREMENTS FOR AWARDED CONTRACTS

All awarded vendors will identify and report the type of ownership— L/W/MBE, and/or not L/W/MBE for any work that they or their approved subcontractors will perform. In addition, Lake County requests that all awarded vendors provide an accounting of employees assigned throughout the term of the contract in regard to their home address and ethnicity. Lake County may use any data collected to report on potential of businesses and workers benefitting from County contracts.

29. LAKE COUNTY OWNERSHIP OF INFORMATION

All information pertaining to records, data collected, property, financial or other information acquired under the scope of this contract shall be strictly confidential and the sole property of Lake County. The Proposer shall return all information to Lake County upon termination, and/or request and shall not utilize any of the information for purposes outside of the scope of this contract or without express approval of Lake County. Upon County request, the Proposer must provide all Lake County data in a documented, standard format.

30. JOINT VENTURES & SUCCESSFUL PROPOSER MERGERS, ACQUISITIONS, DIVESTITURES OR CHANGE IN STRATEGY

In the event a joint venture is proposed, each party to the joint venture must meet all applicable requirements of the RFP. The party submitting the response shall be considered the sole contact for issues relating to this RFP. In the event of a merger, acquisition, divestiture or change in strategy, the successful proposer will state its commitment to continue to provide services.

31. OUT OF POCKET EXPENSES

All out-of-pocket expenses paid by the Proposer during the project will be incurred solely at the Proposer's expense.

32. INFORMATION SECURITY

In the process of performing services to Lake County the Proposer may come in contact with information deemed important and proprietary to Lake County. The Proposer agrees that any services performed for Lake County, whether on Lake County premises or not, will meet or exceed Lake County's information security policy and privacy standards. Lake County reserves the right to audit proposer's performance in meeting these standards.

33. INDEPENDENT CONTRACTOR, LICENSURE OR CERTIFICATIONS, KEY PERSONNEL

A. **Independent Contractor Status**. The parties intend that the Consultant will be an independent contractor.

B. **Licensure or Certifications**. If required by law, the Consultant must at all times be and remain licensed or certified as a qualified provider of the services provided in this Agreement. Consultant shall submit copies of the required licenses or certifications upon the County's request. Consultant shall promptly notify County in writing of any citation Consultant receives from any licensing or certification authority, including all responses and correction plans.

C. Where the parties have identified particular individuals as being critical to a project ("Key Employees"), then Consultant shall not replace Key Employees without the County's prior written consent, which shall not be unreasonably withheld. Should Key Employees be reassigned, become incapacitated, separate from the Consultant, or be otherwise unable to perform the functions assigned to them, Consultant shall (i) within 10 business days, temporarily replace the person with another properly qualified employee and (ii) within 30 calendar days, permanently replace the person.

Lake County shall have the right to request that Consultant replace Key Employees from the project by setting forth in writing the grounds for the request. Consultant shall have a reasonable time period in which to address the grounds or make a substitution.

34. EQUAL EMPLOYMENT OPPORTUNITY

Contractor assures, with respect to operation of the WIOA-funded training or activity, that it will comply fully with the nondiscrimination and equal opportunity provisions in sec. 188 of the Workforce Investment Act of 1998; USDOL regulation 29 CFR part 38, as amended; USDOL regulations at 29 CFR parts 31 and 32, including the Nontraditional Employment for Women Act of 1991; Title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973 as amended; Title IX of the Education Amendments of 1972, as amended; the Age Discrimination Act of 1975 as amended; the Civil Rights Restoration Act of 1987; executive order 12250; Age Discrimination in Employment Act of 1967; Federal Equal Pay Act of 1963; ILLINOIS Equal Pay Act of 2003; U.S. department of labor regulations at 28 CFR part 42, subparts f & h; Title VII of the Civil Rights Act of 1964, as amended Victims Economic Security and Safety Act; the Veterans' Priority Provisions of the "Jobs for Veterans Act", public law 107-288.

35. INVOICES & PAYMENT

A. At the start of this Agreement, the County will issue a purchase order for the work and Proposer shall submit invoices detailing the products and services provided and identify the purchase order number on all invoices.

B. Proposer shall maintain records showing the actual time its employees and agents devoted to the project, and the costs incurred. Proposer shall permit a representative from Lake County to inspect and audit all of Proposer's data and records for the work and services provided under this Agreement. Proposer shall make these records available at reasonable times during the Agreement period and for one year after the end of the Agreement.

C. All payments shall be made in accordance with the Illinois Local Government Prompt Payment Act, which generally requires approval of a vendor's bill within 30 days of receiving the invoice for the services contained in it, and payment within an additional 30 days (50 ILCS 505/1 *et seq.*).

Lake County's fiscal year ends on November 30. Invoices for services the Proposer has rendered up until November 30 of each year must be received by Lake County on or before January 15 of the subsequent calendar year.

Other than the timeframe for payments related to the end of Lake County's fiscal year, as stated above, Lake County shall not be held financially liable for payment of any services rendered if the invoice for such services is not sent to the County within 90 days from the date the services were provided.

If this Agreement is terminated prior to its expected expiration date, the Proposer must submit all invoices to Lake County no later than 30 days after the effective date of the termination.

Payment for invoices received beyond the time periods in this subsection will be denied, absent an agreement to the contrary. Failure of the Proposer to invoice the County in the timeframes noted in this section shall constitute the Proposer's waiver of the Proposer's right to payment.

36. PRESS/NEWS RELEASES

Consultant may not issue any press or news releases regarding this Agreement without prior approval from Lake County. Consultant shall provide notice to Lake County's Chief Communications Officer if contacted by the media regarding the services set forth in this Agreement.

All Contracts may be subjected to change

The Contractor must obtain, for the Contract term and any extension of it, insurance issued by a company or companies qualified to do business in the State of Illinois with an A.M. Best Rating of at least A- VIII and provide the County with a Certificate of Insurance 15 days before the start of the project, and thereafter annually for contracts/ projects that will last more than one year. Insurance in the following types and amounts is necessary:

Commercial General Liability Insurance

In a broad form on an occurrence basis shall be maintained, to include, but not be limited to, coverage for property damage, bodily injury (including death), personal injury and advertising injury in the following coverage forms where exposure exists:

- Premises and Operations
- Independent Contractors
- Products/Completed Operations
- Liability assumed under an Insured Contract/ Contractual Liability
- Personal Injury and Advertising Injury

With limits of liability not less than:
$ 2,000,000 Each Occurrence
$ 1,000,000 Products-Completed Operations
$ 1,000,000 Personal and Advertising injury limit
$ 5,000,000 General aggregate; the CGL policy shall be endorsed to provide that the General Aggregate limit applies separately to each of the contractor's projects away from premises owned or rented to contractor.

Automobile Liability Insurance

Automobile liability insurance shall be maintained to respond to claims for damages because of bodily injury, death of a person, or property damage arising out of ownership, maintenance, or use of a motor vehicle. This policy shall be written to cover any auto whether owned, leased, hired, or borrowed.
The Contractor's auto liability insurance, as required above, shall be written with limits of insurance not less than the following:
$ 1,000,000 Combined single Limit (Each Accident)

Excess/ Umbrella Liability

The Contractor's Excess/ Umbrella liability insurance shall be written with the umbrella follow form and outline the underlying coverage, limits of insurance will be based on size of project:
$ 2,000,000 per occurrence limit (*minimum, and may be higher depending on the project*)

Workers Compensation (Coverage A) and Employers Liability (Coverage B)

Workers Compensation Insurance covering all liability of the Contractor arising under the Worker's Compensation Act and Worker's Occupational Disease Act at limits in accordance with the laws of the State of Illinois. Employers' Liability Insurance shall be maintained to respond to claims for damages because of bodily injury, occupational sickness, or disease or death of the Contractor's employees, with limits listed below:

Employers Liability

a) Each Accident $1,000,000
b) Disease-Policy Limit $1,000,000
c) Disease-Each Employee $1,000,000

Such Insurance shall contain a waiver of subrogation in favor of Lake County.

Professional Liability – Errors and Omissions

The Engineers/Architects/Consultants and/or Software Developer for the plans of the project shall be written with limits of insurance not less than the following:

$ 1,000,000 per claim per policy year

Coverage shall be provided for up to three (3) years after project completion. Policy is to be on a primary basis if other professional liability is carried.

Cyber Liability

Cyber Liability Insurance for unauthorized release of Personally Identifiable Information (PII), protected Health Information (PHI) and confidential information of third parties and employees including Privacy Regulatory coverage for both legal defense and fines/penalties from a privacy breach for risks associated with e-business, internet, etc., with limits of insurance not less than the following:

$ 1,000,000 per occurrence limit.

Liability Insurance Conditions

Contractor agrees that with respect to the above required insurance:

a) The CGL policy shall be endorsed for the general aggregate to apply on a "per Project" basis;
b) The Contractor's insurance shall be primary & non-contributory over Lake County's insurance in the event of a claim.
c) Contractor agrees that with respect to the above required insurance, Lake County shall be named as additional insured, including its agents, officers, and employees and volunteers and be provided with thirty (30) days' notice, in writing by endorsement, of cancellation or material change. A blanket additional insured ISO endorsement is preferred for Contractors who have multiple projects with the County.
d) Lake County shall be provided with Certificates of Insurance and should include the appropriate corresponding ISO form endorsements evidencing the above required insurance, prior to commencement of this Contract and thereafter with certificates evidencing renewals or replacements of said policies of insurance at least thirty (30) days prior to the expiration of cancellation of any such policies. No manuscript endorsements will be accepted. Any hard copies of said Notices and Certificates of Insurance and Endorsements shall be provided to:

Lake County
Purchasing Division
18 N. County 9th Floor
Waukegan, Illinois 60085
Attn: RuthAnne Hall, Lake County Purchasing Agent

e) **Electronic copies of Notices, Certificates of Insurance and Endorsements can be emailed to** Purchasing@lakecountyil.gov **in place of hard copies.**

Failure to Comply: In the event the Contractor fails to obtain or maintain any insurance coverage required under this agreement, Lake County may purchase such insurance coverage and charge the expense to the Contractor.

Proposers are subject to the following conditions if the use of Federal Funds is applied to this procurement.

1. DEBARMENT AND SUSPENSION
   This contract is covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Proposer is required to verify that none of the Licensor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

   Proposer must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction in enters into.

   This certification is a material representation of fact relied upon by Lake County. If it is later determined that the Proposer did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to Licensor, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

   Proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000 subpart C throughout the period of any contract that may arise. Licensor agrees to include a provision requiring such compliance in its lower tier covered transactions.

2. PROHIBITION ON CERTAIN TELECOMMUNICATIONS
   The proposed equipment will not utilize covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

3. ACCESS TO RECORDS
   Proposer agrees to provide Lake County , the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Licensor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

   Proposer agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

   Proposer agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

   In compliance with the Disaster Recovery Act of 2018, Lake County and the Licensor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

4. DHS SEAL, LOGO AND FLAGS
   Proposer shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

5. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS
   This is acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. Proposer will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

6. NO OBLIGATION BY FEDERAL GOVERNMENT
The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, Proposer, or any other party pertaining to any matter resulting from the contract.

7. PROGRAM FRAUD AND FALSE OR FRADULENT STATEMENTS OR RELATED ACTS
Proposer acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Proposer's actions pertaining to this contract.

8. BYRD ANTI-LOBBYING AMENDMENT (31 U.S.C. 1352)
Proposer s who apply or bid for an award of $100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

9. CLEAN AIR ACT (42 U.S.C. 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. 1251-1387), AS AMENDED
Proposers who apply or bid for an award of $150,000 or more shall comply with the following provisions:

i. Clean Air Act

1. The Proposer agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The Proposer agrees to report each violation to the LCHD and understands and agrees that the LCHD will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Proposer agrees to include these requirements in each subcontract exceeding $150,000 financed in whole or in part with Federal assistance provided by FEMA.

ii. Federal Water Pollution Control Act

1. The Proposer agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The Proposer agrees to report each violation to the LCHD and understands and agrees that the LCHD will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Proposer agrees to include these requirements in each subcontract exceeding $150,000 financed in whole or in part with Federal assistance provided by FEMA.

1. INTENT

The purpose of this Request for Proposal (RFP) is to establish a contract with a qualified proposer(s) to provide medical services required by the County including pre-employment physicals, drug testing and employee vaccination services for Lake County. The proposer must be able to provide the vaccinations and random drug screenings either at the provider's facilities or on-site at a Lake County Government location. Typically, the County provides employees on-site TB testing, Fit testing, and Flu shots on several scheduled dates throughout the year. The selected proposer must be able to accommodate all scheduled on-site events with appropriate staffing required to successfully manage the event.

2. LAKE COUNTY, ILLINOIS

Lake County is located in northeast Illinois, between the Chicago and Milwaukee metropolitan areas. Lake County is home to about 703,000 residents. Lake County is committed to open government and transparency, and the County board's conservative fiscal policies have allowed the County to maintain fiscal stability and achieve AAA bond rating from Standard & Poor's and Moody's. Lake County is governed by a 21-member board and managed by a County Administrator.

3. BACKGROUND

The recruitment and retention of a healthy and physically fit work force is a goal of Lake County. The Human Resources Department administers a number of programs to promote health and fitness among its employees including a drug and alcohol-free workplace and a modified work and light duty program to facilitate an employee's rapid return to work following an industrial injury.

The County requires some prospective employees to submit to a pre-placement medical examination. In addition, all employees are required to submit to a drug screening following an offer of employment. The purpose of the pre-placement medical examination is for the examining physician to review the prospective employee's past work and medical history as well as their present physical condition to ensure that the prospective employee will be able to perform the physically demanding activities required by the job.

The examination is also conducted to ensure that the prospective employee is free of any medical condition which could become aggravated if the individual was placed in a position which exposed him or her to environmental or physical hazards. The pre-placement medical examination represents one of the earliest contacts between the County and its prospective employees, the County requires a contractor to conduct the examinations in an atmosphere engendering confidence and respect.

Additionally, Lake County requires a provider for employees' vaccination services. Lake County provides employee on-site TB testing, Fit testing, and Flu shots at several scheduled on-site events. Lake County desires to enter into a contract with a qualified provider for both services, pre-employment physicals and employee vaccination services.
Lake County also maintains an Alcohol and Drug Free workplace and must take all steps necessary to comply with the drug and alcohol testing provisions of the Omnibus Transportation Employee Testing Act of 1991. As a result, we conduct random, post-accident and reasonable suspicion testing upon the manifestation of specific, articulable symptoms while working.

4. PROJECT TIMELINE

To ensure that Lake County is able to implement the proposed solution, the proposers should indicate their ability to meet the deadlines indicated below:

Event	Date
Release RFP	Wednesday June 1, 2022
Deadline for RFP Inquiries for Clarification and Posting of Responses	Tuesday June 21, 2022

Deadline for Proposal Submissions	Tuesday June 28, 2022
Finalist Interviews	Week of July 11, 2022
Lake County Board Approval	August 9, 2022
Awarded Entity Begins Contract	August 2022

***This timeline may be subject to change.**

5. PROJECT STATUS
   Personnel from the Proposer, Lake County, and other interested Lake County organizations will, as scheduled at a mutually agreed upon frequency, meet to discuss the scope of this project and the progress made by the Proposer in the performance of their obligations hereunder. When ad hoc meetings need to occur, Proposer and Lake County will make every effort to accommodate same.

6. PERFORMANCE LEVELS/MONITORING
   Lake County staff will monitor performance levels based on progress reviews and milestone reports, as specified in the project plan created by the Proposer.

7. ACCOUNT REPRESENTATIVE
   The Proposer shall assign an Account Representative who has a minimum of 5 years, successful experience in providing these services. The Account Representative, and his or her qualifications, shall be identified in the submittal of the RFP documents. The Account Representative shall be present for presentation of the proposal and must be assigned to Lake County throughout the Contract period.

8. WORK PRODUCT
   All work product prepared by Proposer pursuant to a resulting Agreement, including, but not limited to, policies, reports, analysis, plans, designs, calculations, work drawings, studies, photographs, models, and recommendations shall be the property of Lake County. Proposer shall deliver the work product to Lake County upon completion of Proposer's work, or termination of the Agreement, whichever comes first. Proposer may retain copies of such work product for its records; however, Proposer may not use, print, share, disseminate, or publish any work product related to this Agreement without the consent of Lake County.

As our prospective and current employees live and work all across the Lake County, we seek a vendor who has locations in Lake County where they provide Occupational Health. This can include clinics, doctor's offices and hospitals. This is for the convenience and ease of utilizing these services for prospective and current employees.

Scope of work for Employee Vaccination Services:

- The vendor shall furnish all labor, materials, and incidentals required to administer all the vaccinations.
- The vendor will coordinate services and on-site clinics directly with the Lake County Human Resource Department.
- All vaccines must be administered by a qualified health care professional licensed to administer said vaccine.
- All vendor staff must arrive 30 minutes prior to the advertised clinic start time and conduct any setup that may be required. All supplies should be ready at the start of the clinic.
- All the vendor staff will use medically acceptable procedures for proper disposal of any biohazardous waste resulting from the clinic
- The vendor must comply with all applicable professional conduct standards and in accordance with HIPPA guidelines when providing service to Lake County employees.
- The vendor will maintain all health-related information as mandated by state and federal laws.
- The vendor shall obtain all permits, licenses, and other forms of documentation required for providers.
- The vendor must be available to conduct on-site clinics at multiple locations. The main County locations that could host an on-site vaccination clinic are as follows: 18 N County Street, Waukegan, IL 60085; 3010 Grand Ave Waukegan, IL 60085; and 600 W Winchester Rd Libertyville, IL 60048.
- The vendor must be available to conduct a large-scale TB test and Fit Testing event at the Lake County Health Department at multiple locations.

Scope of work for Random Drug and Alcohol Test:

- The vendor shall furnish all labor, materials, and incidentals required to administer all random drug test.
- The vendor will coordinate services directly with the Lake County Human Resource Department.
- All random drug and alcohol test shall be administered by a qualified health care professional.
- All the vendor staff will use medically acceptable procedures for proper disposal of any biohazardous waste resulting from the clinic
- The vendor must comply with all applicable professional conduct standards and in accordance with HIPPA guidelines when providing service to Lake County employees.
- The vendor will maintain all health-related information as mandated by state and federal laws.
- The vendor will follow all mandated state and federal laws containing to random drug and alcohol testing for DOT and non-DOT employees.

Scope of work for Pre-Employment Physicals:

1. **ADA Requirements:**

All medical examinations and determinations must be administered and evaluated in compliance with EEOC's regulations (29 cfr part 1630) implementing the Americans with Disabilities Act of 1990. The Act does not require that medical examinations be job-related. The act does require that "selection criteria that screen out or tend to screen out an individual with a disability [are] ... Job-related for the position in question and is consistent with business necessity.

2. **Medical Guidelines:**

Medical guidelines should be included in the proposal. These guidelines should reflect industry best practices. Lake County currently uses job analysis information and medical guidelines developed by MED-TOX under a contract completed in 1987. These medical guidelines have been revised several times to reflect changes in the medical management of many conditions and occupational medical practice. The guidelines encourage a case-by-case determination for most conditions rather than emphasizing a set of strict criteria for rejecting a prospective employee.

3. **Designation of a Primary Physician:**

The Proposer shall designate a single medical examiner to be the Primary Physician contact with the Department of Human Resources. The Primary Physician will be responsible for ensuring that recommendations are made to the County based on the County's medical guidelines and essential job functions. The individual physician may supervise other medical examiners who may conduct the examination, but the Primary Physician will be the County's only physician contact with the clinic.

The medical examiner shall examine and report the medical condition of prospective employees and detect conditions which affect their ability to safely perform the duties of the job for which they are being considered.

Recommendations and the advice of the Primary Physician are given great weight in the employment decision and may affect the obligations of the County. If questions or ambiguities arise regarding the essential functions of the job or the County's medical guidelines, the Primary Physician must clarify these factors in communication with Lake County Human Resources.

4. **Hours of Operation and Scheduling:**

The facility shall maintain hours of operation that are convenient to prospective employees and County officials. Describe the facility 's hours of operation and provision for after-hours emergency telephone consultation. Describe the maximum amount of time to schedule a prospective employee for an appointment. The County's expectation is that perspective employee complete the pre-employment medical screening within 48 hours of acceptance of a job offer.

It is sometimes necessary to schedule a large number of prospective employees for medical screening (e.g., 25-30 individuals to be hired over a two-week period). Please indicate whether the clinic has the capabilities to process groups of individuals of this size and whether any special arrangements are possible such as starting examinations earlier, extending work hours or bringing examinations onsite.

The situation may arise that the prospective employee may not be from the area and may need to complete a medical examination out of town. Describe the process of how this incident would be handled.

5. **Medical Examinations:**

In conducting the physical examination, the physician will consider the prospective employee's ability to perform the physical requirements of the job based upon the County's medical guidelines and job analysis information.

All referrals to specialists or recommendations for additional testing or treatment determined by the examination shall be authorized by Lake County Human Resources in advance.

The types of pre-placement medical examinations provided to prospective Lake County employees are based on the nature of job and the working conditions and environmental hazards associated with the work. Each job classification has been assigned to a specific medical examination group.

6. **Prospective Employee - Employment History Screening:**

The employment history of all prospective employees must be reviewed to identify previous occupational exposure involving toxic substances or other environmental conditions that may not at the time of the pre-employment screening, present a current health concern. Further testing may be required to establish and measure the result of any sustained previous exposure levels. Additional testing shall as require, be authorized by Lake County Human Resources in advance.

Medical examiner will document the concern and level of previous employment exposure to toxic or other environmental exposure that the medical examiner determines may manifest a greater significance longer term. Previous employment records or personal medical records may require review.

7. **Current Pre-Placement Medical Examination Process:**

County:

Selects prospective employee and makes employment offer contingent upon successful complete of pre-placement medical examination and drug screen. Prospective employee does not begin employment until a placement recommendation has been received from the Primary Physician.

Appointing Authority (hiring department) or Lake County schedules examination with medical clinic. Prospective employee is notified of the date of the examination and provided with a Medical History Questionnaire and directions to the clinic. Prospective employee is directed to complete the Medical History Questionnaire prior to arriving at the clinic.

Medical Clinic:

Schedules prospective employee for exam. Notes type of exam (Core, I, II, Health I, Health II, Health III).

A price should be provided for each type of screening based on criteria below:

MEDICAL EXAMINATION CONTENT - GROUPS: CORE, CORE + AND I – IV

	Core	Group I	Group II	Group III	Health I	Health II	Health III
Drug Screen 9 Panel Rapid	x	x			x	x	x
DOT Drug Screen			X	x			
Occupational and Medical History		x	x			x	x
Vital Signs		x	x			x	x
Vision Testing		x	x			x	
Physical Examination		x	x			x	x
DOT Exam				x			
Audiogram		x	x			x	x
Spirometry		x				x	
Electrocardiogram		x					
Complete Blood Count (CBC)		x	x			x	
Blood Chemistry Profile		x	x			x	
Metal Blood Testing			x (Level I)			x	
Urinalysis w/microscopy w/dip stick		B	B			B	
Back Assessment		x	x			x	
Lumbar Sacral Spine X-ray		B	B			B	
TB one step test[1]	E	x					
TB two step test[1]					x	x	x
Fit Test					x	x	
Hepatitis B Antibody		x			C	X	
TDAP		x	x		C	x	x
MMR Titer					C		
Varicella Titer					C		
Rabies Vaccine							x

Flu Vaccine	x	x	x		x	x	x

A = Classifications with specific occupational noise exposure or critical hearing demands marked with
B=Individuals whose medical or occupational history shows past problems or significance
C=Individuals with direct patent care only
E= Juvenile Detection Office Staff
[1] - Skin Test or QuantiFERON Available

Medical examiner documents pre-existing conditions and prospective employees' medical status. If there are no conditions of significance, the prospective employee is cleared for work (Status Category 1). Conditions of significance or concern require review of the Medical Guidelines **and** job analysis documents. Hospital, surgical, workers' compensation, military or other disability records or personal medical records may require review by the Primary Physician (Status Category 3).

a. If the medical history or physical examination raise concern to the Primary Physician that he or she needs more information, the physician must notify the individual, on behalf of the County, that copies of all medical records from physicians, physical therapy office visits, and hospitalizations, are necessary for a proper determination of placement on the job.

b. The notification should be in writing, with a clear understanding that it is the individual's, not the physician's or the County's, responsibility, to obtain such information. The prospective employee should be given a reasonable amount of time to notify all health care providers deemed to have such records, and for these records to be sent to the Primary Physician. It should be clearly stated in the written notification that these records are expected to be received by close of business on a particular date, and that recommendations for job placement or for further work up for a better understanding of the medical condition will be made based upon information obtained by that date. If no or insufficient information is not sent by that date, the consequence should be that no recommendation for placement is for the job (Status Category 3). Additional medical tests may need to be ordered with advance approval of Lake County Human Resources. If no job analysis information is available, Primary Physician may need to contact Lake County Human Resources to obtain information about the job demands and working conditions. Human Resources may direct the Primary Physician to the appropriate Appointing Authority. A decision on the prospective employee's status is deferred until the necessary information has been assembled. The Lake County Human Resources will be kept abreast of, and notified of, any change in status.

8. **Laboratory**:
As part of its offer, the Proposer is to identify the laboratory which will perform all the testing on the blood and urine samples. The laboratory to be used by the Proposer must be SMHSA certified.

9. **Report of Examination Results:**
For all examinations the physician should translate pertinent medical findings into functional placement data that can be transmitted to Lake County Human Resources via email. Functional assessments generally should not contain specific details of medical diagnosis but be sufficient detail to assist the appointing authority in assessing the individual's capability of fulfilling employment requirements. However, it is recognized that exceptions will need to be

made since it is often difficult to consider particular accommodations without knowledge of the specifics of the condition and its impact on performance, work hours, and other factors.

Status categories are defined as follows:

a. **Status Category 1**
This designation indicates that no medical condition has been identified that conflicts with the individual's ability to safely address the physical demands of the position being applied for or currently held.

b. **Status Category 2**
This designation means that the prospective employee **was** found to have a medical condition that could interfere with the individual's ability to safely perform the essential duties of the position. Restrictions may be indicated by the physician on the Health Status Report. The physician must also reference the medical guideline(s) that were reviewed in reaching the recommendation. The Appointing Authority should review these restrictions and functional limitations to determine if such limitations will impose an undue hardship upon the jurisdiction's ability to provide service. Human Resources and the Primary Physician may need to consult with the Appointing Authority to assess issues of reasonable accommodation.

c. **Status Category 3**
This designation indicates that the physician is not willing to make a placement decision without further evaluation, tests, and consultation with Lake County Human Resources and the Appointing Authority.

d. **Status Category 4**
This designation is for the physician to write in other comments directed to the Appointing Authority regarding the individual's medical status. An example might be that the individual's condition is so severe that the physician cannot recommend any placement of the individual into the job.

10. **Pre-employment Alcohol and Drug Screening:**
Lake County is responsible for compliance with the Omnibus Transportation Employee Testing Act of 1991 which requires drug and alcohol testing of prospective employees who are placed in safety-sensitive positions.

In accordance with the federal regulations the clinic must assure that testing is performed by a certified Breath Alcohol Technician (BAT) who has completed Evidential Breath Testing on the breathalyzer being used. The breathalyzer used must be on the conforming products list of approved breathalyzers as published in Federal Register (FR 58, #179, 9/17/93).

The clinic is responsible for maintaining the integrity of the specimen collection and transfer process for alcohol and drug screening and the privacy of the prospective employee and is to avoid any conduct or remarks that might be construed as accusatorial or otherwise offensive or inappropriate.

The clinic should provide evidence of the primary physician's experience or training in the MRO function, a copy of the SMHSA certification for the laboratory proposed for use, a copy of the clinic's chain of custody, procedure, and a description of the drug screening procedure the clinic proposes to use. If the primary physician has completed certification for MRO services by either the American college of occupational and environmental medicine or the American association of medical review officers, please indicate the date of the certification.

11. **Post-Employment Testing:**
The clinic will administer, monitor and track all post-employment testing, within OSHA (IDOL) Standards, for departments that are required. This may include but is not limited to, Fitness for Duty Testing, Audiometry, Vision screening and other recommended or required testing per industry best practices and/or OSHA (IDOL).

12. **Immunization:**

The clinic will review immunization records that the prospective employee provides. This will determine whether the clinic will need to administer any vaccines. If the prospective employee states they do not want the vaccination and it is not a required vaccination, the clinic will provide a waiver of refusal for them to sign. If the vaccination is a requirement, the clinic will administer, track and retain all records. The clinic will also administer, track, and retain all required vaccination records for any new and all current employees.

13. **Quality Control:**
    The County reserves the right to subject all medical examinations to audit or review by County or external auditors to ensure appropriate procedures and practices have been followed.

14. **Confidentiality of Documents and Records:**
    a. **Medical Records.** The clinic will maintain the medical examination records in accordance with the requirements of the Illinois Administrative Code, the Medical Patient Rights Act, the Sexually Transmissible Disease Control Act, and the Hospital Licensing Act. These laws provide for rights of individual privacy and confidentiality and specify that individuals may release their medical records to third parties upon execution of a release of medical records. The clinic will ensure that medical records are maintained in accordance with those regulations pursuant to the Illinois Workers' Compensation Act; the Americans with Disabilities Act of 1990; the Occupational Safety and Health Act (and regulation 29 CFR 1910.1020); and the Omnibus Transportation Employee Testing Act of 1991 that ensure the confidentiality of medical records.

    b. **Financial Records.** Clinic shall maintain a complete set of records treating to the contact in accordance with generally accepted accounting practices. Clinic shall permit authorized representatives of the County to inspect and audit all work materials, payrolls, books, accounts and other data and records of clinic relating to its performance of this contract until the expiration of three years after the final payment is made.

    c. **Medical Guidelines and Job Analysis Reports.** The County is responsible for providing job descriptions and analysis to the medical facility prior to the scheduling of the prospective employee's appointment.

15. **Testing Equipment:**
    The following is a list of what is currently being used. Please make any recommendations to if there are any updated or improved standards.

    A. **SPIROMETRY.** Spirometry will be performed on equipment that meets for exceeds the current standards for niosh, osha, ats, and accp standards for pulmonary function equipment. Tests will be performed by a technician who must have current certification of completion of an approved niosh course on spirometry.

    b. **Audiology.** Testing must be performed by using a soundproof booth that meets the current requirements as set forth by OSHA. Testing to be conducted by a technician with a current CAOHC certification for audio logic testing. Regular calibration is mandatory, and records must be permanently maintained. Please describe in detail any other hearing tests the clinic is capable of performing such as speech discrimination tests.

    c. **Vision.** Testing must be performed according to the following specifications. Please indicate how the clinic will assess peripheral vision. Far visual acuity screening. Far visual acuity screening is particularly important for the unique job demands of public safety occupations. Vision screening must be performed using the current best practices. Practices for vision screening should be clearly outlined in the RFP response. Any changes to processes or procedures for vision screening should be reported to lake county no less than 30 days prior to implementation.

16. **Documentation of Abnormal Findings and Reports:**
    a. **Clinic Examination Form, Medical History Questionnaire and Documentation of Abnormal Physical Findings.** Documentation of physical examination findings can be important in future workers' compensation proceedings and in evaluating whether any subsequent abnormal findings are related to a preexisting condition. The County will rely on the clinic to clearly document abnormal physical examination findings discovered during the pre-placement medical examination.

    b. **Documentation of Medical Decision Making.** The clinic needs to maintain clear, accurate and retrievable records regarding the evaluative steps that were taken in problem cases after the initial medical evaluation was performed. For persons with complex problems the examining physician should document the basis or rationale for subsequent placement decisions.

    c. **Written Reports**. The clinic shall provide written medical reports of pre-placement medical examinations within five days of the examination. An email indicating the examination results shall be made within 24 hours of the examination.

    d. **Periodic Reports.** The clinic shall provide periodic reports of the medical screening services that can be delivered to the County. For example, semiannual reports on the number and type of examinations performed, the job titles for which examinations were given, the number of persons cleared by the examination and the number of persons not cleared for employment. Please describe the kinds of periodic reports and medical monitoring the clinic is capable of performing.

17. **PPP Information:**

In the state of Illinois, The Workers' Compensation Act provides that accidents that arise out of and in the course of employment are eligible to receive workers' compensation benefits. This Act covers injuries that result in whole or in part from the employee's work. In 2011, the Illinois Workers' Compensation Act was reformed to give employees access to Preferred Providers for their medical treatment. When Illinois Governor Pat Quinn signed HB 1698 into law, Illinois employers were given the ability to employ a Preferred Provider Program (PPP) to direct their injured workers to participating providers for emergency care and on-going treatment. As a requirement to this RFP, Lake County has chosen to participate in a PPP, which is administered through HFN.

18. **Medical Consultation:**

From time to time the Primary Physician will need to assist Lake County Human Resources and the Appointing Authority in identifying job modifications or work restrictions for prospective employees on a case by case basis when necessary. The County may require the Primary Physician to provide information to or testify before Civil Service Commissions or other administrative bodies regarding specific cases such as medical appeals, reasonable accommodation, and other occupational medical issues.

19. **Online Portal:**

The proposer must have an online portal where both employer and candidates can access all examination, screening and testing results. Please provide screenshots that illustrate the online portal that is being proposed. Please include views from the employer and candidates' perspectives.

Additionally, if selected for an interview, the proposer will be expected to provide a demonstration that showcases the online portal functionality.

20. **Performance Metrics:**

The proposer must meet a two-week maximum timeframe for all pre-employment screenings and testing results.

a. Provide discount given if the two-week maximum is not adhered to.

The proposer must provide a fast-track/prioritization option. Please describe the fast-track/prioritization options that are offered as part of this proposal. Proposer's shall provide details on how this option is invoked by the employer.

Drug Testing Protocols

Describe the facility 's hours of operation and provision for after-hours drug testing protocols.

Each employee, as a condition of employment, will be required to participate in random (as required by bargaining agreements) post-accident, and reasonable suspicion testing upon request of management, including testing upon the manifestation of specific, articulable symptoms. Testing for the presence of alcohol will be conducted by the analysis of breath. Testing for the presence of the metabolites of drugs will be conducted by the analysis of urine.

- All drug-testing information will be maintained by the vendor in separate confidential records.
- The vendor shall furnish all labor, materials, and incidentals required to administer.
- The vendor will coordinate services and on-site clinics directly with the Lake County Human Resource Department.
- All testing must be administered by a qualified health care professional licensed to administer said testing according to Substance Abuse and Mental Health Services Administration (SAMHSA) guidelines where applicable.
- All the vendor staff will use medically acceptable procedures for proper disposal of any biohazardous waste resulting from the clinic
- The vendor must comply with all applicable professional conduct standards and in accordance with HIPPA guidelines when providing service to Lake County employees.
- The vendor shall obtain all permits, licenses, and other forms of documentation required for providers.

DETAILED SUBMITTAL REQUIREMENTS

Proposals should be prepared as simple as possible and provide a straightforward, concise description of the proposed products and services to satisfy the requirements of the RFP. Attention should be given to accuracy, completeness, relevance, and clarity of content. The proposal should be organized into the following major sections:

A. Introduction Material and Executive Summary
B. Company Background
C. Scope of Services
D. Implementation Plan
E. Client References
F. Exceptions to the RFP
G. Price Proposal / Value added services (attached)
H. Sustainability Statement
I. Vendor Disclosure Statement (attached)
J. Vendor Certification Form (attached)
K. Addendum Acknowledgement (attached)

Introduction Material and Executive Summary

The introductory material must include a title page with the RFP number, subject, name of the Proposer, address, telephone number, e-mail address, the date, a letter of transmittal and a table of contents. The executive summary should be limited to a brief narrative summarizing the proposal.

Company Background

In this section provide information about the company so that the County can evaluate the Proposer's stability and ability to support the commitments set forth in the response to this RFP. Information in this section should contain the following information in addition to the General Information Sheet that is also included as an exhibit to this RFP:

1. Company name and location of the corporate headquarters and of the nearest office to Lake County.
2. The number of years the company has been in business and the number of years the company has been providing services to the public sector.
3. Include information on the company's customer base, such as the number of public sector clients the company serves, the number of local government clients, and the number of public sector clients in the state.
4. Include a brief summary of the company's organizational characteristics such as the number of employees, their backgrounds, whether the company is privately held, publicly traded, or if it is a subsidiary to a parent company.
5. Describe any other business affiliations (e.g., subsidiaries, joint ventures, "soft dollar" arrangements with brokers).
6. Provide a list of your organization's Board of Directors/Decision-Making Body including name, title, and contact information. Please do not list your organization's Advisory Board.
7. Provide one to three examples of similar work including one reference for similar work with a Continuum of Care.
8. Provide a summary organizational chart. Identify the primary contact and describe the roles of each key person.
9. Provide detailed resumes for all key professionals who will be directly responsible for providing services to the County. Include the following information: title, number of years at your firm, total number of years of experience, professional designations, or licenses.

Scope of Services
This section of the proposal should include a general discussion of the Proposer's overall understanding of the project and the scope of work. For each item that is identified in the scope of services outlined in the specifications, please identify your company's approach and response to address the desired service outlined. Please provide screenshots that illustrate the online portal that is being proposed. Please include views from the employer and candidates' perspectives.

Implementation Plan
This section should describe the Proposer's implementation plan for each task identified in the scope of work. Provide proposed project plan timeline and outline specific areas that will require Lake County staff partnership. The current agreement for these services ends on August 13, 2022. Please indicate in your proposal response if a transition time with the current provider is necessary in the proposed implementation plan. Provide project team resumes for key members of the implementation team expected to be on the project.

Client References
The County considers references to be an important factor in its decision to award a contract. Proposers should supply references that will be available to speak with the County. Three references should be provided that provided similar type of work completed in the past five to seven years. A reference sheet is included as a submittal as part of this RFP document.

Exceptions to the RFP
All requested information to this RFP must be supplied as this document and subsequent proposals submitted help form the basis for a contract with the selected proposer. Proposers may take exception to certain requirements in this RFP. All exceptions shall be clearly identified in this section and written explanation shall include the scope of the exceptions, the ramifications of the exceptions for the County and the descriptions of the advantages or disadvantages to the County as a result of the exception. The County, at its sole discretion, may reject any exceptions or specifications within the proposal.

Price Proposal
The price proposal cost sheeting included as part of this proposal shall be completed and returned with your response. Any additional services identified by the proposer shall be delineated separately for the County to consider.

Value Added Services
Please include any value-added services your firm provides in your submittal.

Sustainability Statement
Lake County is committed to green and sustainable practices and good environmental stewardship. Consequently, Proposers are asked to provide a Statement of Sustainability to demonstrate that they are also incorporating sustainability into their company' practices. A Sustainability Statement form is included as part of the RFP. Proposers are asked to provide a clear description of your company's sustainable practices, policies, or procedures in the following areas: waste minimization, energy efficiency, water efficiency, staff, and education.

Vendor Disclosure Statement
This disclosure statement is being filed in accordance with the Lake County Ethics Ordinance and Lake County Purchasing Ordinance. Effective January 2019, the Lake County Board implemented a Vendor Disclosure Statement Policy, which require vendors to disclose any familial relationships between a Lake County elected official, department director, deputy director, manager and owners, principals or officers of the vendor's company as well as campaign contributions to County elected officials.

Vendor Certification Form
This certification form is information that Lake County is collecting for reporting purposes only and will not be used in vendor selection.

Addendum Acknowledgment

Any and all changes to the specifications and terms and conditions of this RFP are valid only if they are included by addendum issued by Lake County Purchasing. Proposers shall acknowledge addenda by signing the enclosed Addendum Acknowledgement form. It is the Proposer's responsibility to check for addendums, posted on the website at http://lakecountypurchasingportal.com prior to the submittal due date. No notification will be sent when addendums are posted unless there is an addendum within three business days of the submittal due date.

The County will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this procurement effort. All proposals will be evaluated by how well the proposal satisfies the described/stated needs, rather than how exactly the proposal matches the strictest interpretation of the terminology and design concepts stated herein. Newly emerging technologies, additional features, and the ability of the proposed solutions to adapt will be a consideration. Submitted proposals will be reviewed to determine whether the provider meets the following minimum procurement requirements:

- Understanding and ability to meet and/or exceed the scope of work
- Experience with other units of local government
- Online portal option and functionality for the employer and candidate
- Ability to deliver screenings and testing within the allotted timeframe
- Description of fast-track/prioritization option, project management methodology and implementation plan
- Cost Proposal

Interview
Lake County reserves the right, as part of the evaluation process, to ask for additional materials, interview, or schedule site visits to any locations serviced by Proposers. Site visits may be scheduled or unscheduled as determined by the County. If applicable, the County shall contact Proposers to arrange an interview. Information provided as part of the interview may be used by Evaluation Committee to re-evaluate and re-rank Proposers. During this interview, the proposer will be expected to provide a demonstration that showcases the online portal functionality.

Additional Investigations
The County reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any firm submitting a proposal.

Best and Final Offer
The County reserves the right to request a Best and Final Offer (BAFO) if additional information or modified terms are necessary for the Evaluation Committee to complete its evaluation and ranking. A BAFO will not be used solely to reduce pricing. If a BAFO is requested, all short-listed proposers, or if the short-list process is not used, all qualified Proposers will be provided an opportunity to submit a modified Response. Only one BAFO request will be issued by the County. The information received from the BAFO will be used by the Evaluation Committee to re-evaluate and re-rank the Proposers.

Intent to Negotiate
The County reserves the right to invite the most qualified proposer to negotiate final terms and conditions, finalize scope clarification and confirm final pricing and payment terms. The information received from the negotiation shall be found in the final contract document. If the parties are unable to negotiate a satisfactory contract the negotiations will be terminated. The County reserves the right to either begin negotiations with the qualified proposer that is next preferred or non-award the request for proposal.

PRE-EMPLOYMENT PHYSICALS AND EMPLOYEE VACCINATION SERVICES FOR LAKE COUNTY

PROPOSAL PRICE SHEET **JUNE 2022**

THE PRICE PROPOSAL SHALL INCLUDE A TOTAL PRICE AS A FIXED FEE FOR ALL SERVICES DELINEATED IN THIS RFP. THE PROPOSER WILL CONSIDER ALL COSTS (LABOR, OVERHEAD, ADMINISTRATION, PROFIT, TRAVEL, ETC.) ASSOCIATED WITH PROVIDING THE SERVICES LISTED IN THIS RFP. ANY HOURLY RATES FOR SERVICES THAT MAY NOT BE INCLUDED SHALL BE PROVIDED WITH THE CORRESPONDING SERVICE AND RATE.

All additional services beyond the initial scope of the project, identified by the Proposer as beneficial to the County, shall be delineated separately for the County to consider.

The quote will consider all costs (labor, material, overhead, administration, profit, travel, etc.) associated with providing the services listed in this RFP. (Please attach additional sheets if necessary) Please indicate any hourly rates for services that may not be included in the original scope of the RFP. (Please indicate below the positions and hourly rates.)

Enter below the unit cost of each component of the pre-placement medical examination, drug screen, optional tests, and other services. The quantity estimates provided are only estimates of services expected and are offered here to assist the clinic in providing an accurate cost proposal. Prices quoted must include all direct costs, indirect costs and profit.

PRE-PLACEMENT MEDICAL EXAMINATIONS COSTS

Medical Health Service	**Unit Cost**	**Estimated Quantity**	**Extended Total Cost**
Examination Occupational Medical History including Review by Nurse Practitioner, Vision Screen and Vital Signs	$	200	$
Core+ and all Groups I-III Occupational Medical History including Review by Physician, Vision Screen, and Vital Signs	$	100	$
Complete Blood Count	$	250	$
TB Testing	$	200	$
QFT Testing	$	200	$
Blood Chemistry Panel (SMA 24)	$	250	$
Urinalysis with microscopy	$	250	$
Hepatitis B Vaccination	$	100	$
Audiometry	$	150	$
Spirometry	$	150	$
Electrocardiogram (12 lead)	$	50	$
Stress Treadmill	$	25	$
Chest X-rays	$	60	$
Drug Screen 10 Panel Collection Fee (including suspected impairment and/or post-accident random drug testing)	$	550	$
MRO Services	$	65	$

BAT	$	15	$
Other Support Activities M.D. Court Appearance	$	15	$
TOTAL ANNUAL COST			$

Pricing for vaccinations for the employees of the Lake County Government.

Procedure	**Unit Charge**	**Estimated Quantity Annually**	**Total Cost**
1. Chest X-ray		12	
2. Fit Testing		1000	
3. TB Screening		1000	
4. Hep B Titer		50	
5. Hep B series		150	
6. MMR		40	
7. MMR Titer		40	
8. Varicella		40	
9. Varicella Titer		40	
10. Tdap		200	
11. Rabies Titer		21	
12. Rabies Vaccine		21	
13. Flu Vaccine (purchased and Administered)		600	
Total			

Unit Price per hour for onsite services $_____

(Price for whole team not per person)

Position	**Rate for Service**

Please delineate any services out of scope services that may not be included in the original scope of the RFP.

Service	Proposed Price

LakeCounty

Addendum Acknowledgement RFP #22060

The undersigned acknowledges receipt of the following addendum(s):

ADDENDUM #	SIGNATURE

I have examined and carefully prepared the submittal documentation in detail before submitting my response to Lake County.

Submittal Number: **22060**

Company Name: _____

Authorized Representative: _____
Signature

Authorized Representative: _____
Print

Date: _____

It is the vendor's responsibility to check for addendums, posted on the website at http://lakecountypurchasingportal.com prior to the submittal due date. No notification will be sent when addendums are posted unless there is an addendum posted within three business days of the submittal due date.

If the submittal has already been received by Lake County, vendors are required to acknowledge receipt of addendum via email to purchasing@lakecountyil.gov prior to the due date.

Submittals that do not acknowledge addendums may be rejected.

All responses are to be submitted in a sealed envelope. Envelopes are to be clearly marked with required submittal information.

AUTHORIZED NEGOTIATORS:

Name:_____ Phone #_____ Email Address: _____

Name:_____ Phone #_____ Email Address: _____

BUSINESS ORGANIZATION: (check one only)

____ Sole Proprietor: An individual whose signature is affixed to this proposal.

____ Partnership: State full names, titles, and addresses of all responsible principals and/or partners on attached sheet.

____ Corporation: State of incorporation: _____

____ Non-profit Corporation

____ 501c3-- U.S. Internal Revenue Code

By signing this proposal document, the proposer hereby certifies that it is not barred from responding on this contract as a result of a violation of either Section 33E-3 or 33E-4 of the Illinois Criminal Code of 1961, as amended.

_____
Business Name

_____ _____
Signature Print or Type Name

_____ _____
Title Date

PRE-EMPLOYMENT PHYSICALS AND EMPLOYEE VACCINATION SERVICES FOR LAKE COUNTY

REFERENCES **JUNE 2022**

List below other similar size clients for whom you have provided similar services. Please include the email address for each reference.

Agency Name: _____
Address _____
City, State, Zip Code _____
Telephone Number _____
E-Mail _____
Contact Person _____
Dates of Service _____
# of Employees _____

Agency Name: _____
Address _____
City, State, Zip Code _____
Telephone Number _____
E-Mail _____
Contact Person _____
Dates of Service _____
# of Employees _____

Agency Name: _____
Address _____
City, State, Zip Code _____
Telephone Number _____
E-Mail _____
Contact Person _____
Dates of Service _____
# of Employees _____

Agency Name: _____
Address _____
City, State, Zip Code _____
Telephone Number _____
E-Mail _____
Contact Person _____
Dates of Service _____
# of Employees _____

SUSTAINABILITY STATEMENT

The County of Lake has a responsibility to balance fiscal, environmental, and social considerations into its operational decision-making process. The County's commitment to green and sustainable practices and good environmental stewardship was memorialized by the Lake County Board in the County's 2013 Strategic Plan where sustainability is listed as a value and a goal. This was further strengthened in September 2020 by adopting a Net Zero Emissions goal through Joint Resolution. Therefore, we shall promote environmentally preferable purchasing, whenever practical, by procuring goods or services that lessen the destructive effects on the environment and the health and well-being of all citizens.

Consideration of the practices adopted by our contracted firms is key to magnifying the impact of the County's sustainability measures. Proposers are requested to provide a Statement of Sustainability demonstrating the methods they have incorporated into their firms. Sustainability may be one of the scoring criteria included the evaluation rubric for the award of this contract.

INSTRUCTIONS

Please provide a narrative outlining any policies or practices implemented by your firm to reduce your carbon footprint. Your response should include, but need not be limited to:

- A copy of your firm's sustainability policy, awards, and accolades.
- Practices such as waste minimization, energy/water efficiency, methods instituted to reduce pollution, green products utilized, staff education, community involvement and volunteerism.
    - Specifically include the percentage of your firm's energy that comes from renewable sources and percentage of your fleet that is non-emitting.
- Sustainable approaches your firm may have for this specific project.
- Cost variances to incorporate a more sustainable approach to this project and any calculated life cycle costs.

VENDOR DISCLOSURE STATEMENT

Vendor Name:			
Address:			
Contact Person:		Contact Phone #:	
Bid/RFP/SOI/Contract/Renewal:	**22060**		

Vendors wishing to contract with Lake County for goods and services in an amount greater than $30,000 shall submit this form in advance of award. This disclosure statement is not required for utility companies regulated by the Illinois Commerce Commission or local units of government. Vendors shall disclose:

- A familial relationship between a Lake County elected official, department director, deputy director and manager and owners, principals, executives, officers, account managers or other similar managerial positions of the vendor's company. Familial relationship is defined as a spouse (including civil partner), child, stepchild, parent, stepparent, grandparent, in-laws (including parent, grandparent, sibling, or child), relatives and non-relatives living in the same residence, and offspring born to any aforementioned person.
- All political campaign contributions made by the vendor or an owner, principal, executive, officer, account manager, or other similar managerial position of the vendor to any county board member, county board chair, or countywide elected official within the last five years.

If there is nothing to report in a section, please state none in the appropriate space.

FAMILIAL RELATIONSHIPS

List names and departments/agencies of Lake County employees or public officials with whom owners, principals, or officers of the vendor's company have a familial relationship and the nature of the relationship. Attach additional pages, as necessary. (Provide all names or state none in the space below. Do not leave blank.)

Name and Department/Agency of Lake County Employee/Public Official	Familial Relationship

CAMPAIGN CONTRIBUTIONS

List campaign contributions that have been made within the last five years that exceed $150 annually. Attach additional pages, as necessary. (Provide all names or state none in the space below. Do not leave blank.)

Recipient	Donor	Description (e.g., cash, type of item, in-kind service, etc.)	Amount/Value	Date Made

Continuing disclosure is required if information changes. This Vendor Disclosure Statement form is available at www.lakecountyil.gov.

The full text of the County's Ethics and Procurement policies and ordinances are available at www.lakecountyil.gov.

I hereby acknowledge that the information above is accurate and complete, that I am an authorized signer on behalf of the vendor, that I have read and understand these disclosure requirements, and that I agree to update this information if there are any related changes by submitting a new Vendor Disclosure Statement.

Authorized Signature:		Title:	
Printed Name:		Date:	

Vendors must insert "x" in the following box indicating exception and provide a brief narrative for exception. ☐

LakeCounty

VENDOR CERTIFICATION FORM

Bid/RFP/SOI Number:	**22060**		
Vendor Name:			
Address:			
Primary Contact Name:			
Primary Contact Email Address:			
Primary Contact Phone Number:			
Project Manager Name:			
Project Manager Email Address:			
Project Manager Phone Number:			
# Years in Business:		Number of Employees:	
Annual Sales:	$	Dunn & Bradstreet #:	

Vendor Certification Statement: Please identify all the following that apply to the ownership of this firm. This information is collected for reporting purposes only and not vendor selection. Please include a copy of the certification. (Definitions are included on the second page of Vendor Certification Form).

	Contractor certifies as a Minority – Business Enterprise (MBE)
	Contractor certifies as a Women Business Enterprise (WBE)
	Contractor certifies as a Veteran-Owned (VBE) Business Enterprise
	Contractor certifies as a Persons with Disabilities Owned Business Enterprise (PDBE)
	Contractor certifies as a Service-Disabled Veteran-Owned (SDVBE) Business Enterprise
	Contractor certifies as a Business Enterprise Program (BEP)
	Contractor certifies as a Small Disadvantaged Businesses (SDB)
	Contractor certifies as a Veteran-Owned Small Business (VOSB)
	Local Business
	None
Other (Specify)	
Certification Number:	
Certified by (Agency):	

I certify that this information is accurate to the best of my knowledge and that I am authorized to provide this information on behalf of my company.

_____ _____ _____

Signature, Title **Printed Name, Title** **Date**

Vendor Certification Definitions

- **Minority-owned business (MBE)**
  A business concern which is at least 51% owned by one or more minority persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.
- **Woman-owned business (WBE)**
  A business which is at least 51% owned by one or more women, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more women; and the management and daily business operations of which are controlled by one or more of the women who own it.
- **Veteran-owned Business Enterprise (VBE)**
  A small business (i) that is at least 51 percent owned, controlled and managed by one or more Eligible Veterans or in the case of a corporation, at least 51 percent or more of the stock of which is owned, controlled and managed by one or more Eligible Veterans.
  - Eligible Veteran means a person who (i) has been either a member of the armed forces of the United States or, while a citizen of the United States, was a member of the armed forces of allies of the United States in time of hostilities with a foreign country and (ii) has served under one or more of the following conditions: (a) the veteran served a total of at least 6 months; (b) the veteran served for the duration of hostilities regardless of the length of the engagement; (c) the veteran was discharged on the basis of hardship; or (d) the veteran was released from active duty because of a service connected disability and was discharged under honorable conditions.
  - Armed Forces of the United States means the United States Army, Navy, Air Force, Marine Corps, Coast Guard, or service in active duty as defined under 38 U.S.C. Section 101. Service in the Merchant Marine that constitutes active duty under Section 401 of federal Public Act 95-202 shall also be considered service in the armed forces for purposes of this Division**.**
- **Persons with Disabilities Owned Business Enterprise (PDBE)**
  A small business (i) that is at least 51 percent owned. controlled and managed by one or more Persons with a Disability; or in the case of a corporation, at least 51 percent or more of the stock of which is owned, controlled, and managed by one or more Persons with a Disability.
  - Disability or Disabled means, with respect to an individual, a physical or mental impairment that substantially limits one or more of the major life activities of the individual, a record of physical or mental impairment that substantially limits one or more of the major life activities of the individual, or being regarded as an individual with a physical or mental impairment that substantially limits one or more of the major life activities of the individual.
- **Service-Disabled Veteran-owned Business Enterprise (SDVBE)**
  A small business (i) that is at least 51 percent owned, controlled, and managed by one or more qualified service-disabled veterans or in the case of a corporation, at least 51 percent or more of the stock of which is owned, controlled and managed by one or more Service Disabled Veterans.
  - Service-Disabled Veteran means an Eligible Veteran who has been found to have 10 percent or more service-connected disability by the United States Department of Veterans Affairs or the United States Department of Defense.
  - Service-connected disability means a disability incurred in the line of duty in the active military, naval or air service as described in 38 U.S.C. 101(16).
- **BEP – Business Enterprise Program**
  Business Enterprise Program (BEP) BEP assists businesses owned by minorities, women, and people with disabilities gain access to the State of Illinois procurement process. BEP certification with the State of Illinois can also open the door to opportunities with other public and private entities which are looking for diverse suppliers.
- **Small Disadvantaged Businesses (SDB)**
  A Small Disadvantaged Business (SDB) is a small business owned and controlled by socially and economically disadvantaged individuals as defined by Federal Acquisition Regulation (FAR) 19.001
- **Veteran-Owned Small Business (VOSB)**
  A Veteran-Owned Small Business (VOSB) is a small business that is at least 51 percent owned by one or more veterans; or, if a publicly owned business, at least 51 percent of the stock is owned by one or more veterans. Also, one or more veterans control management and daily business operations of the firm.
- **Local business**
  Lake County launched a Buy Local. Build Local. Work Local initiative in 2013 to increase the outreach and procurement opportunities for businesses located within Lake County, including women-owned businesses and minority-owned business enterprises (L/W/MBE). The overarching objective is to maximize participation from these businesses in the County's procurement process, in accordance with applicable law.

Addendum 1

Lake County Addendum Forum

preemployement physicals and vaccination services for Lake County

June 21, 2022 – Addendum #1 RFP# 22060

The scope of work currently states:

As our prospective and current employees live and work all across the Lake County, we seek a vendor who has locations in Lake County where they provide Occupational Health. This can include clinics, doctor's offices and hospitals. This is for the convenience and ease of utilizing these services for prospective and current employees.

New scope of work that replaces the current statement noted above:

Lake County is a large employer who recruits from a population that lives throughout the Chicagoland Region. We seek a vendor who shall *have* at least one major facility in Lake County and may have multiple locations (clinics and hospitals) in the Chicagoland Region for the convenience and ease of utilizing these services for prospective and current employees.

Q) Regarding insurance, our General Liability and Professional Liability coverages are self-insured and therefore are not 'issued by a company with an A.M. Best Rating of A-. Please confirm this would not be considered a violation of the insurance requirements (all coverage levels can be met). **A) This would not be a violation of the insurance requirements as long as all coverage levels are met.**

Q) Are federal funds being applied to the procurement of this RFP? If not, please confirm that the Special Terms and Conditions listed on pages 13 and 14 would not apply to this RFP. **A) Currently federal funds are not being used to fund this procurement; however, this may change in the future. Lake County is requesting that vendors can meet federal procurement standards in the event that federal funds would be used.**

Q) Please confirm that Section 29 on page 8 would not apply to Medical Records. Under HIPAA, ownership of medical records could not pass to the county. **A) This does not apply to Medical Records. Ownership of Medical Records would not pass to the County.**

The evaluation criteria shall now include the following, in addition to the criteria listed in the RFP document:

- Access to facilities throughout Lake County and the Chicagoland Region

Advocate Aurora Health, Inc.

Consolidated Financial Statements and Supplementary Information
As of and for the Years Ended December 31, 2021 and 2020

Document Dated as of March 21, 2022

ADVOCATE AURORA HEALTH, INC.
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Chicago, IL 60606-1787

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ey.com

Report of Independent Auditors

The Board of Directors

Advocate Aurora Health, Inc.

Opinion

We have audited the consolidated financial statements of Advocate Aurora Health, Inc. and subsidiaries (the Organization), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization at December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other information

Management is responsible for the other information. The other information comprises the Condensed Consolidated Financial Statements and Other Information but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Ernst + Young LLP

March 21, 2022

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	December 31, 2021	December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	$ 703,725	$ 959,878
Assets limited as to use	139,742	125,053
Patient accounts receivable	1,816,705	1,570,738
Other current assets	706,253	686,686
Third-party payors receivables	22,154	16,933
Collateral proceeds under securities lending program	18,550	19,789
Total current assets	3,407,129	3,379,077
Assets limited as to use	12,394,605	11,107,210
Property and equipment, net	5,943,011	5,851,977
Other assets		
Reinsurance receivable	42,100	50,514
Goodwill and intangible assets, net	271,178	82,752
Investments in unconsolidated entities	259,127	210,303
Operating lease right-of-use assets	283,398	309,678
Other noncurrent assets	538,013	458,132
Total other assets	1,393,816	1,111,379
Total assets	**$ 23,138,561**	**$ 21,449,643**

(Continued)

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	December 31, 2021	December 31, 2020
Current liabilities		
Long-term debt and commercial paper, current portion	$ 96,185	$ 101,996
Long-term debt subject to short-term financing arrangements	166,350	119,660
Operating lease liabilities, current portion	68,247	79,934
Accrued salaries and employee benefits	1,296,458	1,207,672
Accounts payable and other accrued liabilities	1,562,089	1,341,619
Third-party payors payables	354,186	318,801
Accrued insurance and claims costs, current portion	151,230	130,391
Collateral under securities lending program	18,550	19,789
Total current liabilities	3,713,295	3,319,862
Noncurrent liabilities		
Long-term debt, less current portion	3,298,508	3,310,401
Operating lease liabilities, less current portion	248,062	268,575
Accrued insurance and claims cost, less current portion	615,576	593,739
Accrued losses subject to insurance recovery	42,100	50,514
Obligations under swap agreements	91,217	118,620
Other noncurrent liabilities	798,824	1,387,888
Total noncurrent liabilities	5,094,287	5,729,737
Total liabilities	**8,807,582**	**9,049,599**
Net assets		
Without donor restrictions		
Controlling interest	13,911,862	12,012,719
Noncontrolling interests in subsidiaries	167,440	154,645
Total net assets without donor restrictions	14,079,302	12,167,364
With donor restrictions	251,677	232,680
Total net assets	**14,330,979**	**12,400,044**
Total liabilities and net assets	**$ 23,138,561**	**$ 21,449,643**

See accompanying notes to consolidated financial statements.

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenue		
Patient service revenue	$ 11,702,581	$ 10,216,386
Capitation revenue	1,196,109	1,121,428
Other revenue	1,163,442	1,794,375
Total revenue	14,062,132	13,132,189
Expenses		
Salaries, wages and benefits	7,665,848	7,427,903
Supplies, purchased services and other	4,530,877	4,200,203
Contracted medical services	564,586	502,420
Depreciation and amortization	563,409	560,215
Interest	106,101	112,126
Total expenses	13,430,821	12,802,867
Operating income before nonrecurring expenses	**631,311**	**329,322**
Nonrecurring expenses	37,759	116,355
Operating income	**593,552**	**212,967**
Nonoperating income		
Investment income, net	1,303,546	593,283
Loss on debt refinancing	(14,468)	(12,244)
Change in fair value of interest rate swaps	27,403	(27,280)
Pension settlement loss	—	(119,658)
Other nonoperating income (loss), net	12,220	(38,943)
Total nonoperating income, net	1,328,701	395,158
Revenue in excess of expenses	1,922,253	608,125
Less income attributable to noncontrolling interests	(73,130)	(50,093)
Revenue in excess of expenses - attributable to controlling interest	**$ 1,849,123**	**$ 558,032**

(Continued)

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(in thousands)

	Year Ended December 31, 2021	Year Ended December 31, 2020
Net assets without donor restrictions, controlling interest		
Revenue in excess of expenses - attributable to controlling interest	$ 1,849,123	$ 558,032
Pension-related changes other than net periodic pension costs	48,236	138,208
Net assets released from restrictions for purchase of property and equipment	9,709	6,206
Other, net	(7,925)	454
Increase in net assets without donor restrictions, controlling interest	1,899,143	702,900
Net assets without donor restrictions, noncontrolling interests		
Revenues in excess of expenses	73,130	50,093
Distributions to noncontrolling interests	(60,335)	(41,948)
Other, net	—	(240)
Increase in net assets without donor restrictions, noncontrolling interests	12,795	7,905
Net assets with donor restrictions		
Contributions	18,693	22,971
Investment income, net	21,106	9,948
Net assets released from restrictions for operations	(11,102)	(17,074)
Net assets released from restrictions for purchase of property and equipment	(9,709)	(6,206)
Central IL net assets with donor restrictions sold	—	(18,949)
Other, net	9	(115)
Increase (decrease) in net assets with donor restrictions	18,997	(9,425)
Increase in net assets	**1,930,935**	**701,380**
Net assets at beginning of period	12,400,044	11,698,664
Net assets at end of period	**$ 14,330,979**	**$ 12,400,044**

See accompanying notes to consolidated financial statements.

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31, 2021	Year Ended December 31, 2020
Cash flows from operating activities		
Increase in net assets	$ 1,930,935	$ 701,380
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation, amortization and accretion	555,983	555,515
Amortization of operating lease right-of-use assets	79,398	63,840
Loss on debt refinancing	14,468	12,244
(Gain) loss on sale of property and equipment	(13,117)	12,571
Change in fair value of swap agreements	(27,403)	27,280
Pension-related changes other than net periodic pension cost	(48,236)	(138,208)
Net assets released from restrictions for operations	(11,102)	(17,074)
Distribution to noncontrolling interests	60,335	50,205
Distributions from unconsolidated entities	11,442	14,951
Loss on sale of Central IL disposal group	—	21,346
Central IL net assets with donor restrictions sold	—	18,949
Changes in operating assets and liabilities		
Trading securities, net	(1,330,868)	(2,025,066)
Accounts receivable, net	(245,966)	31,871
Accounts payable and accrued liabilities	(56,718)	1,006,265
Third-party payors receivables and payables, net	30,163	16,896
Other assets and liabilities, net	(342,705)	240,620
Net cash provided by operating activities	606,609	593,585
Cash flows from investing activities		
Capital expenditures	(570,166)	(703,611)
Proceeds from sale of property and equipment	2,019	1,998
Sales of investments designated as non-trading, net	4	241
Investments in unconsolidated entities, net	(38,021)	(8,016)
Acquisition of Senior Helpers, net of cash acquired	(183,672)	—
Cash received from sale of Central IL disposal group	—	190,000
Other	(2,879)	(15,879)
Net cash used in investing activities	(792,715)	(535,267)
Cash flows from financing activities		
Proceeds from issuance of debt	182,157	695,915
Repayments of long-term debt	(231,668)	(226,781)
Distribution to noncontrolling interests	(60,335)	(50,205)
Proceeds from restricted contributions and income (loss) on investments	39,799	32,919
Net cash (used in) provided by financing activities	(70,047)	451,848
Net (decrease) increase in cash and cash equivalents	**(256,153)**	**510,166**
Cash and cash equivalents at beginning of period	959,878	449,712
Cash and cash equivalents at end of period	**$ 703,725**	**$ 959,878**
Supplemental disclosures of noncash information		
Operating lease right-of-use assets in exchange for new operating lease liabilities	$ 46,016	$ 24,272

See accompanying notes to consolidated financial statements.

1. ORGANIZATION AND BASIS OF PRESENTATION

Description of Business

Advocate Aurora Health, Inc., is a Delaware nonprofit corporation (the "Parent Corporation"). The Parent Corporation is the sole corporate member of Advocate Health Care Network, an Illinois not-for-profit corporation ("Advocate") and Aurora Health Care, Inc., a Wisconsin nonstock not-for-profit corporation ("Aurora"). The Parent Corporation, Advocate, Aurora and their controlled subsidiaries are collectively referred to herein as the "System." The System was formed in furtherance of the parties' common and unifying charitable health care mission to promote and improve the quality and expand the scope and accessibility of affordable health care and health care-related services for the communities they serve.

The System is comprised of various not-for-profit and for-profit entities, the primary activities are the delivery of health care services and the provision of goods and services ancillary thereto.

The System provides a continuum of care through its 24 acute care hospitals, an integrated children's hospital and a psychiatric hospital, primary and specialty physician services, outpatient centers, physician office buildings, pharmacies, rehabilitation and home health and hospice care in northern and central Illinois and eastern Wisconsin.

Principles of Consolidation

Included in the System's consolidated financial statements are all of its wholly owned or controlled subsidiaries. All significant intercompany transactions have been eliminated in consolidation.

2. SIGNIFICANT EVENTS

Due to the COVID-19 pandemic, the behavior of businesses and people globally was altered in a manner that had a negative impact on global and local economies including significant investment market volatility, various temporary business closures resulting in increased unemployment and other effects which have and could continue to result in supply disruptions, lower collections on patient accounts receivable and/or decisions to defer medical treatments at the System's facilities.

At various times and at various locations the System postponed or canceled elective procedures to comply with public health protocols. This, along with the growth in the volume of COVID-19 patients, had a negative impact on operations and revenues and also caused the System to estimate the timing, source and rate of reimbursement for COVID-19 related patient care.

The continuing and total impact of the COVID-19 pandemic on the System is difficult to predict and could adversely impact the business, investment portfolio, financial condition or results of operations and, accordingly, may have a material adverse impact on the financial condition of the System. The System continues to monitor liquidity and cash flow and has taken, and continues to take, steps to protect its fiscal health, including a focus on maintaining liquidity to meet its obligations. In addition, the System applied for certain COVID-19 related resources, including supplies, financial support,

payroll tax deferrals and relief and other assistance made available through local, state and federal governments.

The System received $34,354 and $786,655 for the years ended December 31, 2021 and 2020, respectively in grant payments from the U.S. Department of Health and Human Services ("HHS") from the Provider Relief Fund established under the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), which has been recognized as revenue and included in other operating revenue within the accompanying consolidated statement of operations and changes in net assets. Payments from the Provider Relief Fund are intended to cover unreimbursed healthcare related expenses and lost revenue from patient care attributed to COVID-19 and are not required to be repaid provided the recipient attests to and complies with the terms and conditions of the grant funds. Management of the System believes that the System is in compliance with the terms and conditions of the Provider Relief Fund distributions and will continue to monitor compliance. The CARES Act also entitled eligible employers to an employee retention tax credit designed to encourage employers to keep employees on their payroll. The refundable tax credit is limited to 50% of up to $10 in qualified wages paid to each employee by an eligible employer whose business had been financially impacted by COVID-19. The System recognized $0 and $37,060 for the years ended December 31, 2021 and 2020, respectively for the employee retention tax credit, which is included in other operating revenue within the accompanying consolidated statement of operations and changes in net assets and a corresponding receivable that is included in other current assets in the consolidated balance sheets. The recognition of the COVID-19 support falls under the grant accounting guidance of accounting principles generally accepted in the United States. This guidance requires all significant terms and conditions to have been met for recognition to occur. Management of the System will continue to monitor compliance with the terms and conditions of the CARES Act grant funds and the impact of the pandemic on the System's revenues and expenses.

In addition, the System received $0 and $773,000 for the years ended December 31, 2021 and 2020, respectively from the Centers for Medicare and Medicaid Services ("CMS") as an advance payment for Medicare services. The funds were provided through the expansion of the Medicare Accelerated and Advance Payment Program to ensure providers and suppliers had the resources needed to combat the COVID-19 pandemic. The advances are being recouped by withholding future Medicare fee-for-service payments for claims until the full accelerated payment has been recouped, unless the System elects to repay the advances prior to full recoupment. Subsequent to the twenty-nine month recoupment period any unpaid remaining balance is subject to an interest charge of 4 percent per annum. For the year ended December 31, 2021, CMS payments accelerated and advance of approximately $257,000 have been recouped. Medicare accelerated and advance payments of approximately $515,000 and $285,000 are included in accounts payable and other accrued liabilities within the consolidated balance sheets at December 31, 2021 and 2020, respectively. Medicare accelerated and advance payments of approximately $0 and $488,000 are included in other noncurrent liabilities within the consolidated balance sheets at December 31, 2021 and 2020, respectively. The CARES Act also permitted employers to defer the employer portion of social security taxes through December 31, 2020. Employers were required to remit one-half of the amount deferred by December 31, 2021 and the remaining half by December 31, 2022. During 2020 the System deferred approximately $215,000 of these taxes and approximately $107,500 were remitted during 2021. At December 31, 2021 and 2020, approximately $107,500 is included in accrued salaries and employee benefits within the consolidated balance sheets. At December 31, 2021 and 2020, $0 and approximately $107,500 is included in in other noncurrent liabilities, respectively, within the consolidated balance sheets.

Additionally, the System was awarded approximately $16,600 in Federal American Rescue Plan Act funds by the Illinois Department of Healthcare and Family Services in 2021. These funds are meant to cover premium pay and payroll and benefit expenses for employees who spent time mitigating or

responding to COVID from March 2021 through June 30, 2022. For the year ended December 31, 2021, approximately $4,900 of these funds were recognized as revenue and included in other operating revenue within the accompanying consolidated statement of operations and changes in net assets. The remainder of these funds are anticipated to be recognized in 2022.

On April 1, 2021, the System purchased the stock of SH Corporate Company, Inc. and SHF Acquisition Company, Inc. (collectively "Senior Helpers") for $183,672, net of cash acquired, to further the System's strategy. The System acquired the following significant assets: $101,459 of goodwill and $96,200 of intangible assets. Included in the accompanying consolidated statements of operations and changes in net assets from the date of acquisition is $26,488 of revenue and $9,543 of operating loss for the year ended December 31, 2021. The related changes in net assets without donor restrictions of $(9,517) from the date of acquisition is included in the consolidated balance sheets.

On July 1, 2020, the System sold a majority of the assets and certain liabilities (the "disposal group") related to operations of the System in central Illinois. The disposal group had assets sold in excess of liabilities transferred of $205,273, consisting primarily of property and equipment and certain investment interests in unconsolidated entities. The purchase price for the disposal group was $190,000. The System recorded a loss, inclusive of selling costs, of $21,346 that is included in nonrecurring expenses for the year ended December 31, 2020 in the consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities and amounts disclosed in the notes to the consolidated financial statements at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Although estimates are considered to be fairly stated at the time made, actual results could differ materially from those estimates.

Cash Equivalents

The System considers all highly liquid investments with a maturity of three months or less when purchased, other than those included in the investment portfolio, to be cash equivalents.

Investments

The System has designated substantially all of its investments as trading. Investments in debt and equity securities with readily determinable fair values are measured at fair value using quoted market prices or otherwise observable inputs. Investments in private equity limited partnerships and derivative products (hedge funds) are reported at fair value using net asset value as a practical expedient. Commingled funds are carried at fair value based on other observable inputs. Investment income or loss (including realized gains and losses, interest, dividends and unrealized gains and losses) is included in the nonoperating section of the accompanying consolidated statements of operations and changes in net assets, unless the income or loss is restricted by donor or law or is related to assets designated for self-insurance programs. Investment income or loss on self-insurance trust funds is reported in other revenue in the accompanying consolidated statements of operations and changes in net assets. Investment income or loss that is restricted by donor or law is reported as a change in net assets with donor restrictions.

Assets Limited as to Use

Assets limited as to use consist of investments set aside by the System for future capital improvements and certain medical education and other health care programs. The System retains control of these investments and may, at its discretion, subsequently use them for other purposes. Additionally, assets limited as to use include investments held by trustees or in trust under debt agreements, self-insurance trusts, assets held in reinsurance trust accounts and donor-restricted funds.

Patient Service Revenue and Accounts Receivable

Patient service revenue is reported at the amount that reflects the consideration to which the System expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including managed care payors and government programs and excludes revenues for services provided to patients under capitated arrangements) and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, patients and third-party payors are billed within days after the services are performed or after discharge. Revenue is recognized as performance obligations are satisfied. Provisions for third-party payor settlements and adjustments are estimated in the period the related services are provided and adjusted in future periods as additional information becomes available and final settlements are determined.

As the System's performance obligations relate to contracts with a duration of less than one year, the System has applied the optional exemption provided in the guidance and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

The System does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component, due to the expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less.

The System has entered into payment arrangements with patients that allow for payments over a term in excess of one year. The System has evaluated historical collections in excess of one year and current market interest rates to determine whether a significant financing component exists that would require an adjustment to the promised amount of consideration from patients and third-party payors. The System has determined that the impact of implicit financing arrangements for payment agreements in excess of one year is insignificant to the accompanying consolidated statements of operations and changes in net assets.

The System does not incur significant incremental costs in obtaining contracts with patients. Any costs incurred are expensed in the period of occurrence, as the amortization period of any asset that the System would have recognized is one year or less in duration.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is a possibility that recorded estimates will change by a material amount.

Inventories

Inventories, consisting primarily of medical supplies, pharmaceuticals and durable medical equipment, are stated at the lower of cost or net realizable value.

Reinsurance Receivables

Reinsurance receivables are recognized in a manner consistent with the liabilities relating to the underlying reinsured contracts.

Goodwill and Intangible Assets, Net

Goodwill of $151,655 and $63,740 is included in goodwill and intangible assets, net in the accompanying consolidated balance sheets as of December 31, 2021 and 2020, respectively. As described in Note 2. SIGNIFICANT EVENTS, the System recognized $101,459 of goodwill related to the stock purchase of Senior Helpers. The System has elected to amortize goodwill prospectively using the straight-line method over a 10-year period in accordance with Accounting Standards Update ("ASU") 2019-06. Goodwill amortization of $16,483 and $7,255 is included in depreciation and amortization in the accompanying consolidated statements of operations and changes in net assets for the years ended December 31, 2021 and 2020, respectively. Intangible assets with expected useful lives are amortized over that period.

Asset Impairment

The System considers whether indicators of impairment are present and, if indicators are present, performs the necessary tests to determine if the carrying value of an asset is recoverable. Impairment write-downs are recognized in the accompanying consolidated statements of operations and changes in net assets as a component of operating expense at the time the impairment is identified. There were no material impairment charges recorded for the years ended December 31, 2021 and 2020.

Property and Equipment, Net

Property and equipment are reported at cost or, if donated, at fair value at the date of the gift. Costs of computer software developed or obtained for internal use, including external and internal direct costs of materials and labor directly associated with internal-use software development projects, are capitalized during the application development stage and included in property and equipment. Internal labor and interest expense incurred during the period of construction of significant capital projects are capitalized as a component of the costs of the asset.

Property and equipment capitalized under direct financing leases are recorded at the present value of future lease payments, adding initial direct costs and prepaid lease payments, reduced by any lease incentives. Property and equipment capitalized under direct financing leases are amortized using the straight-line method over the related lease term. Amortization of property and equipment under financing leases is included in the accompanying consolidated statements of operations and changes in net assets in depreciation and amortization expense.

Property and equipment assets are depreciated on the straight-line method over a period ranging from 3 years to 80 years.

Operating Lease Right-of-use Assets

The System records an operating lease right-of-use asset (an asset that represents the System's right to use the leased asset for the lease term) for leases that do not meet the criteria as a sales-type lease or a direct financing lease.

The System records operating lease right-of-use assets at the present value of future lease payments, adding initial direct costs and prepaid lease payments, reduced by any lease incentives. Operating lease right-of-use assets are amortized using the straight-line method over the related lease term. Amortization of operating lease right-of-use assets is included in the accompanying consolidated statements of operations and changes in net assets in supplies, purchased services and other expense.

Included within operating lease right-of-use assets are assets that the System previously sold and then leased back. Those sale/leaseback transactions, which related to various administrative and medical support buildings, did not meet the accounting criteria as a sales-type lease or a direct financing lease. The buyer-lessors for such transactions are generally unrelated special-purpose entities.

Investments in Unconsolidated Entities

Investments in unconsolidated entities are accounted for using either the equity method or as an equity security without a readily determinable fair value. The System applies the equity method of accounting for investments in unconsolidated entities when its ownership or membership interest is 50% or less and the System has the ability to exercise significant influence over the operating and financial policies of the investee. The income (loss) on these unconsolidated entities is included in other revenue in the accompanying consolidated statements of operations and changes in net assets. All other unconsolidated entities are accounted for as an equity security without a readily determinable fair value. These unconsolidated entities are initially recorded at cost, tested for impairment at least annually and adjusted as market transactions occur that would indicate a fair value adjustment is needed. The income (loss) on these unconsolidated entities is included in nonoperating income in the accompanying consolidated statements of operations and changes in net assets.

Derivative Financial Instruments

The System enters into transactions to manage its interest rate, credit and market risks. Derivative financial instruments, including exchange-traded and over-the-counter derivative contracts and interest rate swaps, are recorded as either assets or liabilities at fair value. Subsequent changes in a derivative's fair value are recognized in nonoperating income, net.

Bond Issuance Costs, Discounts and Premiums

Bond issuance costs, discounts and premiums are amortized over the term of the bonds using the effective interest method and are included in long-term debt, less current portion in the accompanying consolidated balance sheets.

General and Professional Liability Risks

The provision for self-insured general and professional liability claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported. The System measures the cost of its unfunded obligations under such programs based upon actuarial calculations and records a liability on a discounted basis.

Net Assets With Donor Restrictions

Net assets with donor restrictions are those assets whose use by the System has been limited by donors to a specific time period or purpose or consist of gifts with corpus values that have been restricted by donors to be maintained in perpetuity. Net assets with donor restrictions are used in accordance with the donor's wishes primarily to purchase property and equipment, to fund medical education or to fund health programs.

Assets released from restrictions to fund purchases of property and equipment are reported in the accompanying consolidated statements of operations and changes in net assets as increases to net assets without donor restrictions. Those assets released from restriction for operating purposes are reported in the accompanying consolidated statements of operations and changes in net assets as other revenue. When restricted, earnings are recorded as net assets with donor restrictions until amounts are expended in accordance with the donor's specifications.

Nonrecurring Expenses

The System has incurred salaries, purchased services and other expenses in connection with the implementation of an electronic medical records in 2020 and billing system and the implementation of an enterprise resource planning system in 2020 and 2021. Also recorded in nonrecurring expenses is the loss incurred on the divestiture of central Illinois disposal group (see Note 2. SIGNIFICANT EVENTS) in 2020. Due to the nature of these expenses, the costs were reported as nonrecurring in the accompanying consolidated statements of operations and changes in net assets.

Other Nonoperating Income (Loss), Net

Revenues and expenses from delivering health care services and the provision of goods and services ancillary thereto are reported in operations. Income and losses that arise from transactions that are peripheral or incidental to the System's main purpose are included in other nonoperating income (loss), net. Other nonoperating income (loss), net primarily consists of fund-raising expenses, contributions to charitable organizations, income taxes and the net non-service components of the periodic benefit expense on the System's pension plans.

Revenue in Excess of Expenses and Changes in Net Assets

The accompanying consolidated statements of operations and changes in net assets includes the revenue in excess of expenses as the performance indicator. Changes in net assets without donor restrictions, which are excluded from revenue in excess of expenses, primarily include contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets), pension-related changes other than net periodic pension costs and distributions to noncontrolling interests.

Accounting Pronouncements Adopted

In August 2018, the Financial Accounting Standards Board (“FASB”) issued ASU 2018-14, *Compensation-Retirement Benefits-Defined Benefit Plans-General (Subtopic 715-20)* to improve the effectiveness of disclosures for defined benefit plans under Accounting Standards Codification ("ASC") 715-20. The ASU applies to employers that sponsor defined benefit pension or other postretirement plans. This ASU is effective for non-public business entities for fiscal years ending after December 15, 2021. The amendments in this update remove disclosures that no longer are considered cost beneficial, clarify the specific requirements of disclosures and add disclosure requirements identified as relevant. The System adopted this guidance retrospectively.

In March 2021, the FASB issued updated guidance on goodwill impairment. ASU 2021-03-*Intangibles – Goodwill and Other (Topic 350): Accounting Alternative for Evaluating Triggering Events* attempts to simplify the goodwill triggering event evaluation process for private companies and not-for-profit entities. ASU 2021-03 provides an alternative for private companies and not-for-profit organizations by eliminating the ongoing triggering event analysis and instead allows organizations to evaluate the facts and circumstances as of the end of the reporting period to determine whether goodwill impairment has occurred. For entities who elect this alternative, the assessment is limited to the reporting date only. The scope of the alternative is limited to goodwill that is tested for impairment in accordance with Accounting Standards Codification Subtopic 350-20, *Intangibles—Goodwill and Other—Goodwill*. For private companies and not-for-profit organizations that have elected to amortize goodwill, the adoption of ASU 2021-03 is still applicable. The amendments in this ASU are effective on a prospective basis for fiscal years beginning after December 15, 2019. Early adoption is permitted for both interim and annual financial statements that have not yet been issued as of March 30, 2021. The amendments in the ASU also include an unconditional one-time option for entities to adopt the alternative prospectively after its effective date. No additional disclosures would be required. The System adopted this guidance during 2021.

Accounting Pronouncements Not Yet Adopted

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This guidance provides optional expedients and exceptions for applying current GAAP to contracts, hedging relationships and other transactions affected by the transition from the use of London Interbank Offered Rate ("LIBOR") to an alternative reference rate. In response to concerns about structural risks of interbank offered rates ("IBORs"), and, particularly, the risk of cessation of LIBOR, regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. This guidance provides companies the option to ease the potential accounting burden associated with transitioning away from reference rates that are expected to be discontinued. In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*, which adds implementation guidance to ASU 2020-04 to clarify certain optional expedients in Topic 848. The guidance has to be adopted no later than December 1, 2022 with early adoption permitted. Management is currently evaluating the impact of this guidance.

4. COMMUNITY BENEFIT

The System provides health care services without charge to patients who meet the criteria of its charity care policies. Charity care services are not reported as patient service revenue, because payment is not anticipated while the related costs to provide the health care are included in operating expenses. Qualifying patients can receive up to 100% discounts from charges and extended payment plans. The System's cost of providing charity care was $126,600 and $106,789 for the years ended December 31, 2021 and 2020, respectively, as determined using total cost to charge ratios.

In addition to the provision of charity care, the System provides significant financial support to its communities to sustain and improve health care services.

These activities include:

- The unreimbursed cost of providing care to patients covered by the Medicare and Medicaid programs.
- The cost of providing services that are not self-sustaining, for which patient service revenues are less than the costs required to provide the services. Such services benefit uninsured and low-

income patients, as well as the broader community, but are not expected to be financially self-supporting.

- Other community benefits include the unreimbursed costs of community benefits programs and services for the general community, not solely for those demonstrating financial need, including the unreimbursed cost of medical education, health education, immunizations for children, support groups, health screenings and fairs.

5. REVENUE AND RECEIVABLES

Patient service revenue

Patient service revenue is reported at the amount that reflects the consideration to which the System expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including managed care payors and government programs and excludes revenues for services provided to patients under capitated arrangements) and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, patients and third-party payors are billed shortly after discharge. Revenue is recognized as performance obligations are satisfied.

Performance obligations are identified based on the nature of the services provided. Revenue associated with performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. Performance obligations satisfied over time relate to patients receiving inpatient acute care services. The System measures the performance obligation from admission into the hospital to the point when there are no further services required for the patient, which is generally the time of discharge. For outpatient services, the performance obligation is satisfied as the patient simultaneously receives and consumes the benefits provided as the services are performed. In the case of these outpatient services, recognition of the obligation over time yields the same result as recognizing the obligation at a point in time. Management believes this method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations.

The System uses a portfolio approach to account for categories of patient contracts as a collective group rather than recognizing revenue on an individual contract basis. The portfolios consist of major payor classes for inpatient revenue and major payor classes and types of services provided for outpatient revenue. Based on the historical collection trends and other analyses, the System believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

The System determines the transaction price, which involves significant estimates and judgment, based on standard charges for goods and services provided, reduced by explicit and implicit price concessions, including contractual adjustments provided to third-party payors, discounts provided to uninsured and underinsured patients in accordance with policy and/or implicit price concessions based on the historical collection experience of patient accounts. The System determines the transaction price associated with services provided to patients who have third-party payor coverage based on reimbursement terms per contractual agreements, discount policies and historical experience. For uninsured patients who do not qualify for charity care, the System determines the transaction price associated with services based on charges reduced by implicit price concessions. Implicit price concessions included in the estimate of the transaction price are based on historical collection experience for applicable patient portfolios. Patients who meet the System's criteria for charity care are provided care without charge; such amounts are not reported as revenue. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in

the period of the change. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely outcome method. These settlements are estimated based on the terms of the payment agreements with the payor, correspondence from the payor and historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as new information becomes available or as years are settled or are no longer subject to such audits, reviews and investigations.

For the years ended December 31, 2021 and 2020, changes in the System's estimates of implicit price concessions, discounts and contractual adjustments or other reductions to expected payments for performance obligations related to prior years were not significant.

In the normal course of business, the System does receive payments in advance for certain services provided and would consider these amounts to represent contract liabilities. The amounts received in the normal course of business at December 31, 2021 and 2020 were not material. In 2020 the CMS accelerated and advance payments received in relation to the COVID-19 pandemic for Medicare services are deemed contract liabilities at December 31, 2021 and 2020. See Note 2. SIGNIFICANT EVENTS.

Currently, the State of Illinois utilizes supplemental reimbursement programs to increase reimbursement to providers to offset a portion of the cost of providing care to Medicaid and indigent patients. These programs are designed with input from the CMS and are funded with a combination of state and federal resources, including assessments levied on the providers. Under these supplemental programs, the System recognizes revenue and related expenses in the period in which amounts are estimable and collection is reasonably assured. Reimbursement and the assessment under these programs are reflected in the accompanying consolidated statements of operations and changes in net assets are as follows:

	Classification	Year Ended December 31, 2021	Year Ended December 31, 2020
Reimbursement	Patient service revenue	$ 321,123	$ 286,105
Assessment	Supplies, purchased services and other	181,784	171,312

The State of Wisconsin assesses a fee or tax on gross patient service revenue. The revenues from this assessment are used to increase payments made to hospitals for services provided to Medicaid and other medically indigent patients. The System's patient service revenue reflects this increase in payment for services to Medicaid and other medically indigent patients and hospital tax assessment expense reflects the fees assessed by the State. Reimbursement and the assessment under these programs are reflected in the accompanying consolidated statements of operations and changes in net assets are as follows:

	Classification	Year Ended December 31, 2021	Year Ended December 31, 2020
Reimbursement	Patient service revenue	$ 136,679	$ 137,317
Assessment	Supplies, purchased services and other	99,140	101,477

Management has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the payor's geographical location, the line of business that renders services to patients and the timing of when revenue is recognized and billed.

The composition of patient service revenue by payor is as follows:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
Managed care	$ 6,534,404	55 %	$ 5,521,363	54 %
Medicare	3,371,753	29 %	3,124,812	30 %
Medicaid - Illinois	825,834	7 %	773,851	8 %
Medicaid - Wisconsin	539,922	5 %	481,215	5 %
Self-pay and other	430,668	4 %	315,145	3 %
	$ 11,702,581	100 %	$ 10,216,386	100 %

Deductibles, copayments and coinsurance under third-party payment programs which are the patient's responsibility are included within the primary payor category in the table above.

Capitation Revenue

The System has agreements with various managed care organizations under which the System provides or arranges for medical care to members of the organizations in return for a monthly payment per member. Revenue is earned each month as a result of the System agreeing to provide or arrange for their medical care.

Other Revenue

Other revenue is recognized at an amount that reflects the consideration to which the System expects to be entitled in exchange for providing goods and services. The amounts recognized reflect consideration due from customers, third-party payors and others. Primary categories of other revenue include grant revenues from the CARES Act, income from joint ventures, retail pharmacy revenue, grant revenue, cafeteria revenue, rent revenue and other miscellaneous revenue.

Revenue disaggregation by state and business line are as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Illinois	$ 6,388,560	$ 5,713,977
Wisconsin	6,510,130	5,623,837
Total patient service revenue and capitation	12,898,690	11,337,814
Other revenue	1,163,442	1,794,375
Total revenue	$ 14,062,132	$ 13,132,189
Hospital	$ 8,640,613	$ 7,611,197
Clinic	2,711,468	2,231,783
Home Care	259,692	240,043
Other	90,808	133,363
Total patient service revenue	11,702,581	10,216,386
Capitated revenue	1,196,109	1,121,428
Other revenue	1,163,442	1,794,375
Total revenue	$ 14,062,132	$ 13,132,189

Patient accounts receivable

The System's patient accounts receivable is reported at the amount that reflects the consideration to which it expects to be entitled, in exchange for providing patient care. Patient accounts receivable are reported at net realizable value based on certain assumptions. For third-party payors, including Medicare, Medicaid and Managed Care, the net realizable value is based on the estimated contractual reimbursement percentage, which is based on current contract prices or historical paid claims data by payor. For self-pay, the net realizable value is determined using estimates of historical collection experience including an analysis by aging category. These estimates are adjusted for expected recoveries and any anticipated changes in trends, including significant changes in payor mix and economic conditions or trends in federal and state governmental health care coverage.

The composition of patient accounts receivable is summarized as follows:

	December 31, 2021		December 31, 2020	
Managed care	$ 935,709	52 %	$ 681,078	43 %
Medicare	356,959	20 %	350,948	22 %
Medicaid - Illinois	177,188	10 %	188,280	12 %
Medicaid - Wisconsin	50,111	3 %	41,694	3 %
Self-pay and other	296,738	15 %	308,738	20 %
	$ 1,816,705	100 %	$ 1,570,738	100 %

The self-pay patient accounts receivable above includes amounts due from patients for co-insurance, deductibles, installment payment plans and amounts due from patients without insurance.

6. INVESTMENTS

The System invests in a diversified portfolio of investments, including alternative investments, such as real asset funds, hedge funds and private equity limited partnerships, whose fair value was $5,856,960 and $4,504,346 at December 31, 2021 and 2020, respectively. Collectively, these funds have liquidity terms ranging from daily to annual with notice periods typically ranging from 1 to 90 days. Certain of these investments have redemption restrictions that may restrict redemption for up to 11 years. However, the potential for the System to sell its interest in these funds in a secondary market prior to the end of the fund term does exist for prices at or other than the carrying value.

At December 31, 2021, the System had additional commitments to fund alternative investments, including recallable distributions of $1,609,264 over the next seven years.

In the normal course of operations and within established investment policy guidelines, the System may enter into various exchange-traded and over-the-counter derivative contracts for trading purposes, including futures, options and forward contracts. These instruments are used primarily to maintain the System’s strategic asset allocation and hedge security price movements. These instruments require the System to deposit cash or securities collateral with the broker or custodian. Collateral provided was $16,589 and $13,301 at December 31, 2021 and 2020, respectively. The gross notional value of the derivatives outstanding was $282,289 and $149,370 at December 31, 2021 and 2020, respectively.

By using derivative financial instruments, the System exposes itself to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts. When the fair value of a derivative contract is positive, the counterparty owes the System, which creates credit risk for the System. When the fair value of a derivative contract is negative, the System owes the counterparty and, therefore, it does not possess credit risk. The System minimizes the credit risk in

derivative instruments by entering into transactions that may require the counterparty to post collateral for the benefit of the System based on the credit rating of the counterparty and the fair value of the derivative contract. Market risk is the adverse effect on the value of a financial instrument that results from a change in the underlying reference security. The market risk associated with market changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

Receivables and payables for investment trades not settled are presented within other current assets and accounts payable and other accrued liabilities in the accompanying consolidated balance sheets. Unsettled sales resulted in receivables due from brokers of $25,384 and $49,512 at December 31, 2021 and 2020, respectively. Unsettled purchases resulted in payables of $135,997 and $88,890 at December 31, 2021 and 2020, respectively.

Investment returns for assets limited as to use and cash and cash equivalents are composed of the following:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Interest income and dividends	$ 99,332	$ 83,232
Income from alternative investments	926,066	51,675
Net realized gains	273,325	41,293
Net unrealized gains	79,580	476,794
Total	$ 1,378,303	$ 652,994

Investment returns are included in the accompanying consolidated statements of operations and changes in net assets as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Other revenue	$ 53,651	$ 49,763
Investment income, net	1,303,546	593,283
Net assets with donor restrictions	21,106	9,948
Total	$ 1,378,303	$ 652,994

The cash and cash equivalents and assets limited as to use presented within the accompanying consolidated balance sheets are comprised of the following:

	December 31, 2021	**December 31, 2020**
Internally designated for capital and other	$ 11,572,323	$ 10,291,819
Held for self-insurance	649,513	658,466
Donor restricted	155,009	137,980
Investments under securities lending program	17,760	18,945
Total noncurrent assets limited as to use	12,394,605	11,107,210
Cash and cash equivalents	703,725	959,878
Current assets limited as to use	139,742	125,053
Total cash and cash equivalents and assets limited as to use	$ 13,238,072	$ 12,192,141

As part of the management of the investment portfolio, the System has entered into an arrangement whereby securities owned by the System are loaned primarily to brokers and investment banks. The loans are arranged through a bank. Borrowers are required to post collateral for securities borrowed equal to no less than 102% of the value of the security on a daily basis, at a minimum. The bank is responsible for reviewing the creditworthiness of the borrowers. The System has also entered into an arrangement whereby the bank is responsible for the risk of borrower bankruptcy and default. At December 31, 2021 and 2020, the System loaned $17,760 and $18,945, respectively, in securities and

accepted collateral for these loans in the amount $18,550 and $19,789, respectively, which represents cash and governmental securities, and are included in current liabilities and current assets, respectively, in the accompanying consolidated balance sheets.

7. FAIR VALUE

The System accounts for certain assets and liabilities at fair value and categorizes assets and liabilities measured at fair value in the accompanying consolidated financial statements based upon whether the inputs used to determine their fair values are observable or unobservable. Observable inputs are inputs that are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability, based on the best information available under the circumstances.

The fair value of all assets and liabilities recognized or disclosed at fair value are classified based on the lowest level of significant inputs. Assets and liabilities that are measured at fair value are disclosed and classified in one of the three categories. Category inputs are defined as follows:

Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date.

Level 2 — Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Inputs that are unobservable for the asset or liability for which there is little or no market data.

The following section describes the valuation methodologies used by the System to measure financial assets and liabilities at fair value. In general, where applicable, the System uses quoted prices in active markets for identical assets and liabilities to determine fair value. This pricing methodology applies to Level 1 investments, such as domestic and international equities, exchange-traded funds and agency securities.

If quoted prices in active markets for identical assets and liabilities are not available to determine the fair value, then quoted prices for similar assets and liabilities or inputs other than quoted prices that are observable either directly or indirectly are used. These investments are included in Level 2 and consist primarily of corporate notes and bonds, foreign government bonds, mortgage-backed securities, fixed-income securities, including fixed-income government obligations, commercial paper and certain agency, United States and international equities, which are not traded on an active exchange. The fair value for the obligations under swap agreements included in Level 2 is estimated using industry-standard valuation models. These models project future cash flows and discount the future amounts to a present value using market-based observable inputs, including interest rate curves. The fair values of the obligation under swap agreements include adjustments related to the System's credit risk.

Investments owned by the System are exposed to various kinds and levels of risk. Equity securities and equity funds expose the System to market risk, performance risk and liquidity risk for both domestic and international investments. Market risk is the risk associated with major movements of the equity markets. Performance risk is the risk associated with a company's operating performance. Fixed-income securities and fixed-income mutual funds expose the System to interest rate risk, credit risk and liquidity risk. As interest rates change, the value of many fixed-income securities is affected, including those with fixed interest rates. Credit risk is the risk that the obligor of the security will not fulfill its

obligations. Liquidity risk is affected by the willingness of market participants to buy and sell particular securities. Liquidity risk tends to be higher for equities related to small capitalization companies and certain alternative investments. Due to the volatility in the capital markets, there is a reasonable possibility of subsequent changes in fair value, resulting in additional gains and losses in the near term.

The carrying values of cash and cash equivalents, accounts receivable and payable, other current assets and accrued liabilities are reasonable estimates of their fair values, due to the short-term nature of these financial instruments.

The fair values of financial assets and liabilities that are measured at fair value on a recurring basis are as follows:

	December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
Cash and short-term investments	$ 1,251,915	$ 895,856	$ 356,059	$ —
Corporate bonds and other debt securities	816,147	—	816,147	—
United States government bonds	667,877	—	667,877	—
Bond and other debt security funds	559,769	99,237	460,532	—
Non-government fixed-income obligations	34,374	—	34,374	—
Equity securities	1,202,388	1,174,214	28,174	—
Equity funds	2,819,140	147,118	2,672,022	—
	7,351,610	$ 2,316,425	$ 5,035,185	$ —
Investments at net asset value				
Alternative investments	5,886,462			
Total investments	$ 13,238,072			
Collateral proceeds received under securities lending program	$ 18,550		$ 18,550	
Liabilities				
Obligations under swap agreements	$ (91,217)		$ (91,217)	
Obligations to return capital under securities lending program	$ (18,550)		$ (18,550)	

	December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
Cash and short-term investments	$ 1,861,490	$ 1,296,986	$ 564,504	$ —
Corporate bonds and other debt securities	705,552	—	705,552	—
United States government bonds	615,723	—	615,723	—
Bond and other debt security funds	1,325,705	73,668	1,252,037	—
Non-government fixed-income obligations	18,944	—	18,944	—
Equity securities	826,194	826,194	—	—
Equity funds	2,307,912	143,521	2,164,391	—
	7,661,520	$ 2,340,369	$ 5,321,151	—
Investments at net asset value				
Alternative investments	4,530,621			
Total investments	$ 12,192,141			
Collateral proceeds received under securities lending program	$ 19,789		$ 19,789	
Liabilities				
Obligations under swap agreements	$ (118,620)		$ (118,620)	
Obligations to return capital under securities lending program	$ (19,789)		$ (19,789)	

8. PROPERTY AND EQUIPMENT, NET

The components of property and equipment, net are summarized as follows:

	December 31, 2021	December 31, 2020
Land and improvements	$ 470,257	$ 461,831
Buildings and fixed equipment	7,819,014	7,536,013
Movable equipment and computer software	2,554,215	2,520,502
Construction-in-progress	629,941	478,335
	11,473,427	10,996,681
Accumulated depreciation and amortization	(5,530,416)	(5,144,704)
Property and equipment, net	$ 5,943,011	$ 5,851,977

During 2021, the System wrote off fully depreciated property and equipment totaling $122,973.

Property and equipment, net include assets recorded as finance leases and under other financing arrangements. See additional disclosure in Note 9. LEASES.

Depreciation expense was $536,567 and $553,634 for the years ended December 31, 2021 and 2020, respectively.

9. LEASES

The System leases office and clinical space, land and equipment. Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheets. The System combines lease and non-lease components, except for medical equipment leases.

The depreciable lives of assets are limited by the expected lease terms. Most leases include options to renew. The majority of leases do not provide an implicit rate; therefore, the System has elected to use its incremental borrowing rate, which is the interest rate the System would borrow on a collateralized basis over a similar term, as the discount rate. The System used its incremental borrowing rate on January 1, 2019 for operating leases that commenced prior to that date.

Operating and finance leases are classified as follows within the accompanying consolidated balance sheets:

Leases	Classification	December 31, 2021	December 31, 2020
Assets			
Operating	Operating lease right-of-use assets	$ 283,398	$ 309,678
Finance	Property and equipment, net	226,766	149,961
Total lease assets		$ 510,164	$ 459,639
Liabilities			
Current			
Operating	Operating lease liabilities, current portion	$ 68,247	$ 79,934
Finance	Long-term debt and commercial paper, current portion	16,669	9,182
Noncurrent			
Operating	Operating lease liabilities, less current portion	248,062	268,575
Finance	Long-term debt, less current portion	248,069	165,507
Total lease liabilities		$ 581,047	$ 523,198

Finance lease assets are recorded net of accumulated amortization of $69,861 and $57,873 as of December 31, 2021 and 2020, respectively.

Lease costs are classified as follows within the accompanying consolidated statements of operations and changes in net assets:

Lease cost	Classification	December 31, 2021	December 31, 2020
Operating lease cost	Supplies, purchased services and other	$ 82,822	$ 85,253
Short term lease cost	Supplies, purchased services and other	13,956	13,407
Variable lease cost	Supplies, purchased services and other	36,358	36,740
Finance lease cost			
Amortization of lease assets	Depreciation and amortization	11,998	11,629
Interest on lease liabilities	Interest	11,482	12,093
Sublease income	Other revenue	(2,503)	(2,434)
Net lease cost		$ 154,113	$ 156,688

Lease terms, discount rates and other supplemental information are as follows:

	December 31, 2021	December 31, 2020
Weighted average remaining lease term (in years)		
Operating	5.2	5.5
Finance	10.4	11.6
Weighted average discount rate		
Operating	2.05 %	2.24 %
Finance	8.52 %	7.54 %
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 86,743	$ 88,387
Operating cash flows from finance leases	11,482	11,500
Financing cash flows from finance leases	9,246	8,184

Future maturities of lease liabilities at December 31, 2021 are as follows:

	Operating Leases	Finance Leases	Total
2022	$ 82,805	$ 33,312	$ 116,117
2023	72,918	34,803	107,721
2024	57,647	35,638	93,285
2025	47,747	35,472	83,219
2026	39,859	35,440	75,299
Thereafter	71,183	226,454	297,637
Future minimum lease payments	372,159	401,119	773,278
Less remaining imputed interest	55,850	136,381	192,231
Total	$ 316,309	$ 264,738	$ 581,047

10. INTEREST IN MASONIC FAMILY HEALTH FOUNDATION

The System has an interest in the net assets of the Masonic Family Health Foundation ("MFHF"), an independent organization, under the terms of an asset purchase agreement (the "Agreement"). Substantially all of MFHF's net assets are designated to support the operations and/or capital needs of one of the System's medical facilities. Additionally, 90% of MFHF's investment yield, net of expenses, on substantially all of MFHF's investments is designated for the support of one of the System's medical facilities. MFHF must pay the System, annually, 90% of the investment yield or an agreed-upon percentage of the beginning of the year net assets.

The interest in the net assets of MFHF amounted to $122,793 and $109,017 at December 31, 2021 and 2020, respectively, and is presented within investments in unconsolidated entities in the accompanying consolidated balance sheets. The System's interest in the investment income is reflected in the accompanying consolidated statements of operations and changes in net assets and amounted to $17,853 and $17,287 for the years ended December 31, 2021 and 2020, respectively. Cash distributions of $3,584 and $3,978 were received by the System from MFHF under terms of the Agreement during the years ended December 31, 2021 and 2020, respectively. In addition, MFHF made $694 and $537 in contributions to the System for program support during the years ended December 31, 2021 and 2020, respectively.

The summarized financial position and results of operations for MFHF accounted for under the equity method as of and for the periods ended is outlined below:

	December 31, 2021	December 31, 2020
Total assets	$ 127,838	$ 112,993
Total liabilities	4,440	3,661
Net assets	123,398	109,332
Total revenue	$ 19,867	$ 18,613
Revenue in excess of (less than) expenses	14,014	13,697

11. LONG-TERM DEBT

Long-term debt, net of unamortized original issue discount or premium and unamortized deferred bond issuance costs, consisted of the following:

	December 31, 2021	December 31, 2020
Revenue bonds and revenue refunding bonds		
Series 2003A (weighted average rate of 1.38% during 2021 and 2020), principal payable in varying annual installments through November 2022; interest based on prevailing market conditions at time of remarketing	$ 2,637	$ 5,194
Series 2003C (weighted average rate of 1.60% during 2021 and 2020), principal payable in varying annual installments through November 2022; interest based on prevailing market conditions at time of remarketing	2,640	5,200
Series 2008A (weighted average rate of 4.35% and 4.41% during 2021 and 2020, respectively), principal payable in varying annual installments through November 2030; interest based on prevailing market conditions at time of remarketing	114,310	116,719
Series 2008C (weighted average rate of 0.05% and 0.58% during 2021 and 2020, respectively), principal payable in varying annual installments through November 2038; interest based on prevailing market conditions at time of remarketing	271,672	271,640
Series 2011A, 4.00%, principal payable in annual installments through April 2022	221	440
Series 2011B (weighted average rate of 0.34% and 0.86% during 2021 and 2020, respectively), principal payable in varying annual installments through April 2051, subject to a put provision that provides for a cumulative seven-month notice and remarketing period; interest tied to a market index plus a spread	69,006	68,983
Series 2011C (weighted average rate of 0.67% and 1.11% during 2021 and 2020, respectively), principal payable in varying annual installments through April 2049, subject to a put provision on September 3 ,2024; interest tied to a market index plus a spread	49,570	49,540
Series 2011D (weighted average rate of 0.67% and 1.11% during 2021 and 2020, respectively), principal payable in varying annual installments through April 2049, subject to a put provision on September 3, 2024; interest tied to a market index plus a spread	49,570	49,540
Series 2012, 4.00%, principal payable in varying annual installments through June 2044	—	39,048
Series 2013A, 5.00%, principal payable in varying annual installments through June 2024	15,014	43,918
Series 2014, 4.00% to 5.00%, principal payable in varying annual installments through August 2038	97,886	149,629
Series 2015, 4.13%, principal payable in varying annual installments through May 2045	31,342	88,283
Series 2015B, 4.00% to 5.00%, principal payable in varying annual installments through May 2044	15,980	15,990
Series 2018A, 4.00% to 5.00%, principal payable in varying annual installments through August 2044	104,603	105,184
Series 2018B (weighted average rate of 5.00% during 2021 and 2020), principal payable in varying annual installments through August 2054; interest based on prevailing market conditions at time of remarketing	197,045	201,762
Series 2018C (weighted average rate of 1.31% and 1.06% during 2021 and 2020, respectively), principal payable in varying annual installments through August 2054, interest tied to a market index plus a spread or prevailing market conditions at remarketing	196,879	198,256
	1,218,375	1,409,326

	December 31, 2021	December 31, 2020
Taxable bonds		
Taxable Bond Series 2018, 3.83% to 4.27%, principal payable in varying annual installments through August 2048	803,497	709,865
Taxable Bond Series 2019, 3.39%, principal payable in October 2049	442,067	354,813
Taxable Bond Series 2020A, 2.21% to 3.01%, principal payable in varying annual installments through June 2050	696,009	695,822
	1,941,573	1,760,500
Finance lease obligations and financing arrangements	270,876	214,360
Commercial paper, weighted average interest rate of 0.14% and 1.06% during 2021 and 2020, respectively	50,000	50,000
Taxable Term Loan, (weighted average rate of 2.68% during 2021 and 2020), principal payable in varying annual installments through September 2024	80,219	97,871
	3,561,043	3,532,057
Less amounts classified as current		
Long-term debt, current portion	(46,185)	(51,996)
Commercial paper	(50,000)	(50,000)
Long-term debt and commercial paper, current portion	(96,185)	(101,996)
Long-term debt subject to short-term financing arrangements	(166,350)	(119,660)
	(262,535)	(221,656)
	$ 3,298,508	$ 3,310,401

Maturities of long-term debt, capital leases, and sinking fund requirements, assuming remarketing of the variable rate demand revenue refunding bonds, for the five years ending December 31, 2026, are as follows: 2022 - $46,185; 2023 - $50,582; 2024 - $121,943; 2025 - $46,173; and 2026 - $40,595.

The System's outstanding bonds are secured by obligations issued under the Second Amended and Restated Master Trust Indenture dated as of August 1, 2018, as the same may be amended from time to time, between Advocate Aurora Health, Inc., the other affiliates identified therein as the Members of the Obligated Group and U.S. Bank National Association, as master trustee ("the System Master Indenture"). Under the terms of the bond indentures and other arrangements, various amounts are to be on deposit with trustees, and certain specified payments are required for bond redemption and interest payments. The System Master Indenture and other debt agreements, including bank agreements, also place restrictions on the System and require the System to maintain certain financial ratios.

The System's unsecured variable rate revenue bonds, Series 2011B of $69,660, Series 2018B-1 of $46,690 and Series 2018C-2 of $50,000, while subject to a long-term amortization period, may be put to the System at the option of the bondholders in connection with certain remarketing dates. To the extent that bondholders may, under the terms of the debt, put their bonds within 12 months after December 31, 2021, the principal amount of such bonds has been classified as a current obligation as long-term debt subject to short-term financing arrangements in the accompanying consolidated balance sheets. Management believes the likelihood of a material amount of bonds being put to the System is remote. However, to address this possibility, the System has taken steps to provide various sources of liquidity, including assessing alternate sources of financing, including lines of credit and/or net assets without donor restrictions as a source of self-liquidity.

The System has standby bond purchase agreements with banks to provide liquidity support for the Series 2008C Bonds. In the event of a failed remarketing of a Series 2008C Bond upon its tender by an existing holder and subject to compliance with the terms of the standby bond purchase agreement, the standby bank would provide the funds for the purchase of such tendered bonds, and the System would

be obligated to repay the bank for the funds it provided for such bond purchase (if such bond is not subsequently remarketed), with the first installment of such repayment commencing on the date one year and one day after the bank purchases the bond. As of December 31, 2021, there were no bank-purchased bonds outstanding. To the extent that the standby bond purchase agreement expiration date is within 12 months after December 31, 2021, the principal amount of such bonds would be classified as a current obligation in the accompanying consolidated balance sheets. The standby bond purchase agreements expire as follows: $129,456 in January 2024, $87,694 in September 2024 and $58,225 in September 2025.

In May 2020, the System issued its Series 2020A Taxable Bonds in the aggregate principal amount of $700,000. The proceeds of the Series 2020A Taxable Bonds were used for general corporate purposes, to refinance a portion of the Series 2011B, Series 2011C, Series 2011D, Series 2012, Series 2013A, Series 2015 and Series 2015B Bonds, to repay $82,000 of commercial paper and to pay certain financing costs. In connection with this transaction, the System recognized a loss on refinancing in the amount of $12,231.

In April 2021, the System issued additional Series 2018 Taxable Bonds in the principal amount of $85,000 and additional Series 2019 Taxable Bonds in the principal amount of $85,210 ("Additional Taxable Bonds"). The proceeds of the Additional Taxable Bonds were used to refinance a portion of the Series 2012, Series 2013A, Series 2014, Series 2015 Bonds and to pay certain financing costs. In connection with this transaction, the System recognized a loss on refinancing in the amount of $14,421.

As of December 31, 2021, the System authorized the issuance of up to $1,000,000 in commercial paper aggregate principal outstanding. As of December 31, 2021, $50,000 of commercial paper notes was outstanding, with maturities ranging from 120 to 149 days. As of December 31, 2020, $50,000 of commercial paper was outstanding, with maturities ranging from 119 to 122 days.

At December 31, 2021, the System had lines of credit with banks aggregating to $1,250,000 in available commitments. These lines of credit provide for various interest rates and payment terms and as of December 31, 2021 expire as follows: $100,000 in December 2022, $350,000 in December 2023, $150,000 in August 2024, $325,000 in December 2024 and $325,000 in December 2025. These lines of credit may be used to redeem bonded indebtedness, to pay costs related to such redemptions, for capital expenditures for general working capital purposes or to provide for certain letters of credit. At December 31, 2021, letters of credit issued totaling $75,802 have been issued under one of these lines. At December 31, 2021, no amounts were outstanding on these lines or letters of credit.

The System maintains an interest rate swap program on certain of its variable rate debt, as described in Note 12. INTEREST RATE SWAP PROGRAM.

The System’s interest paid amount includes all debt agreements including revenue bonds and revenue refunding bonds, taxable bonds, finance lease obligations, financing arrangements and interest rate swaps. The System's interest paid, net of capitalized interest, amounted to $113,633 and $116,953 for the years ended December 31, 2021 and 2020, respectively. The System capitalized interest of $13,027 and $8,198 for the years ended December 31, 2021 and 2020, respectively.

12. INTEREST RATE SWAP PROGRAM

The System has interest rate-related derivative instruments to manage the exposure of its variable rate debt instruments. By using derivative financial instruments to manage the risk of changes in interest rates, the System exposes itself to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts. When the fair value of a

derivative contract is positive, the counterparty owes the System, which creates credit risk for the System. When the fair value of a derivative contract is negative, the System owes the counterparty and, therefore, it does not possess credit risk. The System minimizes the credit risk in derivative instruments by entering into transactions that may require the counterparty to post collateral for the benefit of the System based on the credit rating of the counterparty and the fair value of the derivative contract. Market risk is the adverse effect on the value of a derivative financial instrument that results from a change in interest rates. The market risk associated with interest rate changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken. The System also mitigates risk through periodic reviews of its derivative positions in the context of its total blended cost of capital.

At December 31, 2021, the System maintains an interest rate swap program on its Series 2008C variable rate demand revenue bonds. These bonds expose the System to variability in interest payments due to changes in interest rates. The System believes that it is prudent to limit the variability of its interest payments. To meet this objective and to take advantage of low interest rates, the System entered into various interest rate swap agreements to manage fluctuations in cash flows resulting from interest rate risk. These swaps convert the variable rate cash flow exposure on the variable rate demand revenue bonds to synthetically fixed cash flows. The notional amount under each interest rate swap agreement is reduced over the term of the respective agreement to correspond with reductions in the principal outstanding under various bond series.

The System has two swaps that are being held as a swap portfolio as the related debt is no longer outstanding.

The following is a summary of the outstanding positions under these interest rate swap agreements at December 31, 2021:

Bond Series	Notional Amount	Maturity Date	Rate Received	Rate Paid
2008C-1	$ 129,900	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
2008C-2B	58,425	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
2008C-3A	88,000	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
Swap portfolio	50,000	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
Swap portfolio	25,280	February 1, 2038	70.0% of LIBOR	3.314 %

The swaps are not designated as hedging instruments and, therefore, hedge accounting has not been applied. As such, unrealized changes in fair value of the swaps are classified as changes in fair value of swaps in the accompanying consolidated statements of operations and changes in net assets. The net cash settlement payments, representing the realized changes in fair value of the swaps, are included as interest expense in the accompanying consolidated statements of operations and changes in net assets.

The fair value of the interest rate swap agreements was a liability of $91,217 and $118,620 as of December 31, 2021 and 2020, respectively. No collateral was posted under these swap agreements as of December 31, 2021 and 2020.

Amounts recorded in the accompanying consolidated statements of operations and changes in net assets are as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Net cash payments on interest rate swap agreements (interest expense)	$ 11,487	$ 10,241
Change in fair value of interest rate swaps	$ 27,403	$ (27,280)

The interest rate swap instruments contain provisions that require the System to maintain an investment grade credit rating on its bonds from certain major credit rating agencies. If the System's bonds were to fall below investment grade, it would be in violation of these provisions and the counterparties to the swap instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on interest rate swap instruments in net liability positions.

13. RETIREMENT PLANS

The System maintains various employee retirement benefit plans available to qualifying employees and retirees.

The Condell Health Network Retirement Plan ("Condell Plan") was frozen effective January 1, 2008 to new participants and participants ceased to accrue additional pension benefits. During the year ended December 31, 2020, $3,000 in cash contributions were made to the Condell Plan.

The Aurora Health Care, Inc. Pension Plan ("Aurora Plan") was frozen on December 31, 2012 and participants ceased to accrue additional pension benefits. During the year ended December 31, 2020, no contributions were made to the Aurora Plan.

On December 31, 2020, the Condell Plan liabilities and assets were merged into the Aurora Plan. With the merger of the liabilities and assets, the Aurora Plan was renamed the Advocate Aurora Health Pension Plan ("AAH Plan") on January 1, 2021. The accompanying consolidated balance sheets contain an other noncurrent liability related to the AAH Plan of $57,617 and $66,494 at December 31, 2021 and 2020, respectively. The noncurrent liability of the AAH Plan at both dates, reflects the merged liabilities of the Condell Plan and the Aurora Plan. During the year ended December 31, 2021, no contributions were made to the AAH Plan.

The Advocate Health Care Network Pension Plan ("Advocate Plan") was frozen effective December 31, 2019, to new participants and participants ceased accruing additional pension benefits. The accompanying consolidated balance sheets contain an other noncurrent liability related to the Advocate Plan totaling $75,012 and $134,325 at December 31, 2021 and 2020, respectively. During the years ended December 31, 2021 and 2020, $30,000 and $40,000, respectively, in cash contributions were made to the Advocate Plan.

In September 2020, the System transferred benefit obligations for certain participants of the Advocate Plan, Condell Plan and Aurora Plan through the purchase of annuity contracts. As a result of this transaction, all three Plans were remeasured as of September 30, 2020 and a combined settlement loss of $119,658 was recorded in the nonoperating income section in the accompanying consolidated statements of operations and changes in net assets for the year ended December 31, 2020.

A summary of changes in the plan assets, projected benefit obligation and the resulting funded status for the year ended December 31, 2021 is as follows:

	Advocate	AAH	Total
Change in plan assets:			
Plan assets at fair value at beginning of period	$ 952,588	$ 1,449,588	$ 2,402,176
Actual return on plan assets	53,662	(2,694)	50,968
Employer contributions	30,000	—	30,000
Benefits paid	(54,173)	(41,220)	(95,393)
Plan assets at fair value at end of period	$ 982,077	$ 1,405,674	$ 2,387,751
Change in projected benefit obligation:			
Projected benefit obligation at beginning of period	$ 1,086,913	$ 1,516,082	$ 2,602,995
Interest cost	28,119	41,650	69,769
Actuarial gain	(3,770)	(53,221)	(56,991)
Benefits paid	(54,173)	(41,220)	(95,393)
Projected benefit obligation at end of period	$ 1,057,089	$ 1,463,291	$ 2,520,380
Plan assets less than projected benefit obligation	$ (75,012)	$ (57,617)	$ (132,629)
Accumulated benefit obligation at end of period	$ 1,057,089	$ 1,463,291	$ 2,520,380

A summary of changes in the plan assets, projected benefit obligation and the resulting funded status for the year ended December 31, 2020 is as follows:

	Advocate	AAH **	Total
Change in plan assets:			
Plan assets at fair value at beginning of period	$ 1,011,800	$ 1,652,715	$ 2,664,515
Actual return on plan assets	28,898	223,387	252,285
Employer contributions	40,000	3,000	43,000
Benefits paid	(128,110)	(429,514)	(557,624)
Plan assets at fair value at end of period	$ 952,588	$ 1,449,588	$ 2,402,176
Change in projected benefit obligation:			
Projected benefit obligation at beginning of period	$ 1,185,739	$ 1,737,860	$ 2,923,599
Interest cost	34,835	53,855	88,690
Actuarial (gain) loss	(5,551)	153,881	148,330
Benefits paid	(128,110)	(429,514)	(557,624)
Projected benefit obligation at end of period	$ 1,086,913	$ 1,516,082	$ 2,602,995
Plan assets less than projected benefit obligation	$ (134,325)	$ (66,494)	$ (200,819)
Accumulated benefit obligation at end of period	$ 1,086,913	$ 1,516,082	$ 2,602,995

***AAH includes the legacy Condell and Aurora Plans. On December 31, 2020, the Condell Plan liabilities and assets were merged into the Aurora Plan and renamed the AAH Plan on January 1, 2021.*

The AAH Plan actuarial gain of $53,221 for the year ending December 31, 2021 was primarily driven by an increase in discount rates which was slightly offset by an actuarial loss due to updated mortality

improvement assumptions. The AAH Plan actuarial loss of $153,881 for the year ending December 31, 2020 was primarily driven by a decrease in discount rates which was slightly offset by an actuarial gain due to updated mortality improvement assumptions.

The Advocate Plan paid lump sums totaling $51,104 and $75,349 in 2021 and 2020, respectively. The amount in 2021 and 2020 was greater than the sum of the Advocate Plan's service cost and interest cost, resulting in a settlement charge in the amount of $12,102 and $5,455, respectively. The Condell Plan paid lump sums totaling $4,235 in 2020. The amount in 2020 was greater than the sum of the Condell Plan's service cost and interest cost, resulting in a settlement charge in the amount of $104. The Aurora Plan paid lump sums totaling $5,400 in 2020. The amount in 2020 was greater than the sum of the Aurora Plan's service cost and interest cost, resulting in a settlement charge in the amount of $452.

Pension plan expense included in the accompanying consolidated statements of operations and changes in net assets is as follows for the year ended December 31, 2021:

	Advocate	AAH	Total
Interest cost	$ 28,119	$ 41,650	$ 69,769
Expected return on plan assets	(42,421)	(43,487)	(85,908)
Amortization of:			
Actuarial loss	4,477	10,410	14,887
Prior service cost	—	3	3
Settlement	12,102	—	12,102
Net pension expense	$ 2,277	$ 8,576	$ 10,853

Pension plan expense included in the accompanying consolidated statements of operations and changes in net assets is as follows for the year ended December 31, 2020:

	Advocate	AAH **	Total
Interest cost	34,835	53,855	88,690
Expected return on plan assets	(43,456)	(62,558)	(106,014)
Amortization of:			
Actuarial loss	4,897	11,798	16,695
Prior service cost	—	3	3
Settlement	33,561	92,107	125,668
Net pension expense	$ 29,837	$ 95,205	$ 125,042

***AAH includes the legacy Condell and Aurora Plans. On December 31, 2020, the Condell Plan liabilities and assets were merged into the Aurora Plan and renamed the AAH Plan on January 1, 2021.*

The components of net periodic benefit costs, other than the service cost component, are included in other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets.

The net change recognized in net assets without donor restrictions as a component of pension-related changes other than net periodic pension cost was as follows for the year ended December 31, 2021:

	Advocate	AAH	Total
Net change recognized	$ 31,590	$ 17,454	$ 49,044

The net change recognized in net assets without donor restrictions as a component of pension-related changes other than net periodic pension cost was as follows for the year ended December 31, 2020:

	Advocate	AAH **	Total
Net change recognized	$ 29,450	$ 110,855	$ 140,305

***AAH includes the legacy Condell and Aurora Plans. On December 31, 2020, the Condell Plan liabilities and assets were merged into the Aurora Plan and renamed the AAH Plan on January 1, 2021.*

Included in net assets without donor restrictions at December 31, 2021 are the following amounts that have not yet been recognized in net pension expense:

	Advocate	AAH	Total
Unrecognized prior credit	$ —	$ 96	$ 96
Unrecognized actuarial loss	244,128	340,451	584,579
	$ 244,128	$ 340,547	$ 584,675

Expected employee benefit payments to be paid from the pension plans are as follows:

	Advocate	AAH	Total
2022	$ 63,891	$ 51,638	$ 115,529
2023	60,825	54,806	115,631
2024	61,364	58,001	119,365
2025	62,050	61,627	123,677
2026	62,199	64,417	126,616
2027-2031	291,885	356,338	648,223
Total	$ 602,214	$ 646,827	$ 1,249,041

Expected contributions to the pension plans are as follows:

	Advocate	AAH	Total
2022	$ —	$ —	$ —

Employer contributions were paid from employer assets. No plan assets are expected to be returned to the employer. All benefits paid under the Advocate Plan and AAH Plan (collectively referred to as the "Plans") were paid from the Plans' assets.

The System's asset allocation and investment strategies are designed to earn returns on plan assets consistent with a reasonable and prudent level of risk. Investments are diversified across classes, economic sectors and manager style to minimize the risk of loss. The System utilizes investment managers specializing in each asset category and, where appropriate, provides the investment manager with specific guidelines that include allowable and/or prohibited investment types. The System regularly monitors manager performance and compliance with investment guidelines.

The System's target and actual pension asset allocations for the Plans are as follows:

	December 31, 2021		December 31, 2020	
Asset Category - Advocate Plan	**Target**	**Actual**	**Target**	**Actual**
De-risking portfolio	70 %	70 %	75 %	67 %
Domestic and international equity securities	21	21	21	22
Alternative investments	6	6	2	7
Cash and fixed-income securities	3	3	2	4
	100 %	100 %	100 %	100 %

	December 31, 2021		December 31, 2020	
Asset Category - AAH/Aurora Plan **	**Target**	**Actual**	**Target**	**Actual**
De-risking portfolio	85 %	83 %	85 %	82 %
Domestic and international equity securities	12	14	12	15
Real estate	1	1	1	1
Cash and fixed-income securities	2	2	2	2
	100 %	100 %	100 %	100 %

***On December 31, 2020, the Condell Plan liabilities and assets were merged into the Aurora Plan and the Plan was renamed the AAH Plan on January 1, 2021.*

The de-risking portfolio is comprised of cash and fixed-income instruments designed to hedge Plan liabilities.

At December 31, 2021, the Advocate Plan had commitments to fund alternative investments, including recallable distributions of $19,254 over the next five years.

In the normal course of operations and within established investment policy guidelines, the Plans may enter into various exchange-traded and over-the-counter derivative contracts for trading purposes, including futures, options and forward contracts. These instruments are used primarily to maintain the Plans' strategic asset allocation and hedge security price movements. These instruments require the Plans to deposit cash collateral with the broker or custodian.

Derivative contract information at December 31, 2021 are as follows:

	Advocate	AAH	Total
Cash and security collateral provided	$ 15,978	$ 6,065	$ 22,043
Gross notional value	$ (539,122)	$ 262,962	$ (276,160)

Derivative contract information at December 31, 2020 are as follows:

	Advocate	AAH	Total
Cash and security collateral provided	$ 16,922	$ 10,455	$ 27,377
Gross notional value	$ (527,126)	$ 307,840	$ (219,286)

By using derivative financial instruments, the System exposes itself to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts. When the fair value of a derivative contract is positive, the counterparty owes the System, which creates credit risk for the System. When the fair value of a derivative contract is negative, the System owes the counterparty and, therefore, it does not possess credit risk. The System minimizes the credit risk in derivative instruments by entering into transactions that may require the counterparty to post collateral for the benefit of the System based on the credit rating of the counterparty and the fair value of the derivative contract. Market risk is the adverse effect on the value of a financial instrument that results from a change in the underlying reference security. The market risk associated with market changes is

managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

Receivables and payables for investment trades not settled are presented within Advocate Plan assets. Unsettled sales resulted in receivables due from brokers of $8,515 and $3,313 at December 31, 2021 and 2020, respectively. Unsettled purchases resulted in payables of $17,265 and $10,846 at December 31, 2021 and 2020, respectively.

Receivables and payables for investment trades not settled are presented within AAH Plan assets. Unsettled sales resulted in receivables due from brokers of $7,808 and $10,108 at December 31, 2021 and 2020, respectively. Unsettled purchases resulted in payables of $16,500 and $19,198 at December 31, 2021 and 2020, respectively.

Fair value methodologies for Level 1 and Level 2 are consistent with the inputs described in Note 7. FAIR VALUE. Real estate commingled funds for which an active market exists are included in Level 2. The System opted to use the net asset value per share, or its equivalent, as a practical expedient for the fair value of the Plans' interest in hedge funds, private equity limited partnerships and real estate commingled funds. There is inherent uncertainty in such valuations and the estimated fair values may differ from the values that would have been used had a ready market for these investments existed. Private equity limited partnerships and real estate commingled funds typically have finite lives ranging from five to ten years, at the end of which all invested capital is returned. For hedge funds, the typical lockup period is one year, after which invested capital can be redeemed on a quarterly basis with at least 30 days' but no more than 90 days' notice. The Plans' investment assets are exposed to the same kinds and levels of risk as described in Note 7. FAIR VALUE.

The following are the Plans' financial instruments at December 31, 2021, measured at fair value on a recurring basis by the valuation hierarchy defined in Note 7. FAIR VALUE:

Description	December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and short-term investments	$ 78,247	$ 43,778	$ 34,469	$ —
Corporate bonds and other debt securities	984,539	—	984,539	—
United States government obligations	740,439	—	740,439	—
Bond and other debt security funds	53,923	—	53,923	—
Equity securities	19,900	19,900	—	—
Equity funds	432,928	12,474	420,454	—
Real estate funds	16,180	—	16,180	—
	2,326,156	$ 76,152	$ 2,250,004	$—
Investments at net asset value				
Alternative investments	61,595			
Total investments	$ 2,387,751			

The following are the Plans' financial instruments at December 31, 2020, measured at fair value on a recurring basis by the valuation hierarchy defined in Note 7. FAIR VALUE:

Description	December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and short-term investments	$ 58,006	$ 32,876	$ 25,130	$ —
Corporate bonds and other debt securities	985,564	—	985,564	—
United States government obligations	646,797	—	646,797	—
Bond and other debt security funds	128,142	—	128,142	—
Equity securities	22,280	22,280	—	—
Equity funds	473,728	11,648	462,080	—
Real estate funds	17,855	—	17,855	—
	2,332,372	$ 66,804	$ 2,265,568	$ —
Investments at net asset value				
Alternative investments	69,804			
Total investments	$ 2,402,176			

Assumptions used to determine benefit obligations are as follows:

	December 31, 2021	December 31, 2020
Discount rate - Advocate Plan	2.85 %	2.49 %
Discount rate - AAH Plan	3.05 %	2.79 %
Assumed rate of return on assets - Advocate Plan	4.50 %	4.40 %
Assumed rate of return on assets - AAH Plan	3.80 %	3.40 %
Interest crediting rate - Advocate Plan	1.80 %	1.35 %

Assumptions used to determine net pension expense are as follows:

	December 31, 2021	December 31, 2020
Discount rate - Advocate Plan	2.49 %	3.23 %
Discount rate - AAH Plan **	2.79 %	3.37 %
Assumed rate of return on assets - Advocate Plan	4.40 %	4.50 %
Assumed rate of return on assets - AAH Plan **	3.40 %	**
Interest crediting rate - Advocate Plan	1.35 %	2.25 %

***On December 31, 2020, the Condell Plan liabilities and assets were merged into the Aurora Plan and the Plan was renamed the AAH Plan on January 1, 2021. The assumed rate of return on assets used to determine net pension expense in December 31, 2020 for the Aurora Plan and Condell Plan was 4.50% and 2.50%, respectively.*

The assumed rate of return on each of the Plan's assets is based on historical and projected rates of return for asset classes in which the portfolio is invested.

The 2021 mortality assumption for the Plans was the amounts-weighted aggregate rates from the Pri-2012 mortality study, with white-collar adjustments projected generationally from 2012 with Scale MP-2021. The 2020 mortality assumption for the Plans was the amounts-weighted aggregate rates from the Pri-2012 mortality study, with white-collar adjustments projected generationally from 2012 with Scale MP-2020.

In addition to these Plans, the System sponsors a defined contribution plan for its employees. Expense related to the plan, is included in salaries, wages and benefits expense in the accompanying

consolidated statements of operations and changes in net assets, were $296,894 and $300,971 for the years ended December 31, 2021 and 2020, respectively.

14. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	December 31, 2021	December 31, 2020
Purchases of property and equipment	$ 17,579	$ 17,504
Medical education and other health care programs	234,098	215,176
	$ 251,677	$ 232,680

15. FUNCTIONAL OPERATING EXPENSES

Operating expenses directly attributable to a specific functional area of the System are reported as expenses of those functional areas. Expenses other than interest expense are directly allocated to functional departments at the time they are incurred. Interest expense that relates to debt financing is allocated based on the use of the related funds. General and administrative expenses primarily include legal, finance, purchasing and human resources. Health care services require the benefit of and the expense of general and administrative services; therefore, these costs are further allocated to health care services. A majority of fundraising costs are reported as other nonoperating income (loss), net in the accompanying consolidated statements of operations and changes in net assets.

Functional operating expenses for the year ended December 31, 2021 are as follows:

	Health care services	General and administrative	Consolidated
Salaries, wages and benefits	$ 6,936,615	$ 727,322	$ 7,663,937
Supplies, purchased services and other	3,937,999	632,548	4,570,547
Contracted medical services	564,586	—	564,586
Depreciation and amortization	495,608	67,801	563,409
Interest	106,101	—	106,101
Total operating expenses	12,040,909	1,427,671	13,468,580
Allocation of general and administrative	1,427,671	(1,427,671)	—
Total operating expenses after allocation	$ 13,468,580	$ —	$ 13,468,580

Functional operating expenses for the year ended December 31, 2020 are as follows:

	Health care services	General and administrative	Consolidated
Salaries, wages and benefits	$ 6,789,955	$ 659,016	$ 7,448,971
Supplies, purchased services and other	3,701,429	675,846	4,377,275
Contracted medical services	420,587	—	420,587
Depreciation and amortization	467,340	92,923	560,263
Interest	112,126	—	112,126
Total operating expenses	11,491,437	1,427,785	12,919,222
Allocation of general and administrative	1,427,785	(1,427,785)	—
Total operating expenses after allocation	$ 12,919,222	$ —	$ 12,919,222

16. LIQUIDITY

The System's financial assets available within one year of the consolidated balance sheets date for general expenditures are as follows:

	December 31, 2021	December 31, 2020
Current assets		
Cash and cash equivalents	$ 703,725	$ 959,878
Assets limited as to use	139,742	125,053
Patient accounts receivable	1,816,705	1,570,738
Third-party payors receivables	22,154	16,933
Collateral proceeds under securities lending program	18,550	19,789
Total current assets	2,700,876	2,692,391
Assets limited as to use		
Internally designated for capital and other	11,572,323	10,291,819
Held for self-insurance	649,513	658,466
Donor restricted	155,009	137,980
Investments under securities lending program	17,760	18,945
Total assets limited as to use	12,394,605	11,107,210
Total financial assets	$ 15,095,481	$ 13,799,601
Less		
Amounts unavailable for general expenditures		
Alternative investments	(2,727,059)	(2,110,330)
Total amounts unavailable for general expenditure	(2,727,059)	(2,110,330)
Amounts unavailable to management without approval		
Held for self-insurance	(789,255)	(783,519)
Donor restricted	(155,009)	(137,980)
Investments under securities lending program	(17,760)	(18,945)
Total amounts unavailable to management without approval	(962,024)	(940,444)
Total financial assets available to management for general expenditure within one year	$ 11,406,398	$ 10,748,827

17. COMMITMENTS AND CONTINGENCIES

Aurora West Allis Medical Center has the right to operate the hospital under the terms of a lease agreement with the City of West Allis ("the City"). In accordance with the lease agreement, the City has title to all assets and any subsequent additions (with the exception of certain equipment used by Aurora for laboratory services). Aurora West Allis Medical Center has an exclusive right to the use of the assets and the obligation to maintain and replace them. The historical cost to the System of the leased facilities is included within the System's property and equipment, net. The agreement provides for annual payments of less than $100 in lieu of annual lease payments and includes payment escalations each subsequent year. The lease expires in 2063.

The System is committed to constructing additions and renovations to its medical facilities that are expected to be completed in future years. The estimated cost of these commitments is $669,952, of which $595,927 has been incurred as of December 31, 2021.

The System entered into agreements for information technology services provided by third parties. The maximum amount of future payments that the System could be required to make under these agreements is approximately $145,000 over the next nine years and approximately $27,000 is included in accounts payable and other accrued liabilities in the accompanying consolidated balance sheets at

December 31, 2021. The System has also entered into various other agreements. The future commitments under these agreements are $30,116 over the next four years.

18. GENERAL AND PROFESSIONAL LIABILITY RISKS

The System is self-insured for substantially all general and professional liability risks. The self-insurance programs combine various levels of self-insured retention with excess commercial insurance coverage. In addition, various umbrella insurance policies have been purchased to provide coverage in excess of the self-insured limits. Revocable trust funds, administered by a trustee and captive insurance companies, have been established for the self-insurance programs. Actuarial consultants have been retained to determine the estimated cost of claims, as well as to determine the amount to fund into the irrevocable trust and captive insurance companies.

The System's hospitals, clinics, surgery centers, physicians and certified registered nurse anesthetist providers that provide health care in Wisconsin are qualified health care providers that are fully covered for losses in excess of statutory limits through mandatory participation in the State of Wisconsin Injured Patients and Families Compensation Fund.

The estimated cost of claims is actuarially determined based on past experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors. Accrued insurance liabilities and contributions to the trust were determined using a discount rate of 3.00% as of December 31, 2021 and 2020. Total accrued insurance liabilities would have been $78,450 and $77,007 greater at December 31, 2021 and 2020, respectively, had these liabilities not been discounted.

The System entities are defendants in certain litigation related to professional and general liability risks, and other matters. Although the outcome of the litigations cannot be determined with certainty, management believes, after consultation with legal counsel, that the ultimate resolution of the litigations will not have a material adverse effect on the System’s operations or financial condition.

19. LEGAL, REGULATORY AND OTHER CONTINGENCIES

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. During the last few years, due to nationwide investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, exclusion from the Medicare and Medicaid programs and revocation of federal or state tax-exempt status. Moreover, the System expects that the level of review and audit to which it and other health care providers are subject will increase.

Various federal and state agencies have initiated investigations, which are in various stages of discovery, relating to reimbursement, billing practices and other matters of the System. There can be no assurance that regulatory authorities will not challenge the System’s compliance with these laws and regulations, and it is not possible to determine the impact, if any, such claims or penalties would have on the System. To foster compliance with applicable laws and regulations, the System maintains a compliance program designed to detect and correct potential violations of laws and regulations related to its programs.

20. INCOME TAXES AND TAX STATUS

The subsidiaries of the System are primarily tax-exempt organizations under Internal Revenue Code Section 501(c)(3) and their related income is exempt from federal income tax. Accordingly, no income taxes are recorded for the majority of the income in the accompanying consolidated financial statements for these entities. Unrelated business income is generated by certain of these entities through the provision of services or other activities not directly related to the provision of patient care.

At December 31, 2021, the System had $98,410 of federal and $113,825 of state net operating loss carryforwards with unutilized amounts of state net operating loss carryforwards expiring between 2021 and 2037. At December 31, 2020, the System had $87,382 of federal and $111,826 of state net operating loss carryforwards, with unutilized amounts of state net operating loss carryforwards expiring between 2020 and 2037. As a result of the Tax Cuts and Jobs Act of 2017, net operating losses generated after 2017 do not expire for federal purposes. Of the $98,410 of federal net operating loss carryforwards at December 31, 2021, $83,315 was generated after 2017.

The System calculated income taxes for its taxable subsidiaries. Taxable income differs from pretax book income primarily due to certain income and deductions for tax purposes being recorded in the consolidated financial statements in different periods. Deferred income tax assets and liabilities are recorded for the tax effect of these differences using enacted tax rates for the years in which the differences are expected to reverse.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which those temporary differences become deductible.

The System had deferred tax assets of $51,248 and $46,711, including $30,326 and $27,161 related to net operating loss carryforwards, as of December 31, 2021 and 2020, respectively. These deferred tax assets were partially offset by valuation allowances of $14,534 and $21,620, respectively, which were recorded due to the uncertainty regarding the use of the deferred tax assets.

Provisions (credits) for federal, state and deferred income taxes are included in other nonoperating income (loss), net in the accompanying consolidated statements of operations and changes in net assets as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Federal	$ (1,019)	$ 5,677
State	(303)	2,100
Deferred	(8,668)	(9,311)
	$ (9,990)	$ (1,534)

21 SUBSEQUENT EVENTS

The System evaluated events and transactions subsequent to December 31, 2021 through March 21, 2022, the date of consolidated financial statement issuance.

In January 2022, the Series 2018C-2 bonds were remarketed as Indexed Floating Rate Bonds and will next be subject to mandatory purchase on July 1, 2026. In addition, $46,690 of the Series 2018B-1

Bonds were remarketed for a new long-term rate period and will next be subject to mandatory purchase on July 1, 2027. In connection with the remarketing, $6,560 of the Series 2018B-1 Bonds were redeemed and a loss on refinancing was recorded in the amount of $33.

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Supplementary Information

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Report of Independent Auditors on Supplementary Information

The Board of Directors

Advocate Aurora Health, Inc.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying details of consolidated balance sheets and details of consolidated statements of operations and changes in net assets are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst + Young LLP

March 21, 2022

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATING BALANCE SHEET

December 31, 2021

(in thousands)

	Credit Group	Noncredit Group	Eliminations	Consolidated
Assets				
Current assets				
Cash and cash equivalents	$ 1,252,337	$ (548,612)	$ —	$ 703,725
Assets limited as to use	111,198	28,544	—	139,742
Patient accounts receivable	1,578,437	238,268	—	1,816,705
Other current assets	615,193	132,210	(41,150)	706,253
Third-party payors receivables	21,297	857	—	22,154
Receivable from subsidiaries	249,013	374,807	(623,820)	—
Collateral proceeds under securities lending program	18,550	—	—	18,550
Total current assets	3,846,025	226,074	(664,970)	3,407,129
Assets limited as to use	12,198,034	196,571	—	12,394,605
Note receivable from subsidiaries	181,509	—	(181,509)	—
Property and equipment, net	5,505,429	447,401	(9,819)	5,943,011
Other assets				
Reinsurance receivable	3,859	38,241	—	42,100
Goodwill and intangible assets, net	53,891	217,287	—	271,178
Investment in subsidiaries	(126,458)	—	126,458	—
Investments in unconsolidated entities	714,616	23,432	(478,921)	259,127
Operating lease right-of-use assets	245,060	38,338	—	283,398
Other noncurrent assets	646,172	12,575	(120,734)	538,013
Total other assets	1,537,140	329,873	(473,197)	1,393,816
Total assets	**$ 23,268,137**	**$ 1,199,919**	**$ (1,329,495)**	**$ 23,138,561**

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATING BALANCE SHEET

December 31, 2021

(in thousands)

	Credit Group	Noncredit Group	Eliminations	Consolidated
Current liabilities				
Long-term debt and commercial paper, current portion	$ 94,740	$ 26,897	$ (25,452)	$ 96,185
Long-term debt subject to short-term financing arrangements	166,350	—	—	166,350
Operating lease liabilities, current portion	58,269	9,978	—	68,247
Accrued salaries and employee benefits	1,194,158	102,300	—	1,296,458
Accounts payable and accrued liabilities	1,435,437	146,688	(20,036)	1,562,089
Third-party payors payables	350,165	4,021	—	354,186
Accrued insurance and claims costs, current portion	114,713	36,517	—	151,230
Accounts payable to subsidiaries	385,761	237,350	(623,111)	—
Collateral under securities lending program	18,550	—	—	18,550
Total current liabilities	3,818,143	563,751	(668,599)	3,713,295
Noncurrent liabilities				
Long-term debt, less current portion	3,295,130	124,557	(121,179)	3,298,508
Operating lease liabilities, less current portion	216,896	31,166	—	248,062
Accrued insurance and claims cost, less current portion	535,319	80,257	—	615,576
Accrued losses subject to insurance recovery	3,859	38,241	—	42,100
Obligations under swap agreements	91,217	—	—	91,217
Due to subsidiaries	326,671	(145,162)	(181,509)	—
Other noncurrent liabilities	758,529	41,236	(941)	798,824
Total noncurrent liabilities	5,227,621	170,295	(303,629)	5,094,287
Total liabilities	**9,045,764**	**734,046**	**(972,228)**	**8,807,582**
Net assets				
Without donor restrictions				
Controlling interest	13,882,704	512,883	(483,725)	13,911,862
Noncontrolling interests in subsidiaries	167,440	123	(123)	167,440
Total net assets without donor restrictions	14,050,144	513,006	(483,848)	14,079,302
With donor restrictions	172,229	79,448	—	251,677
Common stock	—	1,862	(1,862)	—
Additional paid-in capital	—	43,581	(43,581)	—
Retained (deficit) earnings/partnership losses	—	(172,024)	172,024	—
Total net assets	**14,222,373**	**465,873**	**(357,267)**	**14,330,979**
Total liabilities and net assets	**$ 23,268,137**	**$ 1,199,919**	**$ (1,329,495)**	**$ 23,138,561**

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended December 31, 2021

(in thousands)

	Credit Group	Noncredit Group	Eliminations	Consolidated
Revenue				
Patient service revenue	$ 10,533,313	$ 1,562,850	$ (393,582)	$ 11,702,581
Capitation revenue	501,034	704,752	(9,677)	1,196,109
Other revenue	707,283	849,999	(393,840)	1,163,442
Total revenue	11,741,630	3,117,601	(797,099)	14,062,132
Expenses				
Salaries, wages and benefits	6,692,587	1,007,741	(34,480)	7,665,848
Supplies, purchased services and other	3,686,381	1,037,179	(192,683)	4,530,877
Contracted medical services	278,064	738,820	(452,298)	564,586
Depreciation and amortization	500,638	65,140	(2,369)	563,409
Interest	101,689	13,773	(9,361)	106,101
Total expenses	11,259,359	2,862,653	(691,191)	13,430,821
Operating income (loss) before nonrecurring expenses	**482,271**	**254,948**	**(105,908)**	**631,311**
Nonrecurring expenses	37,759	—	—	37,759
Operating income (loss)	**444,512**	**254,948**	**(105,908)**	**593,552**
Nonoperating income (loss)				
Investment income, net	1,227,237	76,309	—	1,303,546
Loss on debt refinancing	(14,468)	—	—	(14,468)
Change in fair value of interest rate swaps	27,403	—	—	27,403
Other nonoperating income (loss), net	11,090	5,824	(4,694)	12,220
Total nonoperating income (loss), net	1,251,262	82,133	(4,694)	1,328,701
Revenue in excess of (less than) expenses	1,695,774	337,081	(110,602)	1,922,253
Less income attributable to noncontrolling interests	—	(20)	(73,110)	(73,130)
Revenue in excess of (less than) expenses- attributable to controlling interests	**$ 1,695,774**	**$ 337,061**	**$ (183,712)**	**$ 1,849,123**

Notes to Supplementary Information

1. Credit Group

The supplementary financial information for the Credit Group is in accordance with the Second Amended and Restated Master Trust Indenture dated as of August 1, 2018 between Advocate Aurora Health, Inc, the other affiliates identified therein as the Members of the Obligated Group, the Restricted Affiliates, and U.S. Bank National Association, as master trustee ("the System Master Indenture").

2. Credit Group Members

The Credit Group is comprised of the Obligated Group in combination with the Restricted Affiliates. The Obligated Group includes Advocate Aurora Health, Inc.; Advocate Health Care Network; Advocate Health and Hospitals Corporation; Advocate North Side Health Network; Advocate Condell Medical Center; Advocate Sherman Hospital; Aurora Health Care, Inc.; Aurora Health Care Metro, Inc.; Aurora Health Care Southern Lakes, Inc.; Aurora Health Care Central, Inc. d/b/a Aurora Sheboygan Memorial Medical Center; Aurora Medical Center of Washington County, Inc.; Aurora Health Care North, Inc. d/b/a Aurora Medical Center Manitowoc County; Aurora Medical Center of Oshkosh, Inc.; Aurora Medical Group, Inc.; Aurora Medical Center Grafton LLC; and Aurora Medical Center Bay Area, Inc. The Restricted Affiliates include Advocate Charitable Foundation; Advocate Home Care Products, Inc.; EHS Home Health Care Services, Inc.; Evangelical Services Corporation, d/b/a Advocate Network Services, Inc.; High Technology, Inc.; Meridian Hospice; and West Allis Memorial Hospital Inc. d/b/a Aurora West Allis Medical Center. The Credit Group is with U.S. Bank National Association, as master trustee ("the System Master Indenture").

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