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March 20, 2012

VIA FEDEX AND E-MAIL

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

RE: Northwestern Memorial Hospital (CON Project 11-107)

Dear Ms. Avery:

I submit this letter on behalf of the residents of the condominium building located at 230 East Ontario Street, Chicago, Illinois (the "Residents") to respectfully request the Illinois Health Facilities and Services Review Board (the "State Board") to reconsider its decision to approve the certificate of need ("CON") permit application submitted by Northwestern Memorial Hospital (the "Hospital"), specifically Project 11-107. I submit this request because the State Board granted the Hospital a CON permit based on incorrect information presented to the State Board members by the Hospital's representatives at the February 28, 2012 meeting, and such information served as a basis and was material to the issuance of the CON permit. As you are aware, the presentation of false information by a permit applicant that served as a basis and was material to the issuance of the CON permit requires revocation of a CON permit.

Section 1130.780 of the State Board's rules provides, in relevant part, that a CON permit shall be revoked by the State Board upon a finding that a permit holder has failed to comply with the requirements of the Health Facilities Planning Act (the "Act") and accompanying regulations if information submitted by the permit holder is false and served as the basis and was material to the issuance of the permit. See 77 Ill. Adm. Code § 1130.780(a)(3). At the February 28 meeting, Georgio Georgiou, President of the Resident's Condominium Association, reported to the State Board members that he was "surprised" to receive a letter from the Hospital, dated February 23, 2012, that informed the building's residents that construction would soon begin on a property adjacent to 230 East Ontario Street. This letter, a copy of which is attached hereto as Exhibit A, was dated five (5) days before the February 28 State Board meeting and did not include any statement that the project was contingent upon State Board approval.

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

State Board member Kathryn Olson voiced her concern that CON permit applicants should never assume State Board approval and indicated that she would be reluctant to vote in favor of any project where an applicant makes such assumption. Other State Board members appeared to share Ms. Olson's concern. However, one of the Hospital's representatives read the text of a notice letter into the record, which was sent out by the Hospital to the Residents and included CON contingency language. As a result, State Board members abandoned this line of questioning. The State Board, unfortunately, relied on this statement by the Hospital's representative and the contents of this particular letter as fact without reviewing the letter. Importantly, a copy of the Hospital's letter was neither provided to the State Board members nor formally added to the project record.

Furthermore, at the February 28 meeting, I approached Mr. Juan Morado, assistant general counsel to the State Board, prior to the vote on Project 11-107 and informed him that the Resident's representative, Mr. Georgiou, had in his possession a letter from the Hospital that did not include any contingency language—a letter that directly contradicted the oral statement just given by the Hospital's representative. I offered to submit a copy of this second letter to correct the inaccurate statement to ensure that the State Board members could consider all of the facts prior to taking a vote on the matter. Neither Mr. Morado, nor his superior, general counsel Frank Urso, informed the State Board members of Mr. Georgiou's letter. Consequently, State Board members were never made aware of the contradictory letter and therefore relied solely upon the false statement offered by the Hospital's representative, who incorrectly suggested that all written communication sent out by the Hospital to the Residents prior to State Board action included CON contingency language.

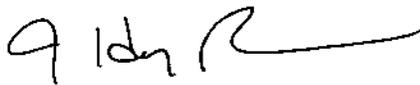
The Residents firmly believe that the Hospital's representations did not accurately reflect all of the facts known to the applicant at that time and are therefore false. The Hospital's failure to acknowledge that written communication without CON contingency language was delivered to the Residents in a letter dated February 23 (i.e., five (5) days before the State Board meeting) clearly led the State Board to believe that the Resident's claims to the contrary letter were not accurate. Furthermore, the Residents strongly assert that the decision of the State Board's general counsel to deny the introduction of the contradictory letter into the record or, at least mention its existence, allowed the Hospital to avoid an issue that may have led to a denial of the CON permit application by the State Board. For the foregoing reasons, the Residents respectfully request the revocation of the CON permit issued to the Hospital by the State Board on February 28 and to require the Hospital to appear before the State Board and explain why their representative's omitted significant information when testifying before the State Board.

Please be advised, the Residents are considering all possible remedies to reverse the State Board's decision to grant a CON permit based on the presentation of false information by the CON permit applicant. However, the Residents hope that the State Board can offer a prompt and satisfactory resolution to their concerns. I respectfully request a formal reply from the State Board staff on this matter on or before Friday, March 30, 2012.

Ms. Courtney Avery
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I appreciate your time and consideration. Please do not hesitate to contact me with questions about this matter at any time. I can be reached at (312) 641-2088 or by cell phone at (217) 553-3772. Thank you very much.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "J Hylak R", with a long horizontal flourish extending to the right.

Joseph Hylak-Reinholtz, Esq.

Enclosure

EXHIBIT A

February 23, 2012 Letter From Northwestern Memorial Hospital

M Northwestern Memorial® HealthCare

February 23, 2012

Mr. Georgios M. Georgiou
President
230 E. Ontario Condominium Association
230 E. Ontario
Chicago, IL 60611

Re: Northwestern Memorial Hospital – Outpatient Care Pavilion
259 E. Erie Street
Tracking #: D11291-01

Dear Georgios:

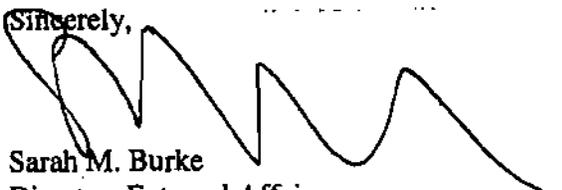
In the next few months you are going to witness construction on a property that is adjacent to yours. The work will take place at 237 – 259 E. Erie and should be completed prior to March 1st, 2014.

In accordance with the Municipal Code of Chicago [Chapter 13-124 of the sections 13-124-380 through 13-124-450], we are notifying you of the imminent excavation on our parcel. Excavation work requires that adjacent neighbors be notified 30 days prior to excavation work. We are also required to reinforce or brace the neighboring structure in order to prevent sagging, settling, cracking or collapse of its foundation and walls. Please note that we shall be responsible for the cost of reinforcement or bracing.

As per the attached plans and sections, we will excavate 31'-3" feet deep, with dimension of 0'-0" from the property line to the West and 7'-2" from the property line to the East. The limit of excavation will be 0'-0" from the South property line and 5'-0" beyond the property line to the North.

Please do not hesitate to contact me at 312.926.4103 with questions or concerns.

Sincerely,



Sarah M. Burke
Director, External Affairs

SMB/ih

