

August 21, 2012

Mike Constantino  
Health Facilities Services and Review Board  
525 W. Jefferson, 2nd Floor  
Springfield, IL 62761

**RECEIVED**

AUG 22 2012

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

Re: ManorCare Health Services of Crystal Lake, Project No. 12-039

Dear Mike:

This letter provides additional information relating to the above-referenced project for the establishment of a 130-bed skilled nursing facility (SNF) to be located in the Village of Crystal Lake in McHenry County. This is written in response to the intent-to-deny that this proposal received at the July meeting of the Health Facilities and Services Review Board ("HFSRB") and is written in accordance with Section 1130.670(c)(3) of the HFSRB rules.

As a preliminary matter, at the HFSRB meeting where this matter was considered, both HFSRB members and staff expressed concern that other proposals were seeking CON permit approval even though they had not secured financing for their proposals. Most of these other providers were approved with conditions relating to procuring financing, notwithstanding those concerns. Those projects were namely Resthaven Home (Proj. No. 12-022), Lutheran Home for the Aged (Proj. No. 12-025), and Good Samaritan - Pontiac (Proj. No. 12-027). Conversely, this proposal is being financed with cash reserves, documented by the applicant's financial statements, and was found to be fully compliant with the Part 1120 requirements of the HFSRB.

Further, this SNF project, which is being proposed in a planning area where there is a documented need for skilled nursing beds based on HFSRB projections, has fewer negative finding issues in its staff report than any SNF project that the HFSRB has reviewed and approved in the past three years. The project had four negative findings in the original staff report which all relate to two issues; the fact that (i) area hospitals and physicians did not provide referral letters and (ii) occupancy of some of the existing SNFs is below the 90% standard. This letter addresses those issues as well as the merits of the project. It also responds to statements made by competing SNF providers at the July 23 HFSRB meeting and in their written comments.

## **Merits of the Project**

The planned facility is proposed in the McHenry County Planning Area which is part of HSA 8. Not only is there a significant need for nursing home beds in McHenry County, based on the bed need as assessed by the HFSRB, the other adjacent counties in the HSA also show a significant need for beds.

<sup>1</sup> The increase in need for beds is consistent with the population growth McHenry County has seen in recent years, as one of the collar counties of the Chicago metropolitan area. It is also consistent with the aging of the McHenry County population generally. Over the course of the last few decades, McHenry County has grown substantially with a population of 183,241 in 1990 to a population of 308,760 in 2010. With regard to the aging of the population, the number of individuals over 65+ in McHenry County grew from 17,339 to 31,320 during the same timeframe. People who are in the 65+ age category are the largest consumers of nursing home services. Thus, it is logical that the combined growth in population and the aging population would fuel a need for additional health care services in McHenry County. An important fact that we also want to bring to the HFSRB's attention is that our planned facility will be enrolled in Medicaid. The only provider in Crystal Lake that has any meaningful capacity is part of a CCRC. That provider, the Springs at Crystal Lake, is not enrolled in Medicaid. Therefore, we believe that this planned facility's admission of Medicaid patients is a very important factor from a health planning perspective. As a Medicaid enrolled facility, our planned SNF will improve access to low-income residents of the area.

The SNF bed need projections which are currently available and against which current projects are assessed are based on a 2008 base year. The projection of a need for 469 SNF beds is based on a 10 year projection to 2018. If one assumes constant growth in SNF bed utilization of 47 beds per year, this need calculation would indicate a need for 329 beds in 2015, the year that this project is expected to be complete. Even if these need projections overestimate need by 250%, there would still be a need for 130 beds in the McHenry County Planning Area. Thus, a project to bring 130 beds to McHenry County is a conservative one. Further, based on the dispersion of the population and services, Crystal Lake is the right place in McHenry County for additional services. This fact is discussed further below in our response to certain statements that other area providers made regarding this proposal.

Concerns were raised by some HFSRB members because utilization of some area providers was below 90% in 2010 and this fact also resulted in a negative finding under Part 1110 of the HFSRB rules. We ask the HFSRB and its staff to consider that the reason that need projections are made is to ensure that necessary services are available in the future. As this is a planning process, both for the state and for individual providers, it is not incongruent in any way that there is a projected need for beds, but also some temporary excess capacity in the current delivery system. And with many of the facilities within 30 minutes, there is a trend of increased utilization. For example, according to the Illinois LTC profiles, the Alden facilities in McHenry, Hoffman Estates and Barrington have seen increases of 7,315, 7,393 bed days and 4,738 bed days respectively from 2007 to 2011.

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<sup>1</sup> Calculated nursing home bed need for HSA 8, which encompasses Kane, Lake and McHenry Counties is 1,471 beds. (Ill. Health Facilities Servs. Review Bd., Update to Inventory of Long-Term Care Servs. 7 (Jul. 25, 2012).

Also, the HFSRB should take into account the more limited services that are available based on the circumstances of many of the area providers. Some limit services based on payer type, others based on their CCRC model and the patient's primary diagnosis. Others have gone on record indicating their intent to serve a population outside of McHenry County or have taken beds out of service to provide a setting most desirable for their care model and target patients.

### **Service Demand (HFSRB Criterion 1125.540)**

Attached to this letter as Exhibit A are fourteen notarized referral letters from physicians who serve this community that indicate they will make a total of approximately thirty referrals per month to this new SNF. Those admissions alone will be a sufficient number of referrals to meet the target occupancy shown in the application. In addition to these support letters, Centegra Health System also submitted referral data for the project. Centegra which operates the only two acute care hospitals located in McHenry County, Centegra Hospital-McHenry and Centegra Hospital - Woodstock, documented its large volume of historical referrals for skilled care and provided a letter indicating a willingness to refer patients to ManorCare of Crystal Lake.

Also, notably, when the new hospital that the HFSRB recently approved opens in Huntley, we conservatively estimate that this new Centegra hospital will also generate between 1000 and 1100 referrals a year to SNFs based on the discharge experience of the other Centegra hospitals in the area. For patients residing in Crystal Lake and the surrounding area, some meaningful percentage of these referrals would be made to ManorCare of Crystal Lake

We believe that the attached referral letters satisfy the requirement of Criterion 1125.540 – Service Demand.

### **Occupancy of Existing Providers (HFSRB Criteria 1125.570 and 1125.580)**

While not every facility within the geographic distances specified in the rules (30 minutes and 45 minutes from the proposed site) is currently operating at 90% utilization, we believe there are two core considerations that need to be factored into the analysis of our proposal that will satisfy any concern that there will be a duplication of services in the McHenry County Planning Area (notwithstanding the documented bed need). It has been our experience that, in a suburban area, a 30 minute travel time is the most that a family will travel for long-term care services. Thus we believe that, in this case, the 30 minute drive time is much more relevant than 45 minutes.

First, and as referenced above, the current utilization cited in the state agency report issued in July for this project is a snapshot of the utilization of area providers. As such, it is not incongruent that there could be a projected need for beds five years beyond 2010, notwithstanding some current temporary excess capacity. As utilization data for 2011 for Illinois SNFs became available after the July HFSRB hearing, we reviewed utilization trends for the 45 minute drive time area SNF facilities. Based on that data and, as HFSRB projections anticipated, bed use is trending upward even though many operators have de-commissioned beds and all licensed beds are not available for admissions

Second, to more fully assess the issue of capacity of other area providers, we researched bed availability, to the best of our ability, based on communications with those providers, publicly available information and discussions with other sources familiar with operations of the facilities in the 45 minutes driving

area. There are a number of reasons why providers within 30 and 45 minutes are not at the target occupancy but still are not a meaningful option to provide additional care for a growing patient population beyond the capacity level at which they are currently operating.

The primary issues we discovered from our assessment is that there are many providers that have taken beds out of service; several do not accept Medicaid patients, and others have a low Medicare star rating based on problems with quality care. And particularly relating to one of the SNFs that is closest to the proposed site, its admissions are limited to patients whose primary diagnosis is mental illness and its beds are licensed as intermediate care beds, not skilled beds. Exhibit B reviews area facilities with less than 90 percent occupancy and discusses the unique circumstances that we discovered related to each. Note that based on the capacity and access limitations of the Crystal Lake area facilities and based on the dispersion of the population in McHenry County, some of the most significant access issues exist in the three facilities that are closest to the proposed site. Those facilities are discussed first in Exhibit B.

### **Comments by Competitors**

Potential competitors have submitted letters to the HFSRB and appeared before the HFSRB in opposition to this project. They have argued that there is no need for this project, that they are planning additions of their own to meet the need, that this project will affect their ability to staff and that Manor Care did not provide sufficient background information.

### ***Need***

Regarding need, the opponents have indicated that while there is a need for additional SNF beds in McHenry County, there is not a need in Crystal Lake where Manor Care will be located. This is simply false and, in fact, the need for beds is most clearly indicated in the southeastern part of McHenry County where this proposal is located.

To demonstrate this, we analyzed the county's distribution of skilled nursing beds and residents aged 65 and older, as these individuals drive nursing home utilization. There are 17 townships in McHenry County. To complete this analysis, we grouped the four townships in the northwest quadrant, Chemung, Alden, Dunham and Hartland Townships; the five townships in the northeast quadrant, Richmond, Burton, McHenry, Hebron and Greenwood Townships; the four townships in the southwest quadrant, Marengo, Seneca, Riley and Coral Townships; and the four townships in the southeast quadrants, Nunda, Dorr, Algonquin and Grafton townships. This last quadrant is where Manor Care of Crystal Lake is proposed to be located. We then compared the nursing home beds per 1000 persons age 65 and older in each area to determine which of these four areas had the greatest supply and which had the greatest need for such beds. Using population data from Pitney Bowes AnySite (which is based on 2010 U.S. Census Data), we found that there were:

- 57 SNF beds per 1000 persons age 65+ in the 4 northwest townships (65+ pop 2,240)
- 30 SNF beds per 1000 persons age 65+ in the 5 northeast townships (65+ pop 10,413)
- 21 SNF beds per 1000 persons age 65+ in the 4 southeast townships (65+ pop 21,030)
- 20 SNF beds per 1000 persons age 65+ in the 4 southwest townships (65+ pop 2,587)

Exhibit C to this letter includes maps and charts that show the seventeen townships in McHenry County, the distribution of the elderly population, the road and street density of the Crystal Lake area as

compared to the remainder of the county, and the distribution of SNF beds. This data clearly demonstrates that because of its lack of beds and high population compared to the other quadrants, the southeast area of McHenry County is the most in need of additional skilled nursing beds. This is precisely the analysis our company used to determine where additional beds should be best placed.

We also identified a five mile radius around four population centers in the county, Crystal Lake, McHenry, Woodstock, and Marengo. Using the city hall for each as the center of the radius, we found that there were:

- 71 SNF beds per 1000 persons age 65+ in Woodstock (65+ pop 4,449)
- 49 SNF beds per 1000 persons age 65+ in McHenry (65+ pop 8,373)
- 26 SNF beds per 1000 persons age 65+ in Marengo (65+ pop 2,009)
- 24 SNF beds per 1000 persons age 65+ in Crystal Lake population (65+ pop 10, 509)

Crystal Lake, the site of this project, has the lowest number of beds per 1000 persons age 65+ in the entire county and the highest population. Thus, the competitors statement that there is no statistical need in Crystal Lake, even if there is a need for more SNF beds in the county, is clearly false.

*(Note that while we also examined Huntley, it is well-served by the nearby Elgin providers and has a relatively affluent elderly population, more financially able to age in place at home than lower income seniors. As a general matter, Huntley has a relatively young population less likely to require skilled services. In addition, 40% of the five mile radius of the Huntley Village Hall is in Kane County, and we wanted our analysis to concentrate on McHenry.)*

### ***Additions by the Competitors***

The assertion that the small number of beds that each of the competitors is proposing to add will address the need in the area is also false. The county has a need for 469 beds in 2018 and 328 by 2015 when this project will open. The 130 beds will address less than 40 percent of the need in 2015, thus there is plenty of need available for any bed expansions that those providers may contemplate in the future.

Furthermore, the competitors have not received CON permits to develop their additions, so it is inappropriate for them to expect the Board to consider their plans at this time. Were the Board to accept this approach, it would soon find several competitors coming forward to say “don’t approve this provider because we are going to apply soon” or “we applied yesterday.”

### ***Staffing***

The competitors have indicated that a new SNF in the Crystal Lake area will make it difficult for them to staff, anticipating that this new facility will be hiring away some of their existing staff. Nothing could be further from the truth. Residents of McHenry County work in existing Manor Care skilled nursing facilities all over the suburbs in Lake, Cook, and DuPage Counties. Our Regional Director of Operations has already received requests from many of these individuals who would like to work closer to home and would be very pleased to work at Manor Care of Crystal Lake. It is highly likely that many of these nurses, food service workers, social workers, and therapists will return to McHenry County to staff this new nursing center, minimizing the impact on the existing providers in the county. We also note, from our own experience, that the highest quality nursing homes are typically nice places to work and are very successful at retaining their most qualified staff. The community generally has been very

supportive of this planned development which will bring additional skilled jobs with benefits to the community.

***Background of Applicant***

HCR-ManorCare provided information on the two Illinois SNFs where adverse action was taken in the last three years and also offered nationwide information. HFSRB staff indicated that nationwide information need not be supplied, which is consistent with how it has reviewed other providers. Therefore, the information provided was limited to what is required.

**In Conclusion**

With the addition of the referral letters, this application complies with Section 1125.540 – Service Demand.

Exhibit D to this letter describes that of the 18 applicants for additional nursing home beds that the HFSRB has approved over the last three years, each and every one had negative findings in the state agency report in the area of occupancy of competitors within 30 and 45 minutes. This is an absolute. In every case, there were negative findings on occupancy, just as there is with Manor Care of Crystal Lake. The difference between ManorCare of Crystal Lake and the 18 other approved applicants is that this project has no other negative findings and unlike the most recent projects reviewed, Manor Care of Crystal Lake will be funded entirely with cash.

This project meets all of the HFSRB's standards except those regarding occupancy of other providers within 30 and 45 minutes. This letter has presented a wide range for reasons why these SNFs have occupancy below the HFSRB's standard, including conversion to private rooms, Medicaid certification, and quality of care issues. We also believe that there is substantial merit to the project which we have articulated in this letter. We appreciate staff's assistance with this project and hope that the HFSRB members will give this project favorable consideration when it is reviewed again in October. We look forward to meeting the needs of McHenry County residents.

Very truly yours,

A large, stylized handwritten signature in black ink, appearing to read "Donald Reppy". The signature is written over the typed name and title.

Donald Reppy

Director of Health Planning

Enclosures

Exhibit A  
Referral Letters

August 16, 2012

Michael S. Eesley  
Chief Executive Officer

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson St, 2<sup>nd</sup> Floor  
Springfield, IL 62761

**Re: ManorCare Health Services of Crystal Lake (Project No. 12-039)**

Dear Chairman Galassie:

In connection with the above project we received a letter earlier this year from Mr. Donald Reppy of HCR ManorCare informing us that they were in the process of preparing a Certificate of Need application to develop a skilled nursing facility in Crystal Lake. Mr. Reppy requested a meeting with representatives from Centegra Health System to discuss these plans and Certificate of Need requirements.

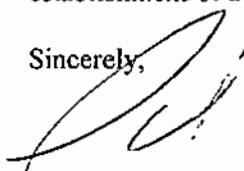
In response to Mr. Reppy's request, representatives from Centegra Health System met with Victoria Strom from HCR ManorCare on June 19, 2012 to discuss the plans for their proposed 130-bed post acute skilled nursing center. Centegra's representatives mentioned to Ms. Strom that Centegra refers to and works with many of the long-term care facilities in the area, and would expect to develop relationships with any new providers that enter our service area in the future, as well as continue to work with existing providers. We subsequently received a request from an attorney for HCR ManorCare on August 2, 2012 for information relating to our patient referrals.

It is difficult to project patient referrals to any new facility two to three years in advance. This is particularly true in light of the fact that each patient's choice and payor status, and the availability of beds in the community where the patient resides, will be guiding factors in determining a patient's nursing home admission. Below are the *historical* referrals from our organization to existing skilled nursing units for the twelve month period ending June 30, 2012:

Facility	Total Patients Discharged to LTC Facilities
Centegra Hospital – McHenry	1,515
Centegra Hospital – Woodstock	1,115

Centegra is supportive of the development of new health care services in McHenry County where a demonstrated need exists, and we are aware that the State's bed need methodology currently shows a projected need for 469 additional long-term care beds in McHenry County. We would anticipate that in the future our organization will continue to refer patients to LTC providers in the area and, as noted above, we would expect to develop relationships with any new facilities established in the area. However, as noted above, we are unable to quantify those referrals with respect to the future establishment of a new facility.

Sincerely,



Michael S. Eesley  
Chief Executive Officer  
Centegra Health System

cc: Ms. Courtney Avery, Administrator, Illinois Health Facilities and Services Review Board  
Mr. Donald Reppy, Director of Health Planning, HCR ManorCare, Inc.

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

We serve McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, and specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment. In the past year, we have made . . . referrals to LTC facilities in the area.

We estimate that we can refer approximately 6 patients per month to this new Manor Care SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is a recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

None of these projected referrals have been provided to anyone else for use in a CON application.

Thank you,

Sincerely,

**BRIAN M. WU M.D., S.C.**

6317 Northwest Hwy  
Crystal Lake, IL, 60014



*Caren L. Schulze*  
8-16-12

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McHenry, IL 60051  
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Kane County Senior Services  
Aurora Township Senior Center  
900 N. Lake Street, Suite 205  
Aurora, IL 60506  
(630) 897-4035  
Fax: (630) 897-4035

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board

525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

We serve Cook, Lake and McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, and specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment. In the past year, we have made 81 referrals to LTC facilities in the area.

We estimate that we can refer approximately 3-5 patients per month to this new Manor Care SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

None of these projected referrals have been provided to anyone else for use in a CON application.

Thank you,

Sincerely,

Marsha Boncosky, Supervisor



Caren L. Schulze  
8-10-12



**ENNETH J. TOMCHIK, M.D.**



INTERNAL MEDICINE ◆ ISLAND LAKE PLAZA, P.O. BOX 190 ◆ ISLAND LAKE, IL 60042-0190  
PHONE (847) 526-4212 ◆ FAX (847) 526-4214

August 13, 2012

Dale Galassie, Chair

Illinois Health Facilities and Services Review Board

525 W. Jefferson Street

Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of Manor Care Health Services of Crystal Lake, a 130 bed post-acute skilled nursing center to be located in McHenry County.

My office serves Lake and McHenry County residents and I am well aware of the needs of the local community, the growth of the population in the area and, specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and I am in agreement with that assessment. In the past year, I have referred approximately one dozen patients to LTC facilities in the area.

I expect to continue to refer patients to LTC facilities on a regular basis, and would expect to refer several patients per month to this new Manor Care SNF. This is only an estimate of the referrals that could be made as it is difficult to assess circumstances two or three years in advance. This is not a commitment, but a recognition that a new provider is needed to serve the growing population and that HCR-Manor Care provides a program of care that I support.

I have not provided any of these projected referrals to anyone else for use in a CON application.

Sincerely, -

*K J Tomchik MD*

Kenneth J. Tomchik, MD



*Caren L. Schulze*  
8-10-12



BEHZAD FARAH, M.D.



BEHZAD FARAH, M.D., S.C.

Internal Medicine

Doctors Office Building North  
27790 W. Hwy. 22, Suite 30  
Barrington, Illinois 60010  
(847) 382-5350  
Fax: (847) 382-5358

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

We serve Cook, Lake and McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, and specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment. In the past year, we have made 100 referrals to LTC facilities in the area.

We estimate that we can refer approximately 5 patients per month to this new Manor Care SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

None of these projected referrals have been provided to anyone else for use in a CON application.

Thank you,

Sincerely,  
BEHZAD FARAH, M.D., S.C.  
27790 W. HWY 22, SUITE 30  
BARRINGTON, IL 60010  
(847) 382-5350



*Caren L. Schulze*  
8-10-12

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

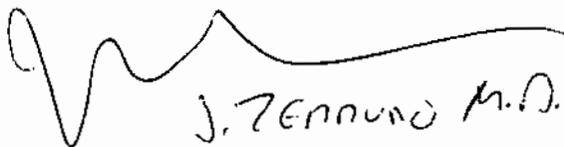
This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

We serve Cook, Lake and McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, and specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment. In the past year, we have made 70 referrals to LTC facilities in the area.

We estimate that we can refer approximately 1-2 patients per month to this new Manor Care SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

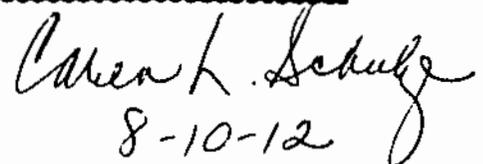
None of these projected referrals have been provided to anyone else for use in a CON application.

Thank you,

  
J. Terrence M.D.

Sincerely,



  
8-10-12

FIDAI MEDICAL GROUP  
1710 N RANDALL ROAD SUITE 380  
ELGIN ILLINOIS 60123  
TEL: 847-741-9800  
FAX: 847-741-3058

July 31, 2012

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie,

This letter is intended to support the development of Manor Care Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

I serve McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, specifically the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and I agree with that assessment. In the past year, I have made five referrals to LTC facilities in the area.

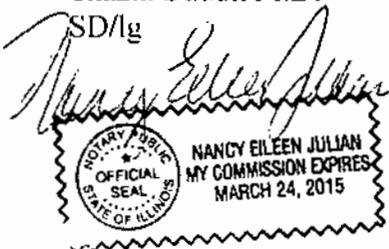
I estimate that I can refer approximately six patients per year to this new Manor Care SNF. To be clear, I recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is a recognition that a new provider is needed to serve the growing population and that HCR-Manor Care provides a program of care that I support.

None of these projected referrals have been provided to anyone else for use in a CON application. Thank you.

Sincerely,

  
Shazia Daudi, M.D.

SD/lg



SANDRA H. GARRETSON, M.D., CMD  
*Internal Medicine, Palliative Care, Hospice and Long Term Care*  
THEODORE M. HOMA, M.D., CMD  
*Internal Medicine, Geriatrics and Long Term Care*  
STEVEN S. KIM, M.D.  
*Internal Medicine and Long Term Care*

5000 N. Oakton Street, Suite 400, Northbrook, IL 60062  
(630) 222-2200 Fax (630) 222-7224

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

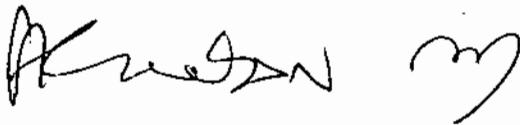
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We estimate that we can refer approximately 4-5 patients per month to this new Manor Care SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

None of these projected referrals have been provided to anyone else for use in a CON application.

Thank you,



Sincerely,



Caren L. Schulze  
8-10-12

Ricardo A. Knight, MD, MBA, FAAPMR  
PHYSICAL MEDICINE & REHABILITATION  
Drknight@medluxrehab.com



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Fax (847) 577-9823    Fax (847) 577-9823

www.MedluxRehab.com

Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

We serve Cook, Lake and McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, and specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment. In the past year, we have made 25 referrals to LTC facilities in the area.

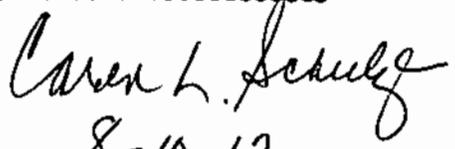
We estimate that we can refer approximately 4 patients per month to this new Manor Care SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

None of these projected referrals have been provided to anyone else for use in a CON application.

Thank you,

  
Sincerely,



  
8-10-12

**Elk Grove  
Medical  
Associates**

**Eberle Medical Office Building  
800 Biesterfield Road, Suite #705 A  
Elk Grove Village, Illinois 60007  
(847) 981-6061**

**Dennis Abella, D.O., S.C.**  
Internal Medicine  
**Barry Glick, D.O., S.C.**  
Internal Medicine  
**Monzer Kaddour, M.D.**  
Internal Medicine / Geriatric  
**Elaine Peplow, M.D.**

August 15, 2012

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

My medical practice serves a number of patients in the Crystal Lake / Huntley area and I am well aware of the needs of the local community, the growth of the population in the area and, and specifically, the need for additional skilled nursing services.

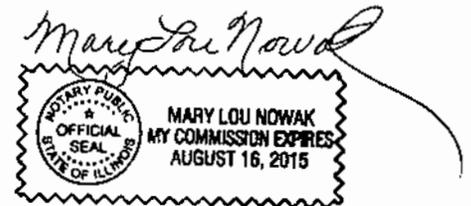
I can and would refer patients to this new Manor Care Skilled Nursing Facility. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is a recognition that a new provider is needed to serve the growing population and that HCR- ManorCare provides a program of care that we support.

Thank you,

Sincerely,



Barry M. Glick, DO



FIDAI MEDICAL GROUP  
1710 N RANDALL ROAD SUITE 380  
ELGIN ILLINOIS 60123  
TEL: 847-741-9800  
FAX: 847-741-3058

July 31, 2012

Dale Galassic, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassic.

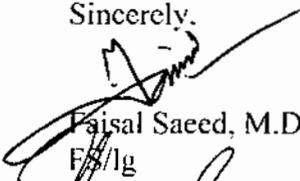
This letter is intended to support the development of Manor Care Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

I serve McHenry County residents and am well aware of the needs of the local community, the growth of the population in the area and, specifically the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and I agree with that assessment.

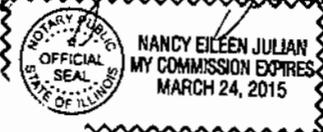
I estimate that I can refer approximately four patients per year to this new Manor Care SNF. To be clear, I recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is a recognition that a new provider is needed to serve the growing population and that HCR-Manor Care provides a program of care that I support.

None of these projected referrals have been provided to anyone else for use in a CON application. Thank you.

Sincerely,

  
Faisal Saeed, M.D.

FS/lg



Divyang A. Joshi, M.D.  
BOARD CERTIFIED INTERNIST



750 Fletcher Drive, Suite 200  
Elgin, Illinois 60123

(847) 931-8900  
Fax (847) 931-9041

August 14, 2012

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

We Serve McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment.

We estimate that we can refer approximately 2-3 patients per month to this new ManorCare SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is a recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

None of these projected referrals have been provided to anyone else for use in a CON application.

Sincerely,

A handwritten signature in black ink, appearing to read 'Divyang A. Joshi', written over a horizontal line.

Dr. Divyang A. Joshi, M.D.

# MIDWEST ONCOLOGY HEMATOLOGY, LTD

Thomas L. Cao, M.D., Ph.D.  
Bety C. Ciobanu, M.D.  
(Board Certified)

1435 N. Randall Road, Suite 402  
Elgin, IL 60123

Phone: 847-717-6860  
Fax: 847-717-6872

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL

Dear Mr. Galassie:

This letter is intended to support the development of ManorCare Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

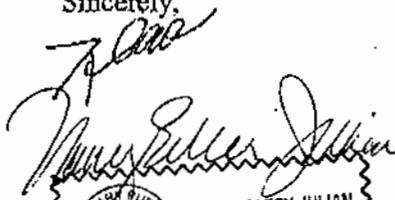
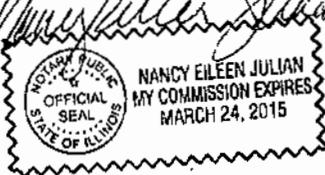
We serve McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, and specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment. In the past year, we have made --- referrals to LTC facilities in the area.

We estimate that we can refer approximately 2 patients per month to this new Manor Care SNF. To be clear, we recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is a recognition that a new provider is needed to serve the growing population and that HCR-ManorCare provides a program of care that we support.

None of these projected referrals have been provided to anyone else for use in a CON application.

Thank you,

Sincerely,

FIDAI MEDICAL GROUP  
1710 N RANDALL ROAD SUITE 380  
ELGIN ILLINOIS 60123  
TEL: 847-741-9800  
FAX: 847-741-3058

July 31, 2012

Dale Galassie, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, Il

Dear Mr. Galassie,

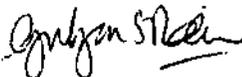
This letter is intended to support the development of Manor Care Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

I serve McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, specifically the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and I agree with that assessment. In the past year, I have made three referrals to LTC facilities in the area.

I estimate that I can refer approximately four patients per year to this new Manor Care SNF. To be clear, I recognize that this is only an estimate of referrals that could be made. It is difficult to assess circumstances two to three years in advance, so this is not a commitment, but it is a recognition that a new provider is needed to serve the growing population and that HCR-Manor Care provides a program of care that I support.

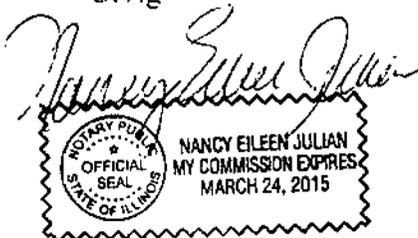
None of these projected referrals have been provided to anyone else for use in a CON application. Thank you.

Sincerely,



Gulzar Fidai, M.D.

GF/lg



**REHABILITATION MEDICINE SPECIALISTS**

*Physical Medicine and Rehabilitation Board Certified*  
1990 Larkin Ave., Suite 3 - Elgin, IL 60123  
(847) 289-5727 Fax: (847) 888-5469

**LYNN MERSHON, D.O.**  
**MEHUL GARALA, M.D.**

**KHIN SEIN YIN, M.D.**  
**JAMES COHN, M.D.**

August 8, 2012

Dale Galassie, Chair  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street  
Springfield, IL 62702

Dear Mr. Galassie,

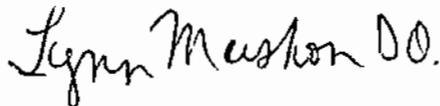
This letter is intended to support the development of Manor Care Health Services of Crystal Lake, a 130-bed post-acute skilled nursing center to be located in McHenry County.

We serve McHenry County residents and are well aware of the needs of the local community, the growth of the population in the area and, specifically, the need for additional skilled nursing services. The 2010 McHenry County Healthy Community Study indicates that there is a "lack of sufficient nursing home options in the county" and we agree with that assessment. In the past year, we have made several referrals to LTC facilities in the area.

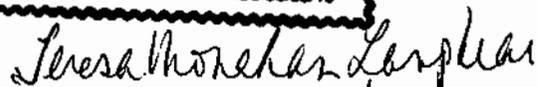
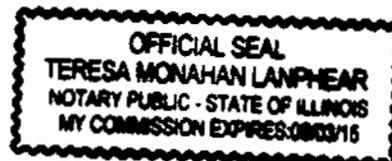
As it is difficult to assess circumstances two to three years in advance, we would not be able to make a commitment to the number of referrals we would make to Manor Care, but we recognize that a new provider is needed to serve the growing population and that HCR-Manor Care provides a program of care that we support.

Thank you.

Sincerely,



Lynn Mershon, D.O.  
President

  
8/8/12

## Exhibit B

### Nearby SNFs

Each of the following nearby LTC facilities is not at the 90 percent occupancy standard.

**Crystal Pines Rehab** -- Crystal Lake. This facility is located within one mile of the proposed site. This SNF reported 88.2 percent occupancy in 2011 and 89.8 percent in 2010. The facility is under renovation, licensed for 114 beds and operates 110 beds. It reported a 100 patient census for 2011. If occupancy were calculated using operating beds, the occupancy would be 91 percent. As a practical matter, while the most recent utilization is technically under 90 percent, this discrepancy is minor and this facility does not provide a meaningful option for additional capacity particularly based on the growth trends that McHenry County has experienced.

**The Springs at Crystal Lake** -- Crystal Lake. This facility is within two miles of the proposed site. This facility is operated as part of a continuing care retirement center. While Manor Care of Crystal Lake will be certified to serve Medicaid patients, this SNF does not accept Medicaid patients. Without Medicaid admissions and because the operator must ensure that it always has beds available for its assisted living and independent living residents, who required SNF care on a consistent basis, the SNF is unable to achieve the 90 percent occupancy standard. The Springs has indicated that it will soon be filing a permit application to add beds to address the need. But since The Springs does not serve the Medicaid population, it is difficult to say that this addition will be fully accessible to the community and meet the need.

**Fair Oaks Health Care Center** -- Crystal Lake. This facility is the only other facility in Crystal Lake. It is licensed for 46 beds and was 90.5 percent occupied in 2010 and reported 84.6 percent in 2011. Because of the small number of beds at this SNF, the occupancy percentage is a somewhat distorted number. This SNF averaged 42 patients per day in its 46 beds 2010 and 39 patients in 2011. According to the LTC Profiles, it had only 4 to 6 vacant beds at any one time in those two years. Again because of the small size of the facility, it cannot meet the growing demand for SNF services without expanding its beds.

**Sheltering Oak** -- Island Lake. This facility is located within seven miles of the proposed site. This facility's residents consist exclusively of patients with a primary diagnosis of mental illness. It is not an appropriate option for the general post-acute services and nursing care services needs of the general elderly population that Manor Care intends to serve. Notably, it was closed due to regulatory concerns during the summer and we are uncertain whether it has received clearance to re-open.

### Other Providers With Beds Out of Service

The beds out of service at these facilities accounts for the lower occupancy:

**Alden Terrace of McHenry** -- McHenry. This SNF is licensed for 316 beds but operates only 238 beds. At some point between 2006 and 2007, this SNF took 60 beds out of service and in 2011 increased the number out-of-service beds to 78, in connection with a renovation of one of its wings. The 60 beds have now been out-of-service at this SNF for more than six years. Further, the most recent Medicare overall performance ratings show this SNF with two stars out of five, a rating that surely must raise concerns among potential patients. Given the number of years these 60 beds have been out of service and the Medicare rating at this SNF,

there is no good reason to expect that occupancy will increase to above 90 percent and that these beds will be brought back into service in the foreseeable future, regardless of the population growth or needs of the community. The fact that 48 of the residents of this SNF have a mental illness diagnosis also indicates that this SNF is not serving the same population that Manor Care of Crystal Lake intends to serve.

**Claremont-Hanover Park** -- Hanover Park. This SNF received a CON permit for 150 beds from the HFSRB in October 2006 (Project No. 06-048). There was no plan to open the facility until spring of 2011. Therefore, the facility has not been operational for two years. As a point of reference, the CON permit application was filed under the name Church Street Skilled Nursing Center. As stated in the Church Street CON application and State Agency Report for the Church Street project, the facility was targeted to address a documented need for services in Planning Area 7-A and was not intended to serve the needs of the residents of McHenry County.

Also, at the time this project was approved, there was a need for 549 beds in the Planning Area 7-A, part of adjacent Cook County. The Church Street facility was originally approved for 237 beds, but apparently scaled back its project to a 150 bed facility notwithstanding projected need in that adjacent planning area. Further, this provider has never operated 72 of those 150 beds, choosing to operate all of its 78 rooms as private rooms. Also attached to this exhibit is a description of the Claremont facility, indicating that it only offers 78 private rooms. Claremont has been very successful with this private room concept and there is no reason to expect that these 72 beds will be brought into service in the foreseeable future regardless of the population growth or needs of the McHenry County community particularly since the facility is 43 minutes from Crystal Lake.

**Manor Care of Elgin** -- Elgin. This facility is an affiliate of our company. It is licensed for 88 beds and operates 82. It has converted semi-private rooms to meet the demand for private rooms in the area and there is not sufficient land on the site to add back these six beds. In 2011, its licensed occupancy was 84.4 percent but 90 percent of its 82 operating beds were occupied.

**South Elgin Rehab** -- South Elgin. This facility is licensed for 90 beds and operates 80 beds. It operated 72 in 2005, 80 from 2006 to 2008, 88 in 2009, and 80 in 2010. In the last seven years, this SNF has never operated all of its licensed beds. The most recent Medicare ratings list this SNF as an overall one out of five stars. With this low rating and the beds out-of-service, there is no good reason to expect that these beds will be brought back into service in the foreseeable future, regardless of the population growth or needs of the community.

There are a number of providers that have had SNF beds out of service for several years. We do not believe that, when there is a bed need, a project for new beds should be denied on the assumption that some provider, someday, will decide to bring an uncertain number of licensed beds back into service.

### **Providers Without Medicaid Certification**

In addition to The Springs at Crystal Lake, the following facilities do not meet the occupancy standard because they are not accessible to all those needing care.

**Alden Estates of Barrington** also has occupancy below 90 percent. This SNF has a restricted admission policy, since it is not Medicaid certified. Without Medicaid admissions, the SNF is unable to achieve the 90 percent occupancy standard.

**Claremont Rehab and Living Care -- Buffalo Grove.** This SNF has occupancy below 90 percent. This SNF has a restricted admission policy since it is not Medicaid certified. Without Medicaid admissions, the SNF is unable to achieve the 90 percent occupancy standard.

### **Providers With Quality Care Issues**

Two SNFs have quality care issues that compromise their ability to meet the Board's occupancy standard.

**Arlington Rehab, - Long Grove.** This SNF has occupancy below 90 percent. Its most recent Medicare rating is two out of five stars. This could be the reason for occupancy at 88.8 percent.

**Asta Care Center – Elgin.** This SNF has occupancy of 85.6 percent. It received one of five stars in the most recent Medicare rating. This 102 licensed bed SNF also has three beds out of service. The lower occupancy here is completely predictable.

# Elderwerks

Home : Your Needs : Provider Info

## Claremont of Hanover Park



New S



**CLAREMONT**  
*Hanover Park*

At Claremont Hanover Park, we have one primary goal: to help you regain maximum independence and functioning so that you can safely, comfortably, and happily get your life back. Our physicians, therapists, and nurses use their experience, compassion, and skill—combined with the latest and best technology—to provide comprehensive rehabilitation for a wide range of physical disabilities and medical

2000 W. Lake Street  
Hanover Park, IL 6

**Map, Directions,  
Aerial Photograph**

**Provider Type**  
• Hospice Care  
• Rehabilitation  
• Skilled Nursing F

conditions.

We have 78 spacious private suites available, allowing guests a more tranquil and serene environment in which to heal and recover. Designed with Baby Boomers in mind, we have taken into account the unique needs of this generation by combining a progressive healthcare model with the amenities and hospitality of a fine resort. Guests leave our facility feeling rejuvenated.



We offer six different suite configurations with the following standard features:

- Electric bed and specialty mattress
- Hotel grade linens
- Pillow speakers
- Homelike furnishings
- Private bathroom
- Warm lighting
- Flat screen television
- In-room dining
- State-of-the-art nurse call system
- WiFi Services
- Private phone line
- Custom Desk, workstation and wardrobe

**Assistance**  
• Bathing  
• Cardio Rehab  
• Diabetic Injection  
• Dialysis  
• Dressing  
• Haircare  
• IV Therapy  
• Joint Replacemen  
Rehab  
• Laundry  
• Meals  
• Medication Distril  
• Medication  
Management  
• Occupational The  
• Physical Therapy  
• Post Surgery Reh  
• Psychiatric Progr  
• Respiratory Care  
• Speech Therapy  
• Stroke Rehab  
• Sub Acute Rehab  
• Toileting  
• Wound Care

**Amenities**  
• Beauty / Barber  
• Coffee Shop / Bis  
• Housekeeping  
• Interaction with  
• Laundry Service  
• Library  
• Meals  
• Social Events  
• Wellness Center  
• Site

We are also proud to offer exceptional dining, spa services and recreational therapy. Our dining selections accommodate a variety of cultural and nutritional needs. Private dining rooms are available for guests and their extended families. Casual dining is offered to guests and their visitors at GJ's Cafe. We have numerous spa services that are designed to nurture and heal. On each floor, guests have access to spacious, well-appointed bathing spas. The large whirlpool tubs are an oasis of comfort. Guests can receive hydrotherapy treatments while watching their favorite program or sporting event on their private high definition flat screen television. The shower spas are equally inviting and large enough to accommodate adaptive equipment.

**Apartment Types**  
• 1 Bedroom

The Aria Spa offers a wonderful spa experience. We offer professional services including massage, hair, and nail treatments at a reasonable cost.

A daily calendar highlights day, evening, and weekend activities and recreation schedules. The Card Club, Book Club, and physical wellness groups are all part of the activity programming. Family and friends are encouraged to participate and are also welcome to visit with loved ones during daily and evening activities.



For more informati  
this or any other  
community or hom  
care provider, plea  
contact your Elder  
Senior Care Consu

847-462-0885 (ph)  
847-639-9250 (fa)  
Info@Elderwerks

It is our goal for our guests to succeed through treatment and return home to an independent and fulfilling life. Our modern, guest-centered facility offers guests the quickest recoveries and optimal results. The focus of this program is on achieving the highest level of functional and medical recovery through individually designed rehabilitation care plans.

Exhibit C  
Township Map  
&  
Beds Per 1000 Data

# McHenry County Townships

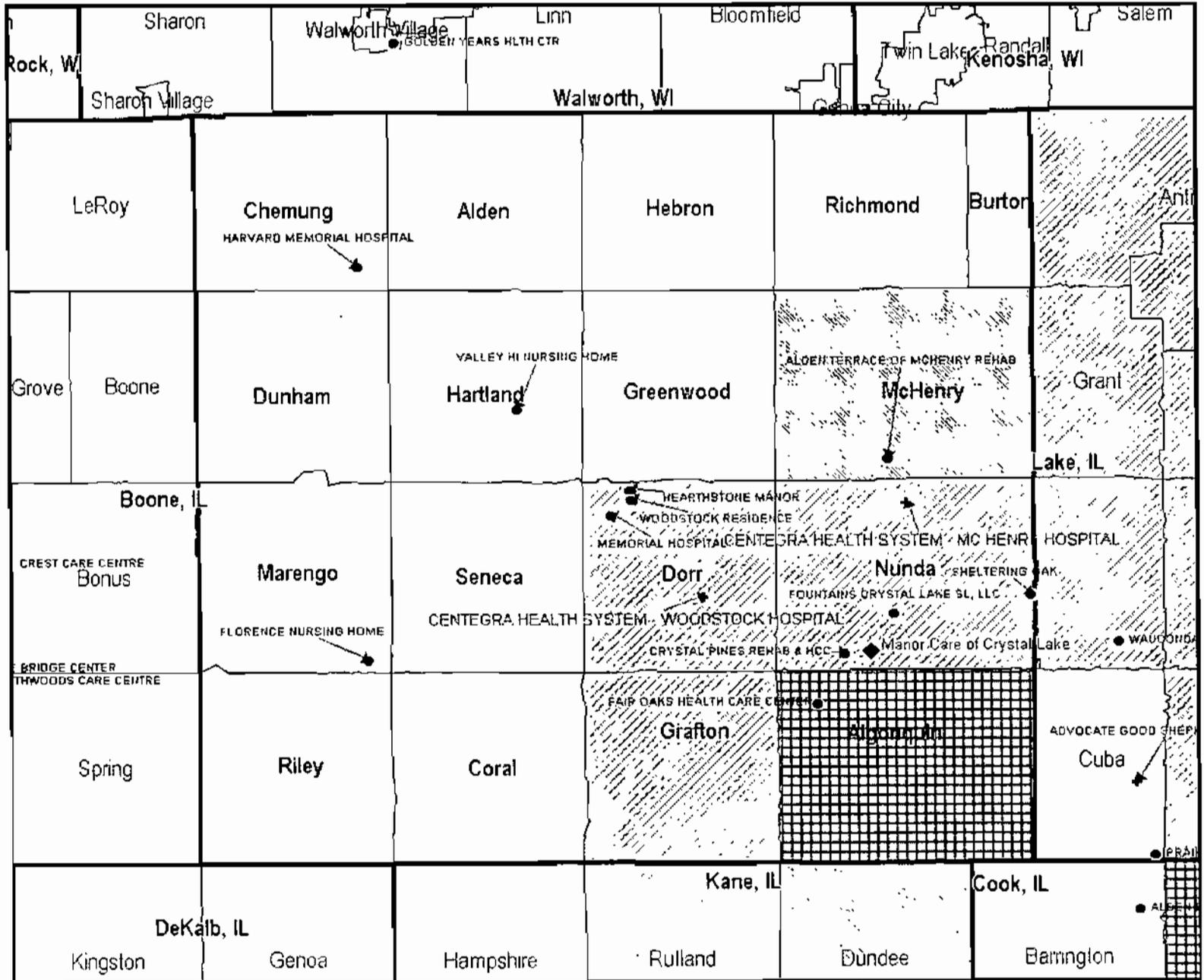
**Legend**

- HCR Manor Care
- ⊕ Hospital CMS
- ⊕ Nursing Homes CMS
- ▭ County Boundaries
- ▭ MCD

Townships by 2011 Population, Age 65+ by MCD

- ▨ 7500 To 10000
- ▨ 5000 To 7500
- ▨ 2500 To 5000
- ▨ 0 To 2500

Site Coordinates  
 Longitude/X: -88.297197  
 Latitude/Y: 42.249409



Print Date: 20 August 2012

Data Source: Pitney Bowes Business Insight

© 2011 Pitney Bowes Software Inc. All Rights Reserved.

# McHenry County Street and Road Density

**Legend**

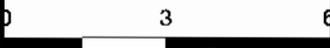
- ✕ Site
- County Boundaries
- MCD

Site Coordinates  
Longitude/X: -88.297197  
Latitude/Y: 42.249409

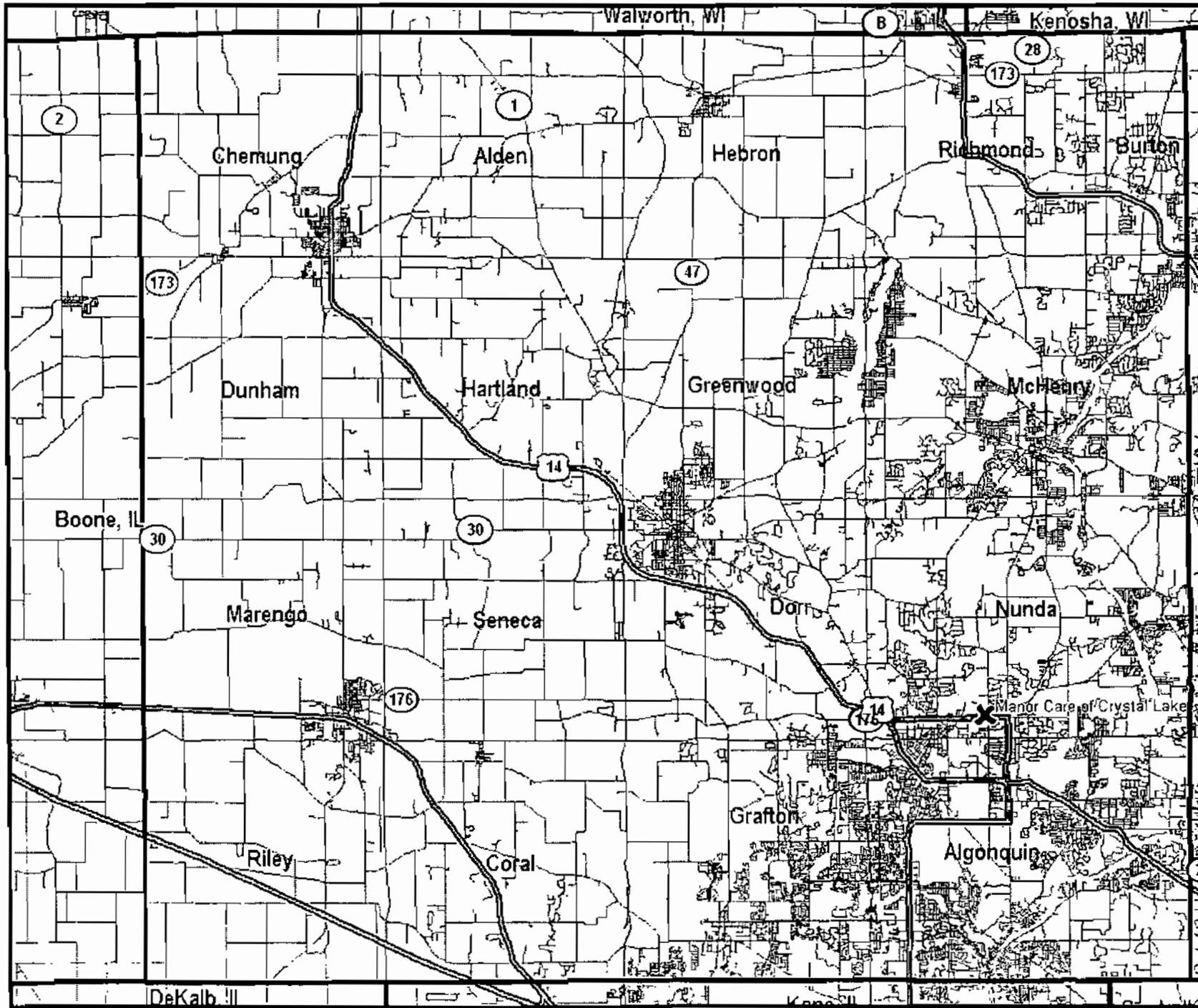
N



3 6



Miles



## Nursing Home Bed Distribution in McHenry County in 2011

Townships	65 + Population in 2011	Total SNF Beds	SNF Beds per 1000 persons 65+
Northwest Townships Chemung Alden Dunham Hartland	2,240	128	57
Northeast Townships Hebron Richmond Burton Greenwood McHenry	10,413	316	30
Southwest Townships Merengo Seneca Riley Coral	2,587	52	20
Southeast Townships Dorr Nunda Grafton Algonquin	21,030	447	21
<b>Total</b>	<b>36,270</b>	<b>943</b>	<b>26</b>

This chart shows that new beds added to the county should be added to either the southeast or southwest areas.

Source:

Population - Pitney Bowes Anysite

SNF Beds - Illinois LTC Profiles

## Nursing Home Bed Distribution by Community

5 Mile Radius of	65 + Population in 2011	Total SNF Beds	SNF Beds per 1000 persons 65+
Woodstock City Hall	4,449	318	71
McHenry Municipal Center	8,373	413	49
Merango Village Hall	2,009	52	26
Crystal Lake Municipal Center	10,509	257	24

This chart shows that new beds added to the county should be added to the Crystal Lake area.

Source:

Population - Pitney Bowes Anysite

SNF Beds - Illinois LTC Profiles

## Exhibit D

### Projects Approved

Skilled Nursing Facility CON Applications  
April 2009 - July 2012

Project Name	Project Description	Project #	Meeting Date	Outcome	Negative Findings	Underutilized Providers Within 30 Minutes (Negative Finding)	Underutilized Providers Within 45 Minutes (Negative Finding)
Springfield Nursing & Rehab, Springfield	Establishment	08-086	4/21/2009	Approved 4-0	<ul style="list-style-type: none"> <li>• Planning Area Need</li> <li>• Service Accessibility</li> <li>• Size of the Project</li> <li>• Financial Viability</li> <li>• Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 7 of 11 facilities were below 90%. <b>Applicants received a negative finding</b>	SAR included 30 minute drive time table and noted because 7 of 11 facilities were below 90%, applicants could not meet this criterion. <b>Applicants received a negative finding</b>
Hickory Point Christian Village, Forsyth	Establishment	08-097	4/21/2009	Approved 4-0	<ul style="list-style-type: none"> <li>• Planning Area Need</li> <li>• Service Accessibility</li> <li>• Size of the Project</li> <li>• Financial Viability</li> </ul>	SAR included table of existing facilities in the planning area. 8 of 12 facilities were below 90%. <b>Applicants received a negative finding</b>	SAR included 30 minute drive time table and noted because 8 of 12 facilities were below 90%, applicants could not meet this criterion. <b>Applicants received a negative finding</b>
Victorian Village, Homer Glen	Establishment	08-082	9/1/2009	Approved 3-0	<ul style="list-style-type: none"> <li>• Planning Area Need</li> <li>• Service Accessibility</li> <li>• Size of Project</li> <li>• Financial Viability</li> </ul>	SAR included 30 minute drive time table. 27 of 44 facilities were below 90%. <b>Applicants received a negative finding</b>	SAR included 30 minute drive time table and noted because 27 of 44 facilities were below 90%, applicants could not meet this criterion. <b>Applicants received a negative finding</b>
Concordia Village, Springfield	Establishment	08-080	9/1/2009	Approved 3-0	<ul style="list-style-type: none"> <li>• Planning Area Need</li> <li>• Size of Project</li> <li>• Service Accessibility</li> </ul>	SAR included 30 minute drive time table. 7 of 12 facilities were below 90%. <b>Applicants received a negative finding</b>	Applicants addressed the access limitations at existing facilities. <b>Applicants received a negative finding.</b>
Greenfields of Geneva, Geneva	Establishment	08-083	9/1/2009	Approved 3-0	<ul style="list-style-type: none"> <li>• Planning Area Need</li> <li>• Service Accessibility</li> <li>• Size of the Project</li> <li>• Financial Viability</li> <li>• Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 20 of 26 facilities were below 90%. <b>Applicants received a negative finding</b>	SAR included 30 minute drive time table and noted because 20 of 26 facilities were below 90%, applicants could not meet this criterion. <b>Applicants received a negative finding</b>
Meadowbrook Manor Geneva, Geneva	Establishment	08-099	9/2/2009	Approved 3-0	<ul style="list-style-type: none"> <li>• Planning Area Need</li> <li>• Service Accessibility</li> <li>• Size of the Project</li> <li>• Financial Viability</li> <li>• Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 21 of 33 facilities were below 90%. <b>Applicants received a negative finding</b>	SAR included 30 minute drive time table and noted because 21 of 33 facilities were below 90%, applicants could not meet this criterion. <b>Applicants received a negative finding</b>
Addison Rehabilitation & Living Center, Elgin	Establishment	09-030	3/2/2010	Approved 6-0	<ul style="list-style-type: none"> <li>• Size of the Project</li> <li>• Service Accessibility</li> </ul>	SAR didn't ID SNFs based on driving distance but incl. table for Kane County. 18 of 24 facilities were below 90% utilization. <b>Applicant received negative finding.</b>	In Kane County Planning Area. 18 of 24 facilities were below 90% utilization. <b>Applicant received negative finding.</b>
Asbury Pavilion Nursing & Rehab, North Aurora	Establishment	09-077	6/8/2010	Approved 6-0	<ul style="list-style-type: none"> <li>• Service Accessibility</li> <li>• Unnecessary Duplication/ Maldistribution</li> <li>• Financial Viability</li> </ul>	SAR included 30 minute drive time table. 24 of 34 facilities were below 90%. <b>Applicant received a negative finding.</b>	Applicants did not address this criterion; addressed access limitations due to patients' payor status. <b>Applicant received a negative finding.</b>
Manor Court of Freeport, Freeport	Establishment/Removal of CCRC Variance	10-007	7/27/2010	Approved 5-0	<ul style="list-style-type: none"> <li>• Discontinuation</li> <li>• Planning Area Need</li> <li>• Unnecessary Duplication/Maldistribution</li> </ul>	SAR included 30 minute drive time table. All six facilities were below 90%. <b>Applicant received a negative finding.</b>	Applicants did not address this criterion; addressed access limitations at its own facility due to CCRC variance. <b>Applicant received a negative finding.</b>

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Project Name	Project Description	Project #	Meeting Date	Outcome	Negative Findings	Underutilized Providers Within 30 Minutes (Negative Finding)	Underutilized Providers Within 45 Minutes (Negative Finding)
Smith Crossing, Orland Park	Establishment/Removal of CCRC Variance	10-005	7/27/2010	Approved 5-0	<ul style="list-style-type: none"> <li>Discontinuation</li> <li>Size of the Project</li> <li>Planning Area Need</li> <li>Unnecessary Duplication/Maldistribution</li> <li>Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 26 of 38 facilities were below 90%. <b>Applicant received a negative finding.</b>	Applicants did not address this criterion; addressed access limitations at its own facility due to CCRC variance. <b>Applicant received a negative finding.</b>
Clare at Water Tower, Chicago	Establishment/Removal of CCRC Variance	10-003	7/27/2010	Approved 5-0	<ul style="list-style-type: none"> <li>Discontinuation</li> <li>Size of the Project</li> <li>Planning Area Need</li> <li>Unnecessary Duplication/Maldistribution</li> </ul>	SAR included 30 minute drive time table. 70 of 108 facilities were below 90%. <b>Applicant received a negative finding.</b>	Applicants did not address this criterion; addressed access limitations due to patients' payor status. <b>Applicant received a negative finding.</b>
Park Pointe - South Elgin Healthcare & Rehabilitation Center, Elgin	Establishment	10-065	12/14/2010	Approved 7-0-1	<ul style="list-style-type: none"> <li>Planning Area Need</li> <li>Unnecessary Duplication/Maldistribution</li> </ul>	33 of 42 facilities within 30 minutes of the proposed project were below 90%. <b>Applicants received a negative finding.</b>	Applicants did not address this criterion; addressed access limitations due to patients' payor status. <b>Applicants received a negative finding.</b>
Mercy Circle, Chicago	Establishment	11-008	3/21/2011	Approved 5-0	<ul style="list-style-type: none"> <li>Size of Project</li> <li>Defined Population</li> <li>Financial Viability</li> <li>Reasonableness of Project Costs</li> </ul>	Applicant did not address this criterion. Applicant addressed defined population and CCRC variance in application. <b>Applicant received negative finding on variances.</b>	Applicant did not address this criterion. Applicant addressed defined population and CCRC variance in application. <b>Applicant received negative finding on variances.</b>
Pecatonica Pavilion, Pecatonica	Establishment	10-031	3/22/2011	Approved 5-0	<ul style="list-style-type: none"> <li>Service to Planning Area Residents</li> <li>Unnecessary Duplication/Maldistribution</li> <li>Financial Viability</li> <li>Reasonableness of Project Costs</li> </ul>	10 of 11 facilities within 30 minutes for the proposed project were below 90%. <b>Applicants received a negative finding.</b>	Applicants did not address this criterion. Applicants contend the proposed location of the facility and detachment from a major metropolitan area as need for the SNF. <b>Applicants received a negative finding.</b>
Warrior's Gateway, Rockford	Establishment	10-072	3/22/2011	Approved 5-0	<ul style="list-style-type: none"> <li>Unnecessary Duplication/Maldistribution</li> <li>Impact of Project on Other Area Providers</li> <li>Financial Viability</li> <li>Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 13 of 18 facilities within 30 minutes under 90%. <b>Applicant received a negative finding.</b>	Applicant did not address this criterion. Noted in application that the service (poly trauma and traumatic brain injury) are not available in the planning area.
Park Place Christian, Elmhurst	Establishment/Removal of CCRC Variance	12-007	4/17/2012	Approved 8-1	<ul style="list-style-type: none"> <li>Size of Project</li> <li>Service Demand</li> <li>Financial Viability</li> <li>Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 68 of 93 facilities within 30 minutes under 90%. <b>Applicant received a negative finding.</b>	This criterion was not addressed in the SAR.
Transitional Care of Arlington Heights, Arlington Heights	Establishment	11-006	6/28/2011	Approved 6-2-1	<ul style="list-style-type: none"> <li>Planning Area Need</li> <li>Unnecessary Duplication/Maldistribution</li> <li>Financial Viability</li> <li>Reasonableness of Project and Related Costs</li> </ul>	SAR included 30 minute drive time table. 48 of 58 facilities within 30 minutes are below 90%. <b>Applicant received a negative finding.</b>	Applicant did not address this criterion. Noted in application that the service (transitional care following hospital stay) are not available in the planning area. <b>Applicant received a negative finding.</b>

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Project Name	Project Description	Project #	Meeting Date	Outcome	Negative Findings	Underutilized Providers Within 30 Minutes (Negative Finding)	Underutilized Providers Within 45 Minutes (Negative Finding)
Transitional Care Center of Naperville, Naperville	Establishment	11-055	10/12/2011	Approved 6-2-1	<ul style="list-style-type: none"> <li>Unnecessary Duplication/Maldistribution</li> <li>Impact on Area Providers</li> <li>Community Related Functions</li> <li>Financial Viability</li> <li>Reasonableness of Project and</li> </ul>	SAR included 30 minute drive time table. 39 of 51 facilities within 30 minutes below 90%. <b>Applicant received a negative finding.</b>	Applicant did not address this criterion. Noted in application that the service (transitional care following hospital stay) is not available in the planning area.
The Healthcare Center at Monarch Landing, Naperville	Establishment	12-036	7/23/2012	Intent to Deny	<ul style="list-style-type: none"> <li>Unnecessary Duplication/Maldistribution</li> <li>Impact on other Providers</li> <li>Financial Feasibility</li> <li>Reasonableness of Financing Arrangements</li> <li>Terms of Debt Financing</li> <li>Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 36 of 49 facilities were below 90%. <b>Applicant received a negative finding.</b>	Applicant did not address this criterion. Applicants contend need for SNF on the CCRC campus. <b>Applicant received a negative finding.</b>
ManorCare Health Services of Crystal Lake, Crystal Lake	Establishment	12-039	7/23/2012	Intent to Deny	<ul style="list-style-type: none"> <li>Service Demand</li> <li>Service Accessibility</li> <li>Unnecessary Duplication/Maldistribution</li> <li>Impact on Other Providers</li> </ul>	SAR included 30 minute drive time table. 11 of 17 facilities within 30 minutes of the proposed project were below 90%. <b>Applicant received a negative finding.</b>	SAR included 45 minute drive time table. 18 of 26 facilities were below 90%. <b>Applicant received a negative finding.</b>
Admiral at the Lake, Chicago	Establishment/Removal of CCRC Variance	12-048	7/23/2012	Approved 7-1-1	<ul style="list-style-type: none"> <li>Service Demand</li> <li>Service Accessibility</li> <li>Unnecessary Duplication/Maldistribution</li> <li>Impact on Other Providers</li> <li>Size of the Project</li> <li>Reasonableness of Project Costs</li> </ul>	SAR included 30 minute drive time table. 73 of 107 facilities within 30 minutes of the proposed project were below 90%. <b>Applicants received a negative finding.</b>	SAR included 30 minute drive time table and noted because 73 of 107 facilities were below 90%, applicants could not meet this criterion. <b>Applicants received a negative finding</b>
Sedgebrook Health Center, Lincolnshire	Expansion/Removal of CCRC Variance	11-009	7/21/2011	Approved 8-0-1	<ul style="list-style-type: none"> <li>Size of Project</li> <li>Planning Area Need</li> <li>Unnecessary Duplication/Maldistribution</li> <li>Impact on Area Providers</li> </ul>	SAR included 30 minute drive time table. 36 of 47 facilities within 30 minutes of the proposed project were below 90%. <b>Applicants received a negative finding.</b>	SAR included 30 minute drive time table and noted because 36 of 47 facilities were below 90%, applicants could not meet this criterion. <b>Applicants received a negative finding</b>