Trinity Health has signed a letter of intent to acquire Loyola University Health System, a wholly owned subsidiary of Loyola University Chicago.

Financial terms of the deal are still being worked out, said Stephen Shivinsky, vice president of corporate communications at Novi-based Trinity.

"If everything moves forward through due diligence, ... we would hope to have this completed by June 30."

The organizations said they would work to become a model for physician, provider, and community collaboration.

Through the deal, Loyola University Health System would become part of Trinity Health, yet would retain close educational and research ties with Loyola's medical and nursing schools.

Loyola University Health System will add annual revenue of $1.1 billion to Trinity's $7.1 billion and 6,870 employees to the 48,000 Trinity employs across its system.

After a number of conversations with local and national Catholic health care systems, Loyola University Chicago determined that a partnership with Trinity Health provides the greatest opportunity for growth and investment in the Loyola University Health System, Michael Garanzini, president of Loyola University Chicago, said in a press release.

Additionally, the deal would secure the future of the university's Stritch School of Medicine and Marcella Niehoff School of Nursing, he said.

As part of the deal, Trinity plans to provide $75 million in capital investment toward a $150 million medical research center on the campus of Loyola University Health System in Mayville, Ill.

The merger would strengthen Catholic health care in Chicago and in the nation, Shivinsky said, while giving Trinity a presence in a 10th state.

Trinity is financially strong with a "AA" bond rating and an expert at managing large, complex health systems, he said.

Through the merger, "We can make the Loyola Health System strong," Shivinsky said.