

**HEALTH DISCIPLINE
PROSPECTIVE NEW CLIENT RISK ASSESSMENT FORM – Page 1**

Prospective Client Name:	Cook County Health and Hospitals System - CountyCare
Lead Consultant: Christine Mytelka	Principal: Christine Mytelka

Type of Client Entity

Governmental/public (Type: _____ Public, Cook County, IL govt _____)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Core business is risk-taking (Type: _____)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Stock company or other for-profit:		
Publicly traded (Stock exchange listing: _____)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Subsidiary (Parent: _____)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Other (Description: _____)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Non-profit or other (Type: _____)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Screening and Risk Assessment Questions

(a) Is there evidence of a questionable background or history associated with either the owners (for stock companies, other than publicly traded corporations) or the management/trustees? This includes criminal or other questionable backgrounds, association with prior bankruptcies, history of being sued in connection with business / financial practices, or lack of experience or competence in the field.	<input type="checkbox"/> NA ⁽¹⁾	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Other
(b) Financial stability and capitalization:	<input type="checkbox"/> NA ⁽²⁾	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Other
<ul style="list-style-type: none"> • Existing entity: Has the company been financially unstable, does it currently operate with inadequate capital/surplus, or can it otherwise be reasonably expected to face a precarious financial position? • Start-up: Is the company inadequately capitalized or can it otherwise be reasonably expected to face a precarious financial position? 			
(c) Is the entity currently, or has it been within the past five years, under court or regulatory oversight?	<input checked="" type="checkbox"/> NA ⁽²⁾	<input type="checkbox"/> No	<input type="checkbox"/> Other
(d) If the work involves an actuarial statement of opinion for a regulatory filing, did the previous actuary depart either voluntarily or involuntarily?	<input checked="" type="checkbox"/> NA ⁽³⁾	<input type="checkbox"/> No	<input type="checkbox"/> Other
(e) Is there a history of suing professionals or evidence of litigiousness, based on the information obtained through client screening or conflict checking?		<input checked="" type="checkbox"/> No	<input type="checkbox"/> Other

- (1) Mark "NA" only if the prospective client is a governmental / public entity.
(2) Mark "NA" only if the core business of the prospective client is **not** risk-taking.
(3) Mark "NA" only if work does not involve an actuarial statement of opinion for a regulatory filing.


HEALTH DISCIPLINE
PROSPECTIVE NEW CLIENT RISK ASSESSMENT FORM – Page 2

Prospective Client Name: **Cook County Health and Hospitals System - CountyCare**

Client Risk Assessment Statement

1. **Standard Acceptance** – I have undertaken a risk assessment of this prospective new client, and affirm that:

- (a) Client screening has been completed by Milliman corporate staff, no material adverse findings are present, and the screening results are documented in the files;
- (b) Answers to Screening and Risk Assessment Questions (a) – (e) on Page 1 are all “NA” or “No”;
- (c) Sufficient information to make this risk assessment has been assembled and is documented in the files; and
- (d) I have assessed the risk to Milliman of this prospective client, and I am not aware of any factors that would create material adverse risk to the Firm.


Principal

January 10, 2017
Date

2. **Non-Acceptance** – I have undertaken a risk assessment of this prospective new client, and based on those results have declined or chosen not to pursue an engagement.

Principal

Date

3. **Conditioned Acceptance** – I have undertaken a risk assessment of this prospective new client, and affirm that:

- (a) Client screening has been completed by Milliman corporate staff, the screening results have been provided to the Health Practice Director, and they are documented in the files;
- (b) A comprehensive written explanation addressing each of the Screening and Risk Assessment Questions (a) – (e) for which the answer is “Other” has been provided to the Health Practice Director and is documented in the files;
- (c) Sufficient information to make this risk assessment has been assembled, such material has been provided to the Health Practice Director, and it is documented in the files;
- (d) The prospective client is willing to accept all standard provisions of Milliman’s CSA (or alternative wording and provisions acceptable to the Health Practice Director and either the Chief Risk Officer or the ERC or Board, whichever is appropriate, under the circumstances of a “qualified acceptance”);
- (e) I have assessed the risk to Milliman of this prospective client, recognize that certain adverse risk factors are or may be present, and believe that they can be adequately managed; and
- (f) I have received written permission from the Health Practice Director to accept the client, with accompanying terms and conditions for undertaking any engagement (copy to be attached).

Principal

Date

Shannon Sizemore

From: sharepoint@milliman.com
Sent: Monday, November 17, 2014 1:00 AM
To: Shannon Sizemore
Cc: Brandy Wilson; Beau Preston
Subject: COOK COUNTY HEALTH AND HOSPITAL SYSTEMS SCREEN RESULTS
Attachments: Comprehensive_Report_J_H_STROGER_HOSPITAL_OF_COOK_COUNTY_17112014002121.pdf

This is to inform you that your client screening request has been completed by Chelo Gable (Contractor)

Cook County Health and Hospital Systems

Request Date: 11-12-2014
Requestor: Shannon Sizemore
Discipline: Health
Company Name: Cook County Health and Hospital Systems
On High Risk Client List? : No
A.M. Best Rating : N/A
Moody's Rating : N/A
D&B Credit Score Class : 3 (Moderate risk of severe payment delinquency over the next 12 months.)
D&B Financial Stress Class : 4 (Moderate to high risk of severe financial stress, such as bankruptcy, over the next 12 months.)
WorldCheck Rating : N/A;
Ownership :

CCHHS is the safety net for health care in Chicago and suburban Cook County. The main hospital—the John H. Stroger, Jr. Hospital is located in the Illinois Medical District on Chicago's Near West Side and serves as the primary public provider of comprehensive medical services for the people of metropolitan Chicago. The System is also comprised of Provident Hospital on Chicago's south-side and the Oak Forest Health Center in suburban Oak Forest along with 16 Ambulatory and Community Health care clinics. Deriving revenue from third party billings, CCHHS sells to the general public.

Officers :

After screening the officers named below in news sources, Lexis State and Federal Court Dockets and Criminal Records, and several internet search engines, I was unable to find any examples of significant litigation or misconduct. The individuals I screened are as follows:

- **Chairman of the Board:** M. Hill Hammock
- **CEO:** John Jay Shannon-Mr. Shannon's biography is available here: <http://www.cookcountyhhs.org/about-cchhs/ask-cchhs/dr-j-shannon/>

Prior Health Risk Assessment :

N/A

Noteworthy News :

An updated scan of local and national newspapers, news wires, trade journals, transcripts, and Internet search engines yields no new articles on CCHHS that appear to contain adverse information. The majority of articles found were in reference to personnel shifts, general announcements, proposals, or

referrals back to the entity website. There were also a number of articles on contracts awarded and malpractice settlements, but these do not appear to be out of the ordinary for an entity such as this.

Litigation History :

I searched Lexis State and Federal Court Dockets as well as news databases and the Internet, and found no significant evidence that CCHHS is litigious or particularly susceptible to litigation. Instances in which CCHHS appears as party to a suit seem to be standard for this type of entity. Please note that my research includes post-January 2014 results.

Comments :

Please note that CCHHS was originally screened on January 7, 2014 by Bryan Rivard for consultant Adrian Clarke.

In terms of its executive leadership, CCHHS screens acceptably. CCHHS' CEO appears to have avoided personal or professional misconduct, insofar as my research indicates. At the company level CCHHS is apparently not overly litigious, nor the recipient of adverse attention in the press. As to financial assessments, I was not able to find a D&B report for the System itself, so I have included the D&B scores for the System's main hospital, the John H. Stroger Jr. Hospital. The hospital has a credit score class of "3", indicating moderate risk for slow payment, and a financial stress class of "4", indicating a moderate to high risk of severe financial stress. The attached report shows only 9 payment experiences for the hospital, and notes evidence of negative trade which is usually an indication that a vendor has taken action for payment of debt. Due to these financial indicators, you may wish to consider a retainer if you decide to continue to do business with CCHHS.

I hope this helps with your decision about CCHHS's suitability as a Milliman client. If there's anything else I can do for you, just drop me a note - I'm happy to help.

Chelo

NOTE: Please do not reply to this automated notice.