



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

Memo

Date: May 04, 2012

Time: 10:00 am

Place: Arlington Heights Village Hall
33 South Arlington Heights Road
Arlington Heights, Illinois

Re: Public Hearing - Lutheran Home for the Age

Purpose: To document public hearing conducted by Courtney Avery
Administrator, Illinois Health Facilities and Services Review Board

-
- Number in attendance providing no testimony - 52
 - Number in attendance in support of the project - 27
 - Number in attendance opposed to the project - 1



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

*behalf of
POM am Clock*

TESTIMONY TO OPPOSE PROJECT

I. IDENTIFICATION

Name (Please Print) Christopher J. DiAls

City Orland Park Zip 60462

Signature *Ch. J. DiAls*

II. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Transitional Care Center of Arlington Hts.



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form



Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Ed Dammann

(DAMMANN)

City

Aur. Mo

Zip

6004

Signature

[Handwritten Signature]

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

RESIDENT.



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) LORRAINE DUDDLES

City Arlington Heights Zip 60004

Signature Lorraine J. Duddles

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Four horizontal lines for providing the name of the entity or organization represented.



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form



Facility or Project Name: Lutheran Home for the Age, Inc.

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Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) LINDA KOLLENG GRABOWSKI

City Mt. Prospect Zip 60056

Signature Linda Kolleg Grabowski

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Alliance Rehab.



STATE OF ILLINOIS
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TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Robert Paul Steg

City

Rosl Hts

Zip

60004

Signature

[Handwritten Signature]

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Lutheran Home

Chairman



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD



Public Hearing Form

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Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

JAMES Holbrook

City

GENEVA

IL

Zip

60134

Signature

James Holbrook

1. **REPRESENTATION** (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

LUTHERAN LIFE COMMUNITIES / LUTHERAN HOME



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD



Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Rev. Micah Greiner

City

Arlington Heights

Zip

60004

Signature

Rev. Micah Greiner

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

St. Peter Lutheran Church + School

Arlington Heights



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD



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Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) KURT MEYER

City ARLINGTON HEIGHTS Zip 60004

Signature Kurt Meyer

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Lutheran Home



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Gloria BERSANI

City

AKI HTS

Zip

60004

Signature

Bersani

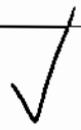
I. **REPRESENTATION** (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Resident of Acl Hts



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD



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Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) Brenda Borchers

City Arlington Heights Zip 60004

Signature

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)



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TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) Nan Sullivan

City Arlington Heights Zip 60005

Signature Nan Sullivan

I. **REPRESENTATION** (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Resident of Arlington Heights



STATE OF ILLINOIS
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Public Hearing Form

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Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) Marie Carlson

City Arlington Hts Zip 60005

Signature Marie Carlson

1. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

~~SUP~~ - Lutheran Life Communities

SUP - Strategic Development



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) RUITH WHEELER

City ARLINGTON HEIGHTS Zip 60704

Signature Ruith Wheeler

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

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STATE OF ILLINOIS
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Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

*deduct
submitted
with
fee*

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) LOIS W. WASHBURN

City ARLINGTON HTS Zip 60004

Signature Lois W. Washburn

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

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Date: May 04, 2012 Time: 10:00 AM

*Not
did not
submit
w/1/11*

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) Fred L. Workman

City Arlington Heights Zip 60004

Signature Fred L. Workman

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

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STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

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Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name *(Please Print)* Rex Paisley

City Arlington Heights zip 60005

Signature [Handwritten Signature]

I. REPRESENTATION *(This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)*

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD



Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

medical director

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) TEA M. HOWA MD CHD

City ARLINGTON HTS Zip 60005

Signature *[Handwritten Signature]*

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Lutheran Home



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

✓

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Phil Hemmer

City

Arlington Heights

Zip

60004

Signature

Phil Hemmer

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Lutheran Home



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) MARK THOMAS

City ARLINGTON HEIGHTS Zip 60004

Signature [Handwritten Signature]

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

LUTHERAN HOME



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD



Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) Rev. Larry W. Rockemann

City A. H. Zip 60004

Signature

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Lutheran Home, Arlington Heights, IL



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

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Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) RAY SCHRANZ

City A.H. Zip 60004

Signature Ray Schranz

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

LUTHER VILLAGE / LUTHERAN HOME



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) ROBERT M. HESS

City A H Zip 60004

Signature R M Hess

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

LUTHERAN HOME



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print) Ed. Ty Donner

City ARhington Heights zip 60014

Signature Ed. Ty Donner

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care) Lutheran Home



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Susan Clapper

City

Orl Hts

Zip

60004

Signature

Susan Clapper

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Neighbors



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD



Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 **Time:** 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name *(Please Print)*

Bonny Paulsterg

City

Arlington Heights

Zip

60006

Signature

Bonny Paulsterg

I. REPRESENTATION *(This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)*

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

*Part
to
Henderson
Only*

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Kim Boike

City

Chicago

Zip

60613

Signature

Kim Boike

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)

Lutheran Home



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

Facility or Project Name: Lutheran Home for the Age, Inc.

Project Number: 12-025

Date: May 04, 2012 Time: 10:00 AM

*did
part-
attendance may*

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION

Name (Please Print)

Laurel Moffett - Staff

City

Greenwood

Zip

62500

Signature

Laurel Moffett

I. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care)



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

Public Hearing Form

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Date: May 04, 2012 Time: 10:00 AM

No written testimony

TESTIMONY TO SUPPORT PROJECT

IDENTIFICATION
Name (Please Print) Andrew P. Telson

City Chicago Zip IL

Signature [Handwritten Signature]

1. REPRESENTATION (This section is to be filled if the witness is appearing on behalf of any group, organization or other entity.)

Entity, Organization, etc. represented in this appearance (i.e., ABC Concerned Citizens for Health Care) Lutheran Home

ILLINOIS HEALTH FACILITIES and SERVICES REVIEW BOARD

Public Hearing Register

Project: Lutheran Home for the Age # 12-025

Date: May 04, 2012

Location: Arlington Heights Village Hall 33 South Arlington Heights Road, Arlington Heights

Time: 10 AM

ATTENDANCE/NO TESTIMONY ON PROJECT

✓ #	NAME (PLEASE PRINT)	AGENCY, ORGANIZATION OR INSTITUTION REPRESENTED OR RESIDENT (PLEASE PRINT)	CITY (PLEASE PRINT)	(S) SUPPORT (O) OPPOSED (N) NEUTRAL (PLEASE PRINT)
1	Constance Sowa	Lutheran Home Communities	Arlington Hts	S
2	William	Resident	AH	N
3	Rev. Micah Greiner	St. Peter Lutheran Church	AH	S
4	Brenda Borchers	Lutheran Home	AH	S
5	Kurt Meyer	Resident	AH	S
6	RUTH WHEELER	Resident	AH	S
7	Fred WORKMAN	Lutheran Home	AH	S
8	Fredrick Steffen	Resident	AH	S
9	Steven Duchene	Lutheran Home	AH	S
10	Amy IACH	Lutheran Home	A.H.	S.
11	Lois WASHBURN	LUTHERAN HOME	AH	S
12	Barbara Deema	Lutheran Home	A.H.	S
13	Sandra L. Miller	Lutheran Home	A.H.	S
14	MARK THOMAS	LUTH HOME	AH	N

#	NAME (Please Print)	AGENCY, ORGANIZATION OR INSTITUTION REPRESENTED OR RESIDENT (PLEASE PRINT)	CITY (PLEASE PRINT)	(S) SUPPORT (O) OPPOSED (N) NEUTRAL (Please Print)
15	RAY SCHRANZ	LUTH. HOME	A.H.	S
16	Larry Rockemann	Lutheran Home	A.H.	S
17	ROBERT M. HESS	LUTHERAN HOME	A.H.	S
18	LORRAINE DUDDELES	Resident	A.H.	S.
19	Annamarce Sebastian	Lutheran Home	A.H.	S.
20	Jean Lorenz	Lutheran Home	A.H.	S
21	Rick Steffens	Lutheran Home	A.H.	S.
22	MARYJO Zeller	Lutheran Life Communities	Arlington Heights	S
23	Denise Dawson	Resident	A.H.	S
24	Karen Bickner	Lutheran Home		S
25	Jenny Kullberg	Lutheran Life Communities	A.H.	S
26	NADINE KAPUSTRA	Lutheran Life Comm	A.H.	S
27	Christopher J. Diak	Transitional Care Ctr	A.H.	O
28	Susan Clapper	Neighbor	A.H.	N
29	Kimberly Melchior	Lutheran Life Communities	A.H.	S
30	Ken Milled	NEIGHBOR	A.H.	S
31	Maurcen Batteglia	Neighbor	A.H.	S
32	Irina Pocz	Neighbor	A.H.	S.
33	Angele Zamora	Lutheran Home	A.H.	S
34	Bonnie Warrin	Lutheran Home	A.H.	S
35	Betsy Thur	Resident	A.H.	S
36	Nelly Sullivan	RESIDENT	A.H.	S
37	Liz Devulder	Resident	A.H.	S

#	NAME (PLEASE PRINT)	AGENCY, ORGANIZATION OR INSTITUTION REPRESENTED OR RESIDENT (PLEASE PRINT)	CITY (PLEASE PRINT)	(S) SUPPORT (O) OPPOSED (N) NEUTRAL (PLEASE PRINT)
38	Deanna Orsi	Lutheran Home	Stret.	S
39	Jonathan Kink	Lutheran Home	AH	S
40	ZANA NICI	Lutheran Home	AH	S
41	Safwat Ali HASSAN	Lutheran Home	A.H	S
42	Diane Mare	Lutheran Home	AH	
43	Anne Gallagher	Resident	AH	S
44	Martha Majerczak	Resident	AH	S
45	Laurel Moppett	Lutheran Home	AH	S
46	ED JACKS	Lutheran Home	AH	S
47	Liana Allison	Resident	AH	O
48	Fred M. Blumhors	Lutheran Home	AH	S
49	Kevin Madalinski	Lutheran Home	AH	S
50	Yair Zuckerman	Legacy Healthcare	Lincwood	N
51	Kim Boike	Lutheran Home	Chicago	S
52	Andrew P. Treason	Lutheran Home	Chicago	S
53				
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60				

I wish to offer my support for Lutheran Home's application for a Certificate of Need to modernize its facilities. I am aware of the important role that the Lutheran Home plays in our community, not only for its Lutheran members, but for all seniors, regardless of their religious beliefs.

The Lutheran Home is a special place in that it offers grace-filled living for its residents, including those in need. Because of its warm, compassionate environment, the Lutheran Home is truly an asset to our community's seniors, who benefit from its high-quality, mission-focused care.

I am happy to offer my support for the modernization project which will enable the Lutheran Home to continue to provide quality care to our seniors.

Lutheran Home is an integral part of my neighborhood.
Thank you.

*Susan Clapper
Att. Resident*

Good Morning

My name is Penny Faulstich
610 West Oakton ~~St~~ Arlington Heights
I am here today to support ~~to~~ have
the Lutheran Home project. I am
Dan a ~~resident~~ resident of the ~~at~~ ~~the~~ ~~same~~ ~~place~~ ~~also~~ ~~am~~
an honored ~~to~~ ~~be~~ ~~a~~ ~~staff~~ ~~member~~ ~~at~~ ~~Lutheran~~
~~Life~~ ~~Community~~ ~~Inc.~~ ~~As~~ ~~Company's~~
Director Design, I am proud of the
due diligence that our Development
TEAM HAS put into the (Modernization)
PLAN for ~~the~~ ~~project~~. Please support us in
our efforts to complete our
project for the enhancement of
our residents, patients, families
and staff.

Thank you

Hi my name is Edith Donner and I am currently a resident of the Lutheran Home in its assisted living facilities. I am here today to ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's application for a Certificate of Need.

As a resident in assisted living, I have already received great care from the Lutheran Home in a home-like environment. This modernization project is incredibly important to me because if I ever need to transition to the skilled nursing facility, I would like to know that I will have the same home-like environment including private bathrooms.

Thank you.

Good morning, my name is ROBERT HESS and I am a chaplain at the Lutheran Home. I am here today in support of the application by the Lutheran Home for a Certificate of Need.

As a chaplain, I am often having bible study with the residents in the Lutheran Home's skilled nursing facility as one of the social activities that they engage in together in groups. The added space for social activities will make a huge difference and will enable more residents to participate together in social activities.

Thank you.

Ray Schranz

Hi, my name is RAY SCHRANZ and I am a resident of Luther Village, which is a retirement community located on the same campus as the Lutheran Home. I am here to ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's application for a Certificate of Need:

One of the many benefits of living at Luther Village is its close proximity to the Lutheran Home. I know that if I am ever in need of care at a nursing facility that I can receive quality care in my own backyard. I know how difficult the transition from independent living to living in a skilled care facility can be. I am very excited about this project because of the new home-like atmosphere that will be created at the Lutheran Home's skilled nursing facility by the reorganized floor plan and installation of private bathrooms. These changes will truly ease the transition for people like myself from independent living to skilled care.

Thank you.

April 14, 2012

Dale Galassie
Chairman
Illinois Health Facilities and Services
Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Mayor of Arlington Heights, IL
and Members of the Village Board and
Plan Commission of Arlington Heights

Dear Public Officials:

I am a resident of the Lutheran Home. I am writing in support of the approval by the Illinois Health Facilities and Services Review Board of a Certificate of Need for the modernization of the Lutheran Home. I also support the approval by the Plan Commission and Board of Trustees of the Village of Arlington Heights of any amendments to the planned unit development ordinance and zoning variations which are necessary to allow the Lutheran Home to proceed with its modernization project.

I receive great care at the Lutheran Home, and the staff is friendly and attentive to my needs. I am excited that the Olson Pavilion will be remodeled so that each resident can have a private bathroom. It is a major benefit that each bathroom will be accessible for people with disabilities. It will enhance the personal privacy of the residents and the quality of care which residents receive.

The modernization will expand the space available for social activities for residents and their families who come to visit them. The space will also be designed so that residents will live in communities. Rehabilitation space will be expanded and upgraded to enhance the physical therapy services which residents receive. The improvements will provide sprinklers throughout the Olson Pavilion and make the environment more comfortable and energy efficient.

Sincerely,



Mark Thomas (UCA)

Rev. Larry Rockemann

Jim P. Rockemann

Serve as Chaplain

Hi, my name is _____ and I am a pastor. I am here today to ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's application for a Certificate of Need.

Spiritual well-being is very important to the residents of the Lutheran Home. As a faith based institution, I will often ~~perform~~ ^{conduct} small worship services in areas of the skilled nursing facility for the residents. The new space for social activity will give the residents additional room to participate in and ~~enjoy~~ ^{benefit from} these worship services.

Thank you.

Hi, my name is Dr. Ted Homa and I am a the medical director of the Lutheran Home. I am here today to support the Lutheran Home's application for a Certificate of Need.

As the medical director of the Lutheran Home, I have the pleasure of interacting with many of the residents of the skilled nursing facility on a daily basis. I know first-hand hand how much of a difference this project will make in their daily lives. Having increased privacy with private bathrooms and additional space to meet with their family and interact with each other will truly increase their emotional and spiritual well-being.

Additionally, as a physician, I know how much the reconfigured space will impact the resident experience. The current configuration of the skilled nursing facility is focused primarily on the institutional delivery of care. The reconfigured space will promote a person-centered care model, which creates a much more home-like setting for the residents. This home-like setting will create more opportunities for the residents to engage in social activities, which is very important for a resident's emotional well-being.

Thank you.

Testimony of Phil Hemmer

Good morning, my name is Phil Hemmer and I am the Administrator of the Lutheran Home, which is located at 800 West Oakton Street in Arlington Heights, Illinois. I am here today to voice my support for the application for permit submitted to the Illinois Health Facilities and Services Review Board by the Lutheran Home.

The Lutheran Home has been providing quality health care to the residents of Arlington Heights for over 100 years and is rated 4 out of 5 stars by Medicare. However, due to the age of the Lutheran Home's facilities, the facilities are in need of upgrading and modernizing so we can continue to provide high quality services to our residents.

One of the enhancements that we are most excited about is the change from communal showers to rooms with private bathrooms with ADA accessible showers. At the Lutheran Home, we pride ourselves on providing our residents with a comfortable environment that focuses on the dignity of the resident. With private bathrooms, we will be able to increase our residents' comfort and privacy.

We respectfully ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's pending application.

Thank you.

Rex

Good morning, my name is Rex Paisley and I am a resident of Arlington Heights. I am here today to support the Lutheran Home in its request for a Certificate of Need from the Illinois Health Facilities and Services Review Board.

As resident of Arlington Heights, I know that the Lutheran Home provides great care to its residents. I support the project because I know that with updated facilities, the Lutheran Home will be able to provide an even better experience for its residents.

Thank you.

Good morning, my name is Ruth Wheeler and I am here in support of the Lutheran Home's application for a Certificate of Need to modernize its facilities. I am a current resident of the assisted living facilities at the Lutheran Home. I am very excited about this project and for the opportunity for the Lutheran Home to create more space for its skilled care residents to meet with their families and enjoy recreational activities. As a resident, I know how important community activities are for myself and other residents. With the reconfiguration of the existing skilled nursing facility, the residents will be able to enjoy a greater level of social activity which is so incredibly important.

Thank you.

Testimony of Marie Carlson

Hello, my name is Marie Carlson and I am the Senior Vice President of Corporate Strategic Development at Lutheran Life Communities, an affiliate of the Lutheran Home. I am here today to urge the Illinois Health Facilities and Services Review Board to approve the pending application submitted by the Lutheran Home to modernize its facilities in Arlington Heights, Illinois.

The Lutheran Home prides itself on creating a comfortable home-like environment for our residents. When our building was built decades ago, the design was primarily focused on the delivery of health care in an institutional setting, which means that there was little space for social activities and meeting with families.

As part of the modernization of the Lutheran Home, we will be adding additional common spaces as well as new living and dining areas for our residents and their families. These new common spaces will allow the Lutheran Home to expand its social activities and wellness programs, which is something that will truly enhance our residents' experience. The modernization will also permit the space to be configured into several neighborhoods. Each neighborhood will have residents who will dine together and [participate in recreational activities together], which will increase their social interaction. The entire design of the modernized space will support patient centered care, which will improve the physical and spiritual well-being of our residents.

We respectfully ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's pending application.

Thank you.

As a resident of Arlington Heights for 42 years, I welcome the opportunity to lend my support to the proposed modernization project for the Lutheran Home's Olson Pavilion.

The reputation of this organization in the healthcare industry has been exemplary for the past 120 years. In addition, they continue to be a caring partner in the support of many other services and programs within this community.

This modernization of the existing Olson Pavilion can only be another benefit for the community and I applaud the Lutheran Home's visionary, proactive response to the needs of seniors and those in need of rehabilitation services.

I ask for your approval of the Lutheran Home's modernization project and any amendments to the planned unit development ordinance and zoning variations that may be necessary to move forward with this project.

Nora Sullivan

Good morning, my name is Brenda Borchers and I am an employee of the Lutheran Home. I am here today to ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's application for a Certificate of Need.

This modernization project will not only enhance the environment in which we provide quality care to our residents, but the technology upgrade will also help myself and other members of the staff continue to provide quality care in the most efficient manner possible. With the installation of wireless technology throughout the building, we will be able to move forward with exploring the implementation of an electronic medical record system. An electronic medical record system will help streamline our efficiency and provide us with real-time immediate access to a resident's medical record.

Thank you.

Good morning

Certificate of Need?

7/90

Hi, my name is Ed Damman, and I am a resident of Arlington Heights. I am here today in support of the Lutheran Home's application for a Certificate of Need.

I have been a resident of Arlington Heights for 38 years. During that time I have had neighbors, family and friends all receive services at the Lutheran Home. The care that they received was top quality and the personnel there are wonderful. I am in support of the project because I know how important the Lutheran Home's facilities are to the overall resident experience. I want any of my neighbors, family and friends who become residents in the future to have the best and most comfortable experience possible and I know that this can be accomplished with the modernized facilities.

Thank you.

Hi, my name is Lorraine Duddles and I am a resident of Arlington Heights. I am here today to support the Lutheran Home's application for a Certificate of Need.

The Lutheran Home provides a great service to our community. I support this project because the well-being of the residents of Arlington Heights is so important and having an up-to-date facility is critical to the Lutheran Home's ability to continue to provide such outstanding service for the residents of Arlington Heights.

Thank you.



LUTHERAN CHURCH & SCHOOL

LCMS

111 W. OLIVE ST. • ARLINGTON HEIGHTS, IL 60004 • Ph. 847-259-4114 • Fax 847-259-4185 • stpeter-ah.org

February 27, 2012

Mr. Philip G. Hemmer
Administrator
Lutheran Home for the Aged, Inc.
800 West Oakton Street
Arlington Heights, IL 60004

Re: Support for Lutheran Home for the Aged, Inc. CON Application

Dear Mr. Hemmer,

I write to add my support to your efforts to modernize the long term care facilities of the Lutheran Home for the Aged, Inc. ("Lutheran Home"). It is important to our members to know that there is a high-quality senior living facility based in the community that offers compassionate care in the Lutheran tradition. The faith-based environment provided by the Lutheran Home is important to our members who can be comforted knowing that they may continue to practice their faith should they come to reside in a long term care facility.

Furthermore, I am aware that the Lutheran Home offers high-quality, compassionate care for all of its residents, regardless of their particular religious denomination, and especially to those of limited financial means. Accordingly, I believe that the proposed modernization of the Lutheran Home's facilities will serve to benefit not only the Lutheran members of our community, but all of our community's seniors. For these reasons, I am pleased to offer my support to your Certificate of Need Application.

Sincerely,

A handwritten signature in black ink, appearing to read "Rev. Micah Greiner".

Rev. Micah Greiner

cc: Mr. Dale Galassie

Testimony of Roger W. Paulsberg

Good morning. My name is Roger Paulsberg and I am the Chairman of the Lutheran Home located at 800 West Oakton Street in Arlington Heights, Illinois. The Lutheran Home was established in 1892 and has been providing quality health care services to residents of Arlington Heights for over 120 years. I am also the President and Chief Executive Officer of Lutheran Life Communities, an affiliate of the Lutheran Home. I have been deeply involved in the management of the Lutheran Home for over 20 years. In 1989, I became Administrator of the Lutheran Home and continued to serve in that capacity until 1990, when I became President.

I am here today to urge the Illinois Health Facilities and Services Review Board to approve the pending application submitted by the Lutheran Home to modernize its existing facilities.

The Lutheran Home has been a trusted member of the community for 120 years. Our mission has always been to provide the highest quality of care possible to our residents and families that we serve. In order to continue to provide the best care possible, we need to modernize our facilities on the Lutheran Home campus to replace systems which have reached the end of their useful life, as well as install sprinklers, which we must have installed by August of 2013. In addition, we want to modernize our facilities for our residents, so that they can enjoy a more home-like setting, with private bathrooms and new spaces for therapies and social activities.

This project does not increase the number of beds at the Lutheran Home or increase our service lines. We will continue to provide the complete range of services that we currently provide to our residents, including skilled care, intermediate care and inpatient and outpatient rehabilitation. However, with the project, we will be able to provide this care in an enhanced environment.

We respectfully ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's pending application.

Thank you.

Testimony of James Holbrook

Good morning, thank you for the opportunity to testify today in support of the pending application submitted by the Lutheran Home to modernize its facilities located at 800 West Oakton in Arlington Heights. My name is James Holbrook and I am the Senior Vice-President of Corporate Operations at Lutheran Life Communities, an affiliate of the Lutheran Home, and prior to my position at Lutheran Life Communities, I served as Administrator of the Lutheran Home.

I am very excited about the opportunity to modernize the Lutheran Home's aging facilities so that we can enhance the care and experience that we provide to our residents. Our residents are our top priority and we want to make sure that we provide them with the best experience possible.

As part of the project, we will be replacing many systems in the Lutheran Home that are at the end of their useful life including the HVAC system and the windows. Replacing the HVAC system and installing energy efficient windows will help increase our ability to regulate the temperature of resident rooms, which will increase our residents' comfort. These improvements will help to make the Lutheran Home much more energy efficient.

Additionally, we will be installing wireless technology throughout the entire building, which will not only allow our residents to have wireless access, but will also increase the efficiency of our staff as we move towards implementing an electronic medical record system.

We respectfully ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's pending application.

Thank you.

Hi, my name is Kurt Meyers and I am here today in support of the Lutheran Home's application for a Certificate of Need.

I have been a resident of the Lutheran Home's assisted living facilities for almost 9 years and have received wonderful care during my time here. I am absolutely thrilled about the renovations that are going to be done to make the skilled nursing facility even better than it already is. I am most excited about the installation of private bathrooms because it will increase the residents' privacy and create an even better home-like environment for the residents.

Thank you.

Hello, my name is _____ and I am here today to ask the Illinois Health Facilities and Services Review Board to approve the Lutheran Home's application for a Certificate of Need to modernize its facilities.

As a representative of Alliance Rehab, the Lutheran Home's contracted physical therapy company, I know just how much this modernization will improve the Lutheran Home's ability to provide both inpatient and outpatient physical therapy. The Lutheran Home's current physical therapy area was built in the 1970s, when the Lutheran Home was serving far fewer residents than it does today.

The modernization project will allow the Lutheran Home to increase the amount of space in which we can provide physical therapy to accommodate the growing number of individuals served by the Lutheran Home since the original construction of the physical therapy area in the 1970s. Additionally, as part of the modernization, the physical therapy area will have state of the art equipment which will be a huge benefit to the residents as they receive their physical therapy treatment.

The modernized space will truly increase our resident's enjoyment of physical therapy, which is so important to their health and well-being.

Thank you.

Hi, my name is _____ and I am here today in support of the Lutheran Home's modernization project. I am a resident of Arlington Heights and have had many experiences with family and friends receiving care at the Lutheran Home. I am excited about the modernization project because I know it will be a great thing for the community. The Lutheran Home already provides the full-range of services to residents of the community, but to make these services available in a modernized facility will make the overall experience even better for the people of Arlington Heights.

Thank you.



May 4, 2012

Mike Constantino, Supervisor
Project Review Section
Illinois Health Facilities and Services Review Board
525 West Jefferson Street (2nd floor)
Springfield, IL 62761

Dear Mr. Constantino:

I am writing to voice my opposition to the \$78M project proposed by the Lutheran Home for the Aged, Inc., Arlington Heights.

As a healthcare innovator, operator of skilled nursing, transitional care and assisted living and co-architect of the state's highly successful affordable assisted living model known as Supportive Living, I generally support *true* innovation and investment in, and improvement upon, the healthcare system. As such, I do not oppose the notion of renovating a dated healthcare facility like the Lutheran Home for the Aged--in fact, as a potential provider of transitional care services in Arlington Heights, I applaud raising of the bar and offering consumers choice. Unfortunately, in this case I can not support the project because the playing field is not level.

The proposed Lutheran Home for the Aged's \$78M renovation to promote its mission of offering "charity care" does not outweigh the non-tax paying benefit it enjoys now and in the future, or has enjoyed for the last 120 years.

Although the older adults who live at the Lutheran Home for the Aged's sister community, Luther Village, report paying taxes for their privately owned homes, the neighboring Lutheran Home for the Aged's (a separate entity's) proposed 162-room longterm care and 78-room rehabilitation center will generate *no* taxes for the good of the greater community. This approximate \$1M annual real estate and state tax liability (for just the Skilled Nursing facility alone) to the greater community is incongruent with the fact that the Lutheran Home for the Aged reported an annual \$4.72M net income according to 2009-2010 Cost Report data. In sharp contrast, Arlington Height's tax-paying Manor Care operates a comparable facility that offers similarly defined "charity care." Manor Care boasts a much lower net income of \$2.23M and pays over \$445,000 annually in real estate taxes alone.

www.tc-mgmt.com

847.720.8700 • 6400 Shafer Court, Suite 600, Rosemont, Illinois 60018

As stated previously, The Lutheran Home for the Aged is allowed this tax-free courtesy in return for the perceived benefit of providing "charity care" to the greater community. The problem is that the definition of said "charity care" is at best elusive and certainly controversial. This tax-free "charity care" benefit is the same benefit that is being questioned as it relates to some tax-exempt hospitals whose long-standing property tax exemptions are currently under question and could be denied in return for vital state revenues. *Crain's Chicago Business* headlines reporting on the controversy read:

"Non-profits no better on charity care"

"Downstate Lutheran retirement home loses tax-exempt status"

"Illinois says non-profit does not mean tax-exempt"

"Quinn resumes tax exemption review for hospitals"

By extension, the probe could easily be extended to sub-acute healthcare providers like the Lutheran Home for the Aged. The difference is hospitals can not turn away true "charity care" in their Emergency Rooms. Long-term care providers like the Lutheran Home for the Aged can. As such, the non-tax paying status of long-term care providers such as The Lutheran Home for the Aged, is far more suspect than that of our acute care brethren, in my opinion.

Representatives from the Lutheran Home for the Aged have stated that they define "charity care" (in a 8/18/11 letter to Arlington Heights's Mayor Mulder) as *"free care, bad debt and the difference between standard rates and actual reimbursement."*

In order to bring some uniformity and consistency to the Charity Care calculation, The Financial Accounting Standards Board recently issued FASB 2010-23, which redefines how "Charity Care" is calculated. The FASB states that the calculation should only include the direct and indirect costs incurred. If the Lutheran Home for the Aged calculated their Charity Care under the new FASB guideline, the value of the "Charity Care" provided in 2010, would be ***significantly reduced***. This definition has been reviewed by Plante and Moran, a major regional accounting firm, specializing in healthcare accounting (see enclosed letter). We have requested the detail of the reported charity care provided for the Lutheran Home for the Aged in order to quantify the actual, FASB compliant amount, however the Lutheran Home for the Aged has declined to provide this detail.

According to the Lutheran Home for the Aged's definition of charity care, my company's proposed Transitional Care of Arlington Heights (TCAH), which, like Manor Care, would be a tax-paying entity, will provide "charity care" too: TCAH will accept Medicaid, TCAH will have bad debt and TCAH will have contractual allowances (or the "difference between standard rates and actual reimbursement").

Furthermore, the "standard rates" that The Lutheran Home for the Aged references in their definition are not in fact "standard" or universal in any way--providers can set their rates wherever they like and call the difference of what they charge and get paid "charity care." The

tax-exempt Lutheran Home for the Aged charges \$282-\$374 a day for skilled nursing. The tax-paying Manor Care charges \$228-\$271. Let me ask you: Who is being "charitable?"

The "free care" that The Lutheran Home for the Aged references is also misleading in that non-profits can create a foundation to raise money through donations to offset costs, an advantage a tax-paying provider does not have. Ultimately, the care is not free. Someone, in this case philanthropists, is paying for the services with their (tax-free) donations. The only difference between the facilities is that Manor Care and TCAH can not accept donations and would also pay taxes, just like most of the other businesses in the community.

The family of a Lutheran Home for the Aged patient put it best (see enclosed letter). Their perspective is that charity care looked at through another lens is confiscation. The family wrote:

"We have grown frustrated with the <Lutheran> Home as their price increases have been outrageous. In recent years their annual price increases have been massive . . . compounding this are the cost-structure advantages enjoyed by this 'charitable organization.' They incur no income taxes, sales taxes or real estate taxes. Their fixed cost structure is heavily subsidized by charitable contributions and other cost advantages. With these cost advantages in mind, their nominal price increase rates are effectively much higher. Our mom's and many other's finances are being severely compromised.

"The (Lutheran) Home admits that they shift costs from non-paying residents to the tune of \$12 million annually. Charity care is good, but if it is not voluntary . . . that's confiscation."

In conclusion, I encourage the Board to thoroughly review the benefit that the proposed renovation of the Lutheran Home for the Aged truly advances the interests of the greater community. I believe you will find that in this case:

- local for-profit providers offer as much--and often more--treatment to the poor as their non-profit, tax-exempt peers
- there is an unlevelled playing field in the relationship between charity care and tax-paying and exempt status
- there is little to no difference in terms of our shared missions that justifies such disparity in our commitment to giving back to the community.

Thank you for your consideration.

Sincerely,



Brian Cloch
Chief Executive Officer
Transitional Care Management

September 12, 2011

Brian Speck, CFO
Transitional Care Management
6400 Shafer Court, Suite 600
Rosemont, Illinois 60018

Dear Brian,

Per your request, Plante & Moran, PLLC has researched current charity care policy for providers under the Financial Accounting Standards Board (FASB) Codification in order to clarify an issue regarding current charity care reimbursement for an issue between Transitional Care Management and Lutheran Home for the Aged, 800 W. Oakton Street, Arlington Heights, Illinois. It is our understanding that Lutheran Home for the Aged currently uses the following to calculate charity care:

1. Free care.
2. The difference between the provider's standard rate and actual reimbursement.
3. Bad debt expense.

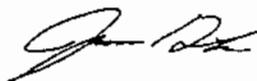
Based upon amended FASB Codification that clarifies and stipulates charity care reimbursement methodology, the above method for measuring charity care reimbursement used by Lutheran Home for the Aged is no longer allowed in the updated codification.

- Paragraph 954-605-50-3 of the FASB Accounting Standards Codification was amended to clarify the ways in which charity care is measured. Prior to the amendment made in FASB 2010-23, charity care disclosures could be measured "based on the provider's rates, direct and indirect costs, units of service or other statistical measure." FASB 2010-23 removes provider rates, units of service, or other statistical measures as means of measurement, and identifies direct and indirect cost as the sole acceptable measure for charity care disclosure. In other words, only actual direct and indirect costs can be used to calculate charity care. This amendment is in effect for fiscal years beginning after December 15, 2010, which applies to the current fiscal year.

In conclusion, in our estimation, the methodology that Lutheran Home for the Aged is using to determine charity care reimbursement is no longer allowed in FASB Accounting Standards Codification per the amendment made in FASB 2010-23.

If you have any questions, feel free to contact Boris Kushnir at 614.222.9045 or me at 614.222.9033.

Sincerely,



Jason Giha, CPA
Partner

Village Board
Village of Arlington Heights

July 17, 2011



py
1/3/2

Topic: New Nursing Home in Arlington Heights

Dear Village Officials,

The Lutheran Home has circulated a request to its residents that they sign form letters opposing the new nursing home facility at the old AT & T location. We are writing to you separately as we strongly SUPPORT the additional facility. But first, please accept our apology for our not signing our name to this letter. We fear that our mom would be subject to retribution if the staff of the Home became aware of our position.

The Home's form letter talks about their concerns about the number of beds in the area and parking projections. Of course this is simple silliness. The Home's real concern is price competition. They do not want to say so as that places their position in direct opposition to the interests of the area's seniors.

We have grown frustrated with the Home as their price increases have been outrageous. In recent years their annual price increases have been massive in an economy where general inflation is 2% or even less. Compounding this are the cost structure advantages enjoyed by "charitable organizations" such as the Home. They incur no income taxes, sales taxes or real estate taxes. Their fixed cost structure is heavily subsidized via charitable contributions. They paid nothing for the land they sit on. They receive on-going contributions and other cost advantages as well. With these cost advantages in mind, their nominal price increase rates are effectively much higher. Our mom's and many other residents' finances are being severely compromised by these price increases in an economy where her savings are earning less than 1.0%.

Our research has found that homes outside the Arlington Heights area are less expensive, many times nearly half as expensive. These are homes with comparable facilities and services. However, mom is not good with major changes in her life. The choice between mom's mental health and poverty in a matter of a few years is an ugly one.

The Home admits that they shift costs from non-paying residents to paying residents to the tune of \$12 million annually. Charity is good but not if it's not voluntary... that's confiscation. First, many of the other homes we spoke with also do this but are still a lot less expensive. Second, the Home does not disclose this massive cost commitment to in-coming residents. Obviously, they'd lose a significant number of new residents. Even today they refuse to disclose how much of their charges represent cost shifting rather than charges for services received. Naturally, many victims of their Ponzi scheme would head for the doors. We find it immoral that seniors are being forced to choose between leaving their community and being REQUIRED to subsidize other people in order to stay close to their families. Your area's seniors should have a viable alternative to being charged for other consumers' care. The Home does not disclose how many of Arlington Heights' seniors have had to leave the community because of their cost shifted pricing made the Home too expensive for them.

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Office of The Mayor

pg. 2062

It is utterly preposterous for the Home to ask the Village to protect their Ponzi scheme by denying seniors the alternative of living in a facility where they are not required to subsidize others to the tune of tens of thousands of dollars per year. Give your seniors a choice! That's all we ask.

Thank you for your time.

CC Mayor Arlene Mulder



*add into
record
Submitted by
Christopher J. Diab
Orland Park
(Opposition)*

May 4, 2012

Mike Constantino, Supervisor
Project Review Section
Illinois Health Facilities and Services Review Board
525 West Jefferson Street (2nd floor)
Springfield, IL 62761

Dear Mr. Constantino:

I am writing to voice my opposition to the \$78M project proposed by the Lutheran Home for the Aged, Inc., Arlington Heights.

As a healthcare innovator, operator of skilled nursing, transitional care and assisted living and co-architect of the state's highly successful affordable assisted living model known as Supportive Living, I generally support *true* innovation and investment in, and improvement upon, the healthcare system. As such, I do not oppose the notion of renovating a dated healthcare facility like the Lutheran Home for the Aged--in fact, as a potential provider of transitional care services in Arlington Heights, I applaud raising of the bar and offering consumers choice. Unfortunately, in this case I can not support the project because the playing field is not level.

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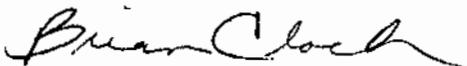
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In conclusion, I encourage the Board to thoroughly review the benefit that the proposed renovation of the Lutheran Home for the Aged truly advances the interests of the greater community. I believe you will find that in this case:

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- there is an unlevelled playing field in the relationship between charity care and tax-paying and exempt status
- there is little to no difference in terms of our shared missions that justifies such disparity in our commitment to giving back to the community.

Thank you for your consideration.

Sincerely,



Brian Cloch
Chief Executive Officer
Transitional Care Management

September 12, 2011

Brian Speck, CFO
Transitional Care Management
6400 Shafer Court, Suite 600
Rosemont, Illinois 60018

Dear Brian,

Per your request, Plante & Moran, PLLC has researched current charity care policy for providers under the Financial Accounting Standards Board (FASB) Codification in order to clarify an issue regarding current charity care reimbursement for an issue between Transitional Care Management and Lutheran Home for the Aged, 800 W. Oakton Street, Arlington Heights, Illinois. It is our understanding that Lutheran Home for the Aged currently uses the following to calculate charity care:

1. Free care.
2. The difference between the provider's standard rate and actual reimbursement.
3. Bad debt expense.

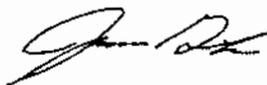
Based upon amended FASB Codification that clarifies and stipulates charity care reimbursement methodology, the above method for measuring charity care reimbursement used by Lutheran Home for the Aged is no longer allowed in the updated codification.

- Paragraph 954-605-50-3 of the FASB Accounting Standards Codification was amended to clarify the ways in which charity care is measured. Prior to the amendment made in FASB 2010-23, charity care disclosures could be measured "based on the provider's rates, direct and indirect costs, units of service or other statistical measure." FASB 2010-23 removes provider rates, units of service, or other statistical measures as means of measurement, and identifies direct and indirect cost as the sole acceptable measure for charity care disclosure. In other words, only actual direct and indirect costs can be used to calculate charity care. This amendment is in effect for fiscal years beginning after December 15, 2010, which applies to the current fiscal year.

In conclusion, in our estimation, the methodology that Lutheran Home for the Aged is using to determine charity care reimbursement is no longer allowed in FASB Accounting Standards Codification per the amendment made in FASB 2010-23.

If you have any questions, feel free to contact Boris Kushnir at 614.222.9045 or me at 614.222.9033.

Sincerely,



Jason Giha, CPA
Partner

Village Board
Village of Arlington Heights

July 17, 2011

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Topic: New Nursing Home in Arlington Heights

Dear Village Officials,

The Lutheran Home has circulated a request to its residents that they sign form letters opposing the new nursing home facility at the old AT & T location. We are writing to you separately as we strongly SUPPORT the additional facility. But first, please accept our apology for our not signing our name to this letter. We fear that our mom would be subject to retribution if the staff of the Home became aware of our position.

The Home's form letter talks about their concerns about the number of beds in the area and parking projections. Of course this is simple silliness. The Home's real concern is price competition. They do not want to say so as that places their position in direct opposition to the interests of the area's seniors.

We have grown frustrated with the Home as their price increases have been outrageous. In recent years their annual price increases have been massive in an economy where general inflation is 2% or even less. Compounding this are the cost structure advantages enjoyed by "charitable organizations" such as the Home. They incur no income taxes, sales taxes or real estate taxes. Their fixed cost structure is heavily subsidized via charitable contributions. They paid nothing for the land they sit on. They receive on-going contributions and other cost advantages as well. With these cost advantages in mind, their nominal price increase rates are effectively much higher. Our mom's and many other residents' finances are being severely compromised by these price increases in an economy where her savings are earning less than 1.0%.

Our research has found that homes outside the Arlington Heights area are less expensive, many times nearly half as expensive. These are homes with comparable facilities and services. However, mom is not good with major changes in her life. The choice between mom's mental health and poverty in a matter of a few years is an ugly one.

The Home admits that they shift costs from non-paying residents to paying residents to the tune of \$12 million annually. Charity is good but not if it's not voluntary... that's confiscation. First, many of the other homes we spoke with also do this but are still a lot less expensive. Second, the Home does not disclose this massive cost commitment to in-coming residents. Obviously, they'd lose a significant number of new residents. Even today they refuse to disclose how much of their charges represent cost shifting rather than charges for services received. Naturally, many victims of their Ponzi scheme would head for the doors. We find it immoral that seniors are being forced to choose between leaving their community and being REQUIRED to subsidize other people in order to stay close to their families. Your area's seniors should have a viable alternative to being charged for other consumers' care. The Home does not disclose how many of Arlington Heights' seniors have had to leave the community because of their cost shifted pricing made the Home too expensive for them.

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Office of The Mayor

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It is utterly preposterous for the Home to ask the Village to protect their Ponzi scheme by denying seniors the alternative of living in a facility where they are not required to subsidize others to the tune of tens of thousands of dollars per year. **Give your seniors a choice!** That's all we ask.

Thank you for your time.

CC Mayor Arlene Mulder