

**ORIGINAL****LONG-TERM CARE  
APPLICATION FOR PERMIT**

13-057

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**  
This Section must be completed for all projects.**RECEIVED****DESCRIPTION OF PROJECT**

AUG 22 2013

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD****Project Type**

[Check one]

[check one]

- General Long-term Care
- Specialized Long-term Care

- Establishment of a new LTC facility
- Establishment of new LTC services
- Expansion of an existing LTC facility or service
- Modernization of an existing facility

**Narrative Description**

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

**Include: the number and type of beds involved; the actions proposed (establishment, expansion and/or modernization); the ESTIMATED total project cost and the funding source(s) for the project.**

The Applicant, Parkview Home of Freeport, proposes to expand their facility, an existing 30 bed licensed nursing care facility located at 1234 S Park Blvd., Freeport, IL 61032. The project includes the addition of 15 General Long Term Care beds in new construction contiguous to the existing facility as well as "modernization" of corridors connecting the existing facility to the new construction. Furthermore, the new construction includes the addition of 25 assisted living units.

Construction is estimated to commence on July 1<sup>st</sup>, 2014 and the facility is projected to open April 2016.

The proposed expansion project will contain 41,964 gross square feet of new construction and 1,034 gross square feet of modernized space and cost an estimated \$9,061,929 including contingencies. The contractor will be hired following the Board's issuance of a certificate of need permit.

The project is substantive because it includes the establishment of additional beds and it is not one of the non-substantive projects listed in Section 1110.40 nor an emergency project. There are no other components to the project other than the General Long Term Care component.

**Facility/Project Identification**

Facility Name: Parkview Home		
Street Address: 1234 S. Park Blvd.		
City and Zip Code: Freeport 61032		
County: Stephenson	Health Service Area: 1	Health Planning Area: Stephenson

**Applicant /Co-Applicant Identification****[Provide for each co-applicant [refer to Part 1130.220].**

Exact Legal Name: Parkview Home of Freeport IL, Inc.
Address: 1234 S. Park Blvd., Freeport, IL 61032
Name of Registered Agent: Debra Gitz
Name of Chief Executive Officer: Debra Gitz
CEO Address: 1234 S. Park Blvd.
Telephone Number: 815-232-8612

**Type of Ownership (Applicant/Co-Applicants)**

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

**APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Primary Contact****[Person to receive ALL correspondence or inquiries]**

Name: Debra Gitz
Title: Administrator
Company Name: Parkview Home
Address: 1234 S. Park Blvd., Freeport, IL 61032
Telephone Number: 815-232-8612
E-mail Address: dgitz@parkviewhome.org
Fax Number: 815-232-8686

**Additional Contact****[Person who is also authorized to discuss the application for permit]**

Name: Christopher J. Dials
Title: Director
Company Name: Revere Healthcare, Ltd.
Address: 112 Cary St., Cary IL 60013
Telephone Number: 847-516-4900 x312
E-mail Address: cdials@reverehc.com
Fax Number: 847-516-2260

**Post Permit Contact**

[Person to receive all correspondence subsequent to permit issuance. **This person must be an employee of the applicant.**]

Name: Debra Gitz
Title: Administrator
Company Name: Parkview Home
Address: 1234 S. Park Blvd., Freeport, IL 61032
Telephone Number: 815-232-8612
E-mail Address: dgitz@parkviewhome.org
Fax Number: 815-232-8686

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Parkview Home of Freeport IL, Inc.
Address of Site Owner: 1234 S. Park Blvd., Freeport, IL 61032
Street Address or Legal Description of Site: 1234 S. Park Blvd., Freeport, IL 61032
<b>Proof of ownership or control of the site is to be provided as . Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.</b>
<b>APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**Operating Identity/Licensee**

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: Parkview Home of Freeport IL, Inc.
Address: 1234 S. Park Blvd., Freeport, IL 61032
<input checked="" type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> <li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li> <li>o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li> <li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li> </ul>
<b>APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**Organizational Relationships**

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

<b>APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>
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**Flood Plain Requirements**

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at [www.FEMA.gov](http://www.FEMA.gov) or [www.illinoisfloodmaps.org](http://www.illinoisfloodmaps.org). **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS **ATTACHMENT -5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Historic Resources Preservation Act Requirements**

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT-6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**State Agency Submittals**

The following submittals are up- to- date, as applicable:

- All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
- All reports regarding outstanding permits

**If the applicant fails to submit updated information for the requirements listed above, the application for permit will be deemed incomplete.**

**CERTIFICATION**

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Parkview Home of Freeport IL, Inc.\* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

Kenneth A. Urban  
SIGNATURE  
Kenneth A. Urban  
PRINTED NAME  
President  
PRINTED TITLE

Kathy A. Moffatt  
SIGNATURE  
KATHY A. MOFFATT  
PRINTED NAME  
Board Member  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 20th day of August, 2013

Notarization:  
Subscribed and sworn to before me  
this 20th day of August, 2013

Debra Gitz  
Signature of Notary

Debra Gitz  
Signature of Notary



Seal



Seal

\*Insert EXACT legal name of the applicant

**SECTION II – PURPOSE OF THE PROJECT, AND ALTERNATIVES –  
INFORMATION REQUIREMENTS**

This Section is applicable to ALL projects.

**Criterion 1125.320 – Purpose of the Project**

**READ THE REVIEW CRITERION** and provide the following required information:

**PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project.
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

**NOTE:** Information regarding the "Purpose of the Project" will be included in the State Board Report. APPEND DOCUMENTATION AS **ATTACHMENT-10**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. Each item (1-6) must be identified in Attachment 10.

**Criterion 1125.330 – Alternatives**

**READ THE REVIEW CRITERION** and provide the following required information:

**ALTERNATIVES**

1. Identify **ALL** of the alternatives to the proposed project:
 

Alternative options **must** include:

  - a. Proposing a project of greater or lesser scope and cost;
  - b. Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
  - c. Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
  - d. Provide the reasons why the chosen alternative was selected.
2. Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long

term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3. The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

**APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**SECTION III – BED CAPACITY, UTILIZATION AND APPLICABLE REVIEW CRITERIA**

This Section is applicable to all projects proposing establishment, expansion or modernization of LTC categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each LTC category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

**Criterion 1125.510 – Introduction****Bed Capacity**

Applicants proposing to establish, expand and/or modernize General Long Term Care must submit the following information:

**Indicate bed capacity changes by Service:**

Category of Service	Total # Existing Beds*	Total # Beds After Project Completion
<input checked="" type="checkbox"/> General Long-Term Care	30	45
<input type="checkbox"/> Specialized Long-Term Care		
<input type="checkbox"/>		

\*Existing number of beds as authorized by IDPH and posted in the "LTC Bed Inventory" on the HFSRB website ([www.hfsb.illinois.gov](http://www.hfsb.illinois.gov)). PLEASE NOTE: ANY bed capacity discrepancy from the Inventory will result in the application being deemed incomplete.

**Utilization****Utilization for the most current CALENDAR YEAR:**

Category of Service	Year	Admissions	Patient Days
<input checked="" type="checkbox"/> General Long Term Care	2012	9	10,980
<input type="checkbox"/> Specialized Long-Term Care			

**Applicable Review Criteria - Guide**

The review criteria listed below must be addressed, per the LTC rules contained in 77 Ill. Adm. Code 1125. See HFSRB's website to view the subject criteria for each project type - (<http://hfsrb.illinois.gov>). To view LTC rules, click on "Board Administrative Rules" and then click on "77 Ill. Adm. Code 1125".

READ THE APPLICABLE REVIEW CRITERIA OUTLINED BELOW and submit the required documentation for the criteria, as described in SECTIONS IV and V:

**GENERAL LONG-TERM CARE**

PROJECT TYPE	REQUIRED REVIEW CRITERIA	
	Section	Subject
<b>Establishment of Services or Facility</b>	.520	Background of the Applicant
	.530(a)	Bed Need Determination
	.530(b)	Service to Planning Area Residents
	.540(a) or (b) + (c) + (d) or (e)	Service Demand – Establishment of General Long Term Care
	.570(a) & (b)	Service Accessibility
	.580(a) & (b)	Unnecessary Duplication & Maldistribution
	.580(c)	Impact of Project on Other Area Providers
	.590	Staffing Availability
	.600	Bed Capacity
	.610	Community Related Functions
	.620	Project Size
	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
Appendix A	Project Costs and Sources of Funds	
Appendix B	Related Project Costs	
Appendix C	Project Status and Completion Schedule	
Appendix D	Project Status and Completion Schedule	

<b>Expansion of Existing Services</b>	.520	Background of the Applicant
	.530(b)	Service to Planning Area Residents
	.550(a) + (b) or (c)	Service Demand – Expansion of General Long-Term Care
	.590	Staffing Availability
	.600	Bed Capacity
	.620	Project Size
	.640	Assurances
	.560(a)(1) through (3)	Continuum of Care Components
	.590	Staffing Availability
	.600	Bed Capacity
	.610	Community Related Functions

	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

<b>Continuum of Care - Establishment or Expansion</b>	.520	Background of the Applicant
	.560(a)(1) through (3)	Continuum of Care Components
	.590	Staffing Availability
	.600	Bed Capacity
	.610	Community Related Functions
	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

<b>Defined Population - Establishment or Expansion</b>	.520	Background of the Applicant
	.560(b)(1) & (2)	Defined Population to be Served
	.590	Staffing Availability
	.600	Bed Capacity
	.610	Community Related Functions
	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

<b>Modernization</b>	.650(a)	Deteriorated Facilities
	.650(b) & (c)	Documentation
	.650(d)	Utilization
	.600	Bed Capacity
	.610	Community Related Functions
	.620	Project Size
	.630	Zoning
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

<b>SPECIALIZED LONG-TERM CARE</b>
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PROJECT TYPE	REQUIRED REVIEW CRITERIA	
	Section	Subject
<b>Establishment of LTC Developmentally Disabled – (Adult)</b>	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(d)	Recommendations from State Departments
	.720(f)	Zoning
	.720(g)	Establishment of Beds – Developmentally Disable -Adult
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

<b>Establishment of LTC Developmentally Disabled - Children</b>	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(d)	Recommendations from State Departments
	.720(f)	Zoning
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost
		Appendix A
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

<b>Establishment of Chronic Mental Illness</b>	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(f)	Zoning
	.720(g)	Establishment of Chronic Mental Illness
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost

	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

<b>Establishment of Long Term Medical Care for Children</b>	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(e)	Long-Term Medical Care for Children-Category of Service
	.720(f)	Zoning
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

**SECTION IV - SERVICE SPECIFIC REVIEW CRITERIA****GENERAL LONG-TERM CARE****Criterion 1125.520 – Background of the Applicant****BACKGROUND OF APPLICANT**

The applicant shall provide:

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

**APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.**

**Criterion 1125.530 - Planning Area Need**

1. Identify the calculated number of beds needed (excess) in the planning area. See HFSRB website (<http://hfsrb.illinois.gov>) and click on "Health Facilities Inventories & Data".
2. Attest that the primary purpose of the project is to serve residents of the planning area and that at least 50% of the patients will come from within the planning area.
3. Provide letters from referral sources (hospitals, physicians, social services and others) that attest to total number of prospective residents (by zip code of residence) who have received care at existing LTC facilities located in the area during the 12-month period prior to submission of the application. Referral sources shall verify their projections and the methodology used, as described in Section 1125.540.

**APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Criterion 1125.540 - Service Demand – Establishment of General Long Term Care**

<ul style="list-style-type: none"><li>• <b>If the applicant is an existing facility wishing to establish this category of service or a new facility, #1 – 4 must be addressed. Requirements under #5 must also be addressed if applicable.</b></li></ul>
<ul style="list-style-type: none"><li>• <b>If the applicant is not an existing facility and proposes to establish a new general LTC facility, the applicant shall submit the number of annual projected referrals.</b></li></ul>
<ol style="list-style-type: none"><li>1. Document the number of referrals to other facilities, for each proposed category of service, for each of the latest two years. Documentation of the referrals shall include: resident/patient origin by zip code; name and specialty of referring physician or identification of another referral source; and name and location of the recipient LTC facility.</li><li>2. Provide letters from referral sources (hospitals, physicians, social services and others) that attest to total number of prospective residents (by zip code of residence) who have received care at existing LTC facilities located in the area during the 12-month period prior to submission of the application. Referral sources shall verify their projections and the methodology used.</li><li>3. Estimate the number of prospective residents whom the referral sources will refer annually to the applicant's facility within a 24-month period after project completion. Please note:<ul style="list-style-type: none"><li>• The anticipated number of referrals cannot exceed the referral sources' documented historical LTC caseload.</li><li>• The percentage of project referrals used to justify the proposed expansion cannot exceed the historical percentage of applicant market share, within a 24-month period after project completion</li><li>• Each referral letter shall contain the referral source's Chief Executive Officer's notarized signature, the typed or printed name of the referral source, and the referral source's address</li></ul></li><li>4. Provide verification by the referral sources that the prospective resident referrals have not been used to support another pending or approved Certificate of Need (CON) application for the subject services.</li><li>5. <b>If a projected demand for service is based upon rapid population growth in the applicant facility's existing market area</b> (as experienced annually within the latest 24-month period), the projected service demand shall be determined as follows:<ol style="list-style-type: none"><li>a. The applicant shall define the facility's market area based upon historical resident/patient origin data by zip code or census tract;</li><li>b. Population projections shall be produced, using, as a base, the population census or estimate for the most recent year, for county, incorporated place, township or community area, by the U.S. Bureau of the Census or IDPH;</li><li>c. Projections shall be for a maximum period of 10 years from the date the application is submitted;</li><li>d. Historical data used to calculate projections shall be for a number of years no less</li></ol></li></ol>

than the number of years projected;

- e. Projections shall contain documentation of population changes in terms of births, deaths and net migration for a period of time equal to or in excess of the projection horizon;
- f. Projections shall be for total population and specified age groups for the applicant's market area, as defined by HFSRB, for each category of service in the application (see the HFSRB Inventory); and
- g. Documentation on projection methodology, data sources, assumptions and special adjustments shall be submitted to HFSRB.

APPEND DOCUMENTATION AS **ATTACHMENT- 14**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

### Criterion 1125.550 - Service Demand – Expansion of General Long-Term Care

The applicant shall document #1 **and** either #2 or #3:

- 1. Historical Service Demand
  - a. An average annual occupancy rate that has equaled or exceeded occupancy standards for general LTC, as specified in Section 1125.210(c), for each of the latest two years.
  - b. If prospective residents have been referred to other facilities in order to receive the subject services, the applicant shall provide documentation of the referrals, including completed applications that could not be accepted due to lack of the subject service and documentation from referral sources, with identification of those patients by initials and date.
- 2. Projected Referrals  
The applicant shall provide documentation as described in Section 1125.540(d).
- 3. **If a projected demand for service is based upon rapid population growth in the applicant facility's existing market area** (as experienced annually within the latest 24-month period), the projected service demand shall be determined as described in Section 1125.540 (e).

APPEND DOCUMENTATION AS **ATTACHMENT- 15**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

### Criterion 1125.560 - Variances to Computed Bed Need

#### Continuum of Care:

The applicant proposing a continuum of care project shall demonstrate the following:

- 1. The project will provide a continuum of care for a geriatric population that includes independent living and/or congregate housing (such as unlicensed apartments, high rises for the elderly and retirement villages) and related health and social services. The housing complex shall be on the same site as the health facility component of the project.
- 2. The proposal shall be for the purposes of and serve only the residents of the housing complex

and shall be developed either after the housing complex has been established or as a part of a total housing construction program, provided that the entire complex is one inseparable project, that there is a documented demand for the housing, and that the licensed beds will not be built first, but will be built concurrently with or after the residential units.

3. The applicant shall demonstrate that:
  - a. The proposed number of beds is needed. Documentation shall consist of a list of available patients/residents needing the proposed project. The proposed number of beds shall not exceed one licensed LTC bed for every five apartments or independent living units;
  - b. There is a provision in the facility's written operational policies assuring that a resident of the retirement community who is transferred to the LTC facility will not lose his/her apartment unit or be transferred to another LTC facility solely because of the resident's altered financial status or medical indigency; and
  - c. Admissions to the LTC unit will be limited to current residents of the independent living units and/or congregate housing.

**Defined Population:**

The applicant proposing a project for a defined population shall provide the following:

1. The applicant shall document that the proposed project will serve a defined population group of a religious, fraternal or ethnic nature from throughout the entire health service area or from a larger geographic service area (GSA) proposed to be served and that includes, at a minimum, the entire health service area in which the facility is or will be physically located.
2. The applicant shall document each of the following:
  - a. A description of the proposed religious, fraternal or ethnic group proposed to be served;
  - b. The boundaries of the GSA;
  - c. The number of individuals in the defined population who live within the proposed GSA, including the source of the figures;
  - d. That the proposed services do not exist in the GSA where the facility is or will be located;
  - e. That the services cannot be instituted at existing facilities within the GSA in sufficient numbers to accommodate the group's needs. The applicant shall specify each proposed service that is not available in the GSA's existing facilities and the basis for determining why that service could not be provided.
  - f. That at least 85% of the residents of the facility will be members of the defined population group. Documentation shall consist of a written admission policy insuring that the requirements of this subsection (b)(2)(F) will be met.
  - g. That the proposed project is either directly owned or sponsored by, or affiliated with, the religious, fraternal or ethnic group that has been defined as the population to be served by the project. The applicant shall provide legally binding documents that prove ownership, sponsorship or affiliation.

APPEND DOCUMENTATION AS ATTACHMENT- 16 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Criterion 1125.570 - Service Accessibility****1. Service Restrictions**

The applicant shall document that **at least one** of the following factors exists in the planning area, as applicable:

- The absence of the proposed service within the planning area;
- Access limitations due to payor status of patients/residents, including, but not limited to, individuals with LTC coverage through Medicare, Medicaid, managed care or charity care;
- Restrictive admission policies of existing providers; or
- The area population and existing care system exhibit indicators of medical care problems, such as an average family income level below the State average poverty level, or designation by the Secretary of Health and Human Services as a Health Professional Shortage Area, a Medically Underserved Area, or a Medically Underserved Population.

**2. Additional documentation required:**

The applicant shall provide the following documentation, as applicable, concerning existing restrictions to service access:

- a. The location and utilization of other planning area service providers;
- b. Patient/resident location information by zip code;
- c. Independent time-travel studies;
- d. Certification of a waiting list;
- e. Admission restrictions that exist in area providers;
- f. An assessment of area population characteristics that document that access problems exist;
- g. Most recently published IDPH Long Term Care Facilities Inventory and Data (see [www.hfsrb.illinois.gov](http://www.hfsrb.illinois.gov)).

**APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Criterion 1125.580 - Unnecessary Duplication/Maldistribution**

1. The applicant shall provide the following information:
  - a. A list of all zip code areas that are located, in total or in part, within 30 minutes normal travel time of the project's site;
  - b. The total population of the identified zip code areas (based upon the most recent population numbers available for the State of Illinois); and
  - c. The names and locations of all existing or approved LTC facilities located within 30 minutes normal travel time from the project site that provide the categories of bed service that are proposed by the project.
2. The applicant shall document that the project will not result in maldistribution of services.
3. The applicant shall document that, within 24 months after project completion, the proposed project:
  - a. Will not lower the utilization of other area providers below the occupancy standards specified in Section 1125.210(c); and
  - b. Will not lower, to a further extent, the utilization of other area facilities that are currently (during the latest 12-month period) operating below the occupancy standards.

APPEND DOCUMENTATION AS ATTACHMENT- 18, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Criterion 1125.590 - Staffing Availability**

1. For each category of service, document that relevant clinical and professional staffing needs for the proposed project were considered and that licensure and JCAHO staffing requirements can be met.
2. Provide the following documentation:
  - a. The name and qualification of the person currently filling the position, if applicable; and
  - b. Letters of interest from potential employees; and
  - c. Applications filed for each position; and
  - d. Signed contracts with the required staff; or
  - e. A narrative explanation of how the proposed staffing will be achieved.

APPEND DOCUMENTATION AS ATTACHMENT- 19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Criterion 1125.600 Bed Capacity**

The maximum bed capacity of a general LTC facility is 250 beds, unless the applicant documents that a larger facility would provide personalization of patient/resident care and documents provision of quality care based on the experience of the applicant and compliance with IDPH's licensure standards (77 Ill. Adm. Code: Chapter I, Subchapter c (Long-Term Care Facilities)) over a two-year period.

**APPEND DOCUMENTATION AS ATTACHMENT- 20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Criterion 1125.610 - Community Related Functions**

The applicant shall document cooperation with and the receipt of the endorsement of community groups in the town or municipality where the facility is or is proposed to be located, such as, but not limited to, social, economic or governmental organizations or other concerned parties or groups. Documentation shall consist of copies of all letters of support from those organizations.

**APPEND DOCUMENTATION AS ATTACHMENT- 21, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Criterion 1125.620 - Project Size**

The applicant shall document that the amount of physical space proposed for the project is necessary and not excessive. The proposed gross square footage (GSF) cannot exceed the GSF standards as stated in Appendix A of 77 Ill. Adm. Code 1125 (LTC rules), unless the additional GSF can be justified by documenting one of the following:

1. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
2. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix A;
3. The project involves the conversion of existing bed space that results in excess square footage.

**APPEND DOCUMENTATION AS ATTACHMENT- 22, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Criterion 1125.630 - Zoning**

The applicant shall document **one** of the following:

1. The property to be utilized has been zoned for the type of facility to be developed;
2. Zoning approval has been received; or
3. A variance in zoning for the project is to be sought.

**APPEND DOCUMENTATION AS ATTACHMENT- 23, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Criterion 1125.640 - Assurances**

1. The applicant representative who signs the CON application shall submit a signed and dated statement attesting to the applicant's understanding that, by the second year of operation after the project completion, the applicant will achieve and maintain the occupancy standards specified in Section 1125.210(c) for each category of service involved in the proposal.
2. For beds that have been approved based upon representations for continuum of care (Section 1125.560(a)) or defined population (Section 1125.560(b)), the facility shall provide assurance that it will maintain admissions limitations as specified in those Sections for the life of the facility. To eliminate or modify the admissions limitations, prior approval of HFSRB will be required.

APPEND DOCUMENTATION AS ATTACHMENT- 24, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Criterion 1125.650 - Modernization**

1. If the project involves modernization of a category of LTC bed service, the applicant shall document that the bed areas to be modernized are deteriorated or functionally obsolete and need to be replaced or modernized, due to such factors as, but not limited to:
  - a. High cost of maintenance;
  - b. non-compliance with licensing or life safety codes;
  - c. Changes in standards of care (e.g., private versus multiple bed rooms); or
  - d. Additional space for diagnostic or therapeutic purposes.
2. Documentation shall include the most recent:
  - a. IDPH and CMMS inspection reports; and
  - b. Accrediting agency reports.
3. Other documentation shall include the following, as applicable to the factors cited in the application:
  - a. Copies of maintenance reports;
  - b. Copies of citations for life safety code violations; and
  - c. Other pertinent reports and data.
4. Projects involving the replacement or modernization of a category of service or facility shall meet or exceed the occupancy standards for the categories of service, as specified in Section 1125.210(c).

APPEND DOCUMENTATION AS ATTACHMENT- 25, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**SPECIALIZED LONG-TERM CARE****Criterion 1125.720 - Specialized Long-Term Care – Review Criteria**

**This section is applicable to all projects proposing specialized long-term care services or beds.**

**1. Community Related Functions**

Read the criterion and submit the following information:

- a. a description of the process used to inform and receive input from the public including those residents living in close proximity to the proposed facility's location;
- b. letters of support from social, social service and economic groups in the community;
- c. letters of support from municipal/elected officials who represent the area where the project is located.

**2. Availability of Ancillary and Support Services**

Read the criterion, which applies only to ICF/DD 16 beds and fewer facilities, and submit the following:

- a. a copy of the letter, sent by certified mail return receipt requested, to each of the day programs in the area requesting their comments regarding the impact of the project upon their programs and any response letters;
- b. a description of the public transportation services available to the proposed residents;
- c. a description of the specialized services (other than day programming) available to the residents;
- d. a description of the availability of community activities available to the facility's residents.
- e. documentation of the availability of community workshops.

**3. Recommendation from State Departments**

Read the criterion and submit a copy of the letters sent, including the date when the letters were sent, to the Departments of Human Services and Healthcare and Family Services requesting these departments to indicate if the proposed project meets the department's planning objectives regarding the size, type, and number of beds proposed, whether the project conforms or does not conform to the department's plan, and how the project assists or hinders the department in achieving its planning objectives.

**4. Long-term Medical Care for Children Category of Service**

Read the criterion and submit the following information:

- a. a map outlining the target area proposed to be served;
- b. the number of individuals age 0-18 in the target area and the number of individuals in the target area that require the type of care proposed, include the source documents for this estimate;
- c. any reports/studies that show the points of origin of past patients/residents admissions to the facility;

- d. describe the special programs or services proposed and explain the relationship of these programs to the needs of the specialized population proposed to be served.
- e. indicate why the services in the area are insufficient to meet the needs of the area population;
- f. documentation that the 90% occupancy target will be achieved within the first full year of

**5. Zoning**

Read the criterion and provide a letter from an authorized zoning official that verifies appropriate zoning.

**6. Establishment of Chronic Mental Illness**

Read the criterion and provide the following:

- a. documentation of how the resident population has changed making the proposed project necessary.
- b. indicate which beds will be closed to accommodate these additional beds.
- c. the number of admissions for this type of care for each of the last two years.

**7. Variance to Computed Bed Need for Establishment of Beds for Developmentally Disabled Placement of Residents from DHS State Operated Beds**

Read this criterion and submit the following information:

- a. documentation that all of the residents proposed to be served are now residents of a DHS facility;
- b. documentation that each of the proposed residents has at least one interested family member who resides in the planning area or at least one interested family member that lives out of state but within 15 miles of the planning area boundary where the facility is or will be located;
- c. if the above is not the case then you must document that the proposed resident has lived in a DHS operated facility within the planning area in which the proposed facility is to be located for more than 2 years and that the consent of the legal guardian has been obtained;
- d. a letter from DHS indicating which facilities in the planning area have refused to accept referrals from the department and the dates of any refusals and the reasons cited for each refusal;
- e. a copy of the letter (sent certified--return receipt requested) to each of the underutilized facilities in the planning area asking if they accept referrals from DHS-operated facilities, listing the dates of each past refusal of a referral, and requesting an explanation of the basis for each refusal;
- f. documentation that each of the proposed relocations will save the State money;
- g. a statement that the facility will only accept future referrals from an area DHS facility if a bed is available;
- h. an explanation of how the proposed facility conforms with or deviates from the DHS comprehensive long range development plan for developmental disabilities services.

**APPEND DOCUMENTATION AS ATTACHMENT-26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**SECTION V – FINANCIAL AND ECONOMIC FEASIBILITY REVIEW**

**Criterion 1125.800 Estimated Total Project Cost**

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Availability of Funds – Review Criteria
- Financial Viability – Review Criteria
- Economic Feasibility – Review Criteria, subsection (a)

**Availability of Funds**

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

<u>3,505,000</u>	<p>a. Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> <li>1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and</li> <li>2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;</li> </ol>
_____	<p>b. Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
_____	<p>c. Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<u>5,556,929</u>	<p>d. Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> <li>1. For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;</li> <li>2. For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</li> <li>3. For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;</li> <li>4. For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;</li> <li>5. For any option to lease, a copy of the option, including all terms and conditions.</li> </ol>

_____	e.	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f.	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g.	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
9,061,929	<b>TOTAL FUNDS AVAILABLE</b>	

**APPEND DOCUMENTATION AS ATTACHMENT-27, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Financial Viability**

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

**Financial Viability Waiver**

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

**APPEND DOCUMENTATION AS ATTACHMENT-28, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

1. The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion. When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
<b>Enter Historical and/or Projected Years:</b>				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and

applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

2. Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 29, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

## Economic Feasibility

This section is applicable to all projects

### A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

1. That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
2. That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
  - A. A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 1.5 times for LTC facilities; or
  - B. Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

### B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

1. That the selected form of debt financing for the project will be at the lowest net cost available;
2. That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
3. That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

### C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

Identify each area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY SERVICE									
Area (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
<b>TOTALS</b>									

\* Include the percentage (%) of space for circulation

**D. Projected Operating Costs**

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

**E. Total Effect of the Project on Capital Costs**

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

**APPEND DOCUMENTATION AS ATTACHMENT - 30, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (listed below)	A	B	C	D	E	F	G	H	
	Cost/Square Foot		Gross Sq. Ft.		Gross Sq. Ft.		Const. \$	Mod. \$	Total cost
	New	Mod.	New	Circ.	Mod.	Circ.	(A x C)	(B x E)	(G + H)
Nursing Care/Assited Living	\$ 208	\$ 208	41,964	-	1,034	-	\$ 8,739,584	\$215,345	\$ 8,954,929
Contingency	\$ 2	\$ 2	41,964	-	1,034	-	\$ 104,427	\$ 2,573	\$ 107,000
TOTALS	\$ 211	\$ 211	41,964	-	1,034	-	\$ 8,844,011	\$217,918	\$ 9,061,929

**APPENDIX A**

**Project Costs and Sources of Funds**

Complete the following table listing all costs associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>			
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
<b>TOTAL SOURCES OF FUNDS</b>			

**APPENDIX B****Related Project Costs**

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If yes, provide the dollar amount of all <b>non-capitalized</b> operating start-up costs (including operating deficits through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.		
Estimated start-up costs and operating deficit cost is \$ <u>190,000</u> .		

**APPENDIX C****Project Status and Completion Schedules**

Indicate the stage of the project's architectural drawings:

- |   |   |
|---|---|
| <input type="checkbox"/> None or not applicable | <input checked="" type="checkbox"/> Preliminary |
| <input type="checkbox"/> Schematics             | <input type="checkbox"/> Final Working          |

Anticipated project completion date (refer to Part 1130.140): April 2016

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

- Purchase orders, leases or contracts pertaining to the project have been executed.
- Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
- Project obligation will occur after permit issuance.

**APPENDIX D**

**Cost/Space Requirements**

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>CLINICAL</b>							
Total Review							
<b>NON CLINICAL</b>							
Total Non-clinical							
<b>TOTAL</b>							

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

<b>INDEX OF ATTACHMENTS</b>		
<b>ATTACHMENT NO.</b>		<b>PAGES</b>
1	Applicant/Co-applicant Identification including Certificate of Good Standing	33-34
2	Site Ownership	35-36
3	Operating Identity/Licensee	
4	Organizational Relationships	37-39
5	Flood Plain Requirements	40-41
6	Historic Preservation Act Requirements	42-44
	<b>General Information Requirements</b>	
10	Purpose of the Project	45-46
11	Alternatives to the Project	47-49
	<b>Service Specific - General Long-Term Care</b>	
12	Background of the Applicant	50-91
13	Planning Area Need	92-105
14	Establishment of General LTC Service or Facility	106-109
15	Expansion of General LTC Service or Facility	106-109
16	Variances	
17	Accessibility	110-117
18	Unnecessary Duplication/Maldistribution	118-121
19	Staffing Availability	122-125
20	Bed Capacity	126-127
21	Community Relations	128-160
22	Project Size	161-162
23	Zoning	163-165
24	Assurances	166-168
25	Modernization	169-170
	<b>Service Specific - Specialized Long-Term Care</b>	
26	Specialized Long-Term Care – Review Criteria	
	<b>Financial and Economic Feasibility:</b>	
27	Availability of Funds	171-174
28	Financial Waiver	
29	Financial Viability	175-195
30	Economic Feasibility	196-205
	<b>APPENDICES</b>	
A	Project Costs and Sources of Funds	206-207
B	Related Project Costs	
C	Project Status and Completion Schedule	
D	Cost/Space Requirements	208-209

# Attachment 1



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that*

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 05, 1914, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1308701700

Authenticate at: <http://www.cyberdriveillinois.com>

***In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 28TH day of MARCH A.D. 2013 .***

*Jesse White*

SECRETARY OF STATE

# Attachment 2

**CERTIFICATE OF STATUS OF EXEMPT PROPERTY  
ASSESSMENT YEAR 2013  
STEPHENSON COUNTY, ILLINOIS**



**Date: January 18, 2013**

In accordance with Section 15-10 of the Property Tax Code, Chapter 35 of the Illinois Compiled Statutes (35 ILCS 200/15-10), I submit this statement of status of the below described property. As property owner, owner of a beneficial interest in said property, corporate officer, or an authorized agent, I declare that as of January 1, 2013, there has been no change in ownership or use of said parcel since the time exemption was granted, except as noted.

**Address Correction**

**PARKVIEW HOME FOR THE AGED  
C/O GITZ DEBRA  
1234 S PARK BLVD  
FREEPORT IL 61032**

**Parcel Number: 18-13-35-477-011**

**Legal Description:  
PT E 1/2 SE SEC 35-27-7  
DOR DOCKET #85-89-61  
1234 S PARK BLVD**

**Filing Due Date: May 1, 2013**

**Please Print – Abbreviate if necessary  
Please make a copy for your records.**

**Nature of Change in Use (If Any):** \_\_\_\_\_

*N/A*

**Nature of Change in Ownership (If Any):** \_\_\_\_\_

*N/A*

If any part or parcel of the property listed as exempt is leased, loaned, or otherwise made available for profit, the property owner, owner of a beneficial interest in said property, corporate officer, or an authorized agent shall file, with the Chief County Assessment Office, a copy of all such leases or agreements at the time the certificate of affidavit is filed. Failure to file such documents shall, in the discretion of the Chief County Assessment Officer, constitute cause to terminate the exemption from taxation of that property, notwithstanding any other provision of this Act.

**Signature of Owner / Agent :** \_\_\_\_\_

*Debra Gitz*

**Printed Name of Owner / Agent :** \_\_\_\_\_

*Debra Gitz*

**Daytime Telephone Number:** \_\_\_\_\_

*815-232-8612*

**NOTE: FAILURE TO FILE THIS CERTIFICATE SHALL CONSTITUTE CAUSE TO TERMINATE THE EXEMPTION FROM TAXATION OF THIS PROPERTY.**

**This form must be returned to:**

**“Exemption Renewal”  
Chief County Assessment Office  
50 West Douglas Street, Ste #502  
Freeport, IL 61032  
Phone (815)235-8260**

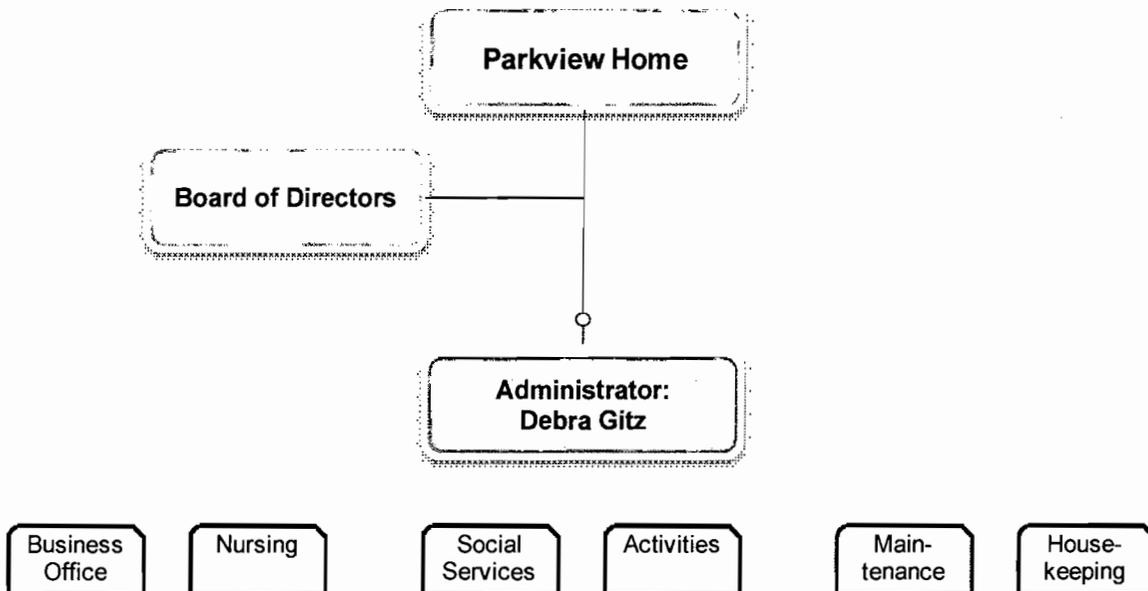
# Attachment 4

## **Applicant Information**

### Organizational Charts

See attached organizational chart for Parkview Home

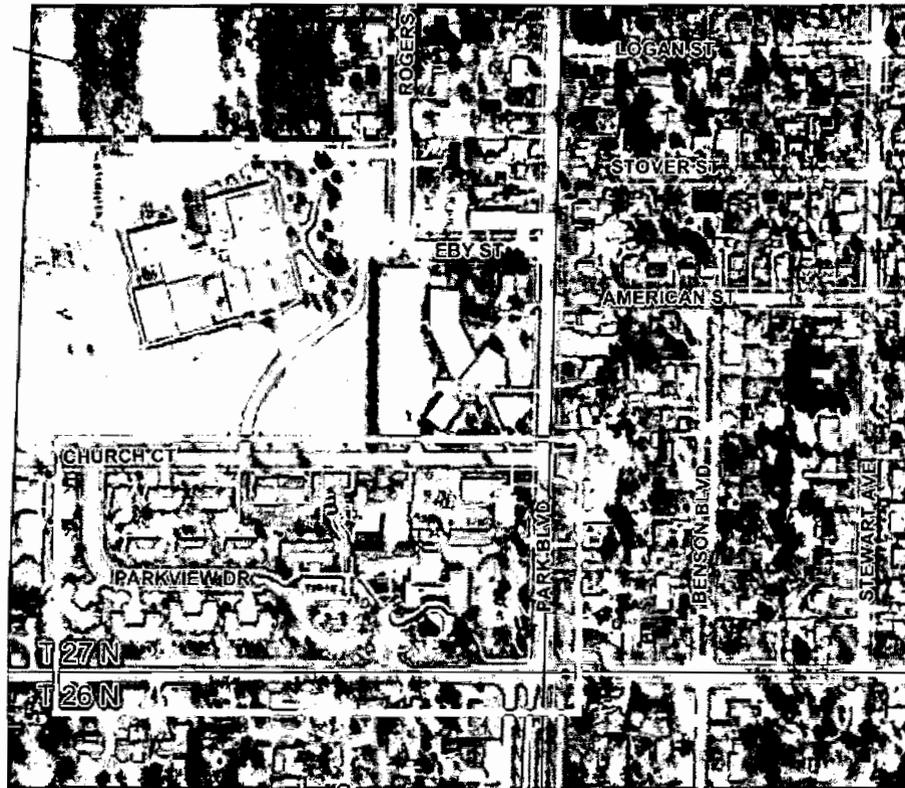
# Organizational Structure



# Attachment 5

## Flood Plain Map

The site is located in Panel #0180 of the Stephenson County DFIRM. The picture below is a subset of Panel #317 which depicts the site indicated by a red rectangle. The site is not in a Flood Hazard Area.



# Attachment 6



**Illinois Historic  
Preservation Agency**

FAX (217) 782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • [www.illinois-history.gov](http://www.illinois-history.gov)

Stephenson County  
Freeport

New Addition for Skilled Nursing Beds and Assisted Living Units, Parkview Home  
1234 S. Park Blvd.  
IHPA Log #032051313

July 17, 2013

Christopher Dials  
Revere Healthcare, Inc.  
112 Cary St.  
Cary, IL 60013

Dear Mr. Dials:

This letter is to inform you that we have reviewed the additional information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact me at 217/785-5027.

Sincerely,

Anne E. Haaker  
Deputy State Historic  
Preservation Officer



Illinois Historic  
Preservation Agency

FAX (217) 782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • [www.illinois-history.gov](http://www.illinois-history.gov)

Stephenson County  
Freeport

New Addition for Skilled Nursing Beds and Assisted Living Units, Parkview Home  
1234 S. Park Blvd.  
IHPA Log #032051313

May 29, 2013

Christopher Dials  
Revere Healthcare, Inc.  
112 Cary St.  
Cary, IL 60013

Dear Mr. Dials:

Thank you for requesting comments from our office concerning the possible effects of your project on cultural resources. Our comments are required by Section 4, Paragraph 133c21 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.).

Our staff has reviewed the specifications of the referenced project as submitted by your office. We cannot adequately review this proposed project until the following additional documentation has been submitted to our Agency:

Proposed site plan for proposed undertaking showing where new addition will be constructed, clearly labeled with the original date of construction for each area.

In your reply, please refer to IHPA Log #032051313. If you have any further questions, please contact me at 217/785-5027.

Sincerely,

*Anne E. Haaker*  
Anne E. Haaker  
Deputy State Historic  
Preservation Officer

44

# Attachment 10

## **Purpose of Project**

1. Parkview Home will and currently does provide nursing services to the elderly of Freeport and surrounding communities. However, Parkview seeks to expand its capacity as well as to add services such as Medicare certified skilled nursing care and assisted living.
2. The market area is planning area 1 - Stephenson County Illinois.
3. Existing problems that exist that will be addressed by the proposed project include:
  - Residents of Parkview Home currently must receive Medicare services at another facility in Freeport prior to returning to Parkview. By and large, these facilities have unacceptably low Medicare Star ratings.
  - Residents have expressed a desire to receive these services at Parkview Home.
  - Increased capacity will allow Parkview Home to meet isolation needs of residents returning from the hospital
4. Sources of information for above:

A full market research analysis was conducted by Clifton Larson Allen.

5. Detail of how the proposed project will address the above listed problems:

Parkview Home, as an existing non-profit provider of quality nursing care, seeks to address the above problems by expanding its existing facility to provide Medicare certified skilled nursing and rehabilitative care to its current long-term care residents returning from the hospital as well as to residents of Freeport and surrounding communities.

6. Goals with measurable objectives and timeframes:

Serve 10 residents requiring skilled nursing and rehabilitative services and discharge to home by 2017.

# Attachment 11

## Alternatives

Parkview Home has chosen to undertake a substantial expansion of its existing facility in Freeport, Illinois. The new construction will total 41,964 gross square feet. The facility will contain 15 all private skilled nursing rooms as 25 assisted living units. The total project will be constructed for \$9.06 million. The facility will be built specifically for the intended population requiring skilled nursing care. The project will allow Parkview Home to accomplish the following:

- deliver high quality skilled nursing care in an efficient manner
- deliver high quality rehabilitative care at substantially reduced cost compared to an acute care medical/surgical or acute care rehabilitation hospital

### Do nothing

Although this alternative is no longer recognized by the Board, doing nothing was rejected due to the restrictive size of Parkview Home, thereby prohibiting the applicant to meet the licensed skilled nursing care needs of residents of Parkview Home and of Freeport and surrounding communities.

### 1. Proposing a project of greater or lesser scope

The size of the facility being proposed meets the needs of the area in the most cost efficient method possible. The project as proposed combines substantial renovation of the existing facility coupled with new construction. The combination of renovation and new construction provides a modern physical plant at the lowest possible cost.

An expansion of smaller size is not practical as 5 or 10 beds would require a similar expenditure as the project for not much increase in capacity. A facility of larger size (eg 120 beds) would exceed the need of the service area. Replacing the existing physical plant with an entirely new facility would result in a total project cost of \$20+ million. This alternative was rejected due to the cost in excess of the combined modernization and construction proposed.

### 2. Pursuing a joint venture or similar arrangement with one or more providers

This was rejected because the applicant was not able to identify a suitable partner in Freeport. In addition to Parkview Home, several facilities are licensed for skilled nursing care. A joint venture between with a competitive would require substantial renovation of Pleasant View's physical plant, thereby conferring no benefit when compared to the expansion and renovation of Parkview Home. We estimate a total project cost of \$11-12 million or more for such an alternative, presuming that all parties could come to an agreement.

### 3. Developing alternative settings to meet all or a portion of the project's intended purposes

Parkview Home currently provides assisted living services, which is the primary alternative to licensed skilled nursing beds. The expansion will improve Parkview Home's assisted living services; therefore, this alternative setting is being developed to meet a portion of the project's intended purposes.

### 4. Utilizing other LTC resources that are available to serve all or a portion of the population proposed to be served by the project.

Utilizing other licensed skilled nursing facilities was addressed in option 2 above. Outside of these facilities, home health care and adult day health care agencies are already utilized by area hospitals. However, these home and community based alternatives do not meet the need for a high quality provider of 24-hour nursing, rehabilitation, and supervision in a modern facility in Freeport.

Caring for a patient of this acuity would require bringing staffing, equipment, and supplies into the home setting, coupled with frequent transportation to and from the physician's office, therapy, and so on. We believe that Parkview Home's provision of 24-hour skilled nursing and rehabilitation services is the most efficient method of service delivery, but lack the ability to analyze these costs. As such, this alternative was rejected.

# Attachment 12

Name	Mailing Address	Home	Work	Fax	E-Mail Address	Cell
<u>Kenneth A. Urban, President (Sally)</u>	<u>1105 Oakhill Drive</u>	<u>541-0786</u>	<u>233-3622</u>	<u>235-7140</u>	<u>ks.urban@hotmail.com</u>	<u>541-0786</u>
<u>Carl A. Zulke, Vice Pres. (Shirley)</u>	<u>2479 Royal Oaks Drive</u>	<u>232-7765</u>			<u>zulkecs@comcast.net</u>	<u>990-6104</u>
<u>Betty Felder, Secretary (Sidney)</u>	<u>2105 Revere</u>	<u>235-3806</u>			<u>sbfeld@comcast.net</u>	
<u>Carol Wilhelms, Treasurer (Darrrell)</u>	<u>1020 N. Mesa Dr.</u>	<u>235-2576</u>	<u>275-1860</u>		<u>peachconsulting1@aol.com</u>	
<u>Kay Brooks (Joel)</u>	<u>14072 W. Springdale, Forreston</u>	~~~~~	<u>599-6352</u>	<u>599-6687</u>	<u>kbrooks@fhn.org</u>	<u>541-6333</u>
<u>Robert Dahms (Erin)</u>	<u>60 N. Westwood</u>	<u>233-5192</u>	<u>232-4914</u>	<u>235-0814</u>	<u>bdahms@computerdyn.com</u>	<u>238-5565</u>
<u>Colleen Fenn (Andrew)</u>	<u>4248 Autumn Lane</u>	<u>233-5434</u>	<u>233-2000</u>	<u>866-947-4211</u>	<u>cfenn@metlife.com</u>	<u>275-6378</u>
<u>George Hiveley</u>	<u>50 Park Crest Dr.</u>	<u>233-1044</u>			<u>cghiveley@aol.com</u>	
<u>Joanne Lammers (Thomas)</u>	<u>3443 Daren Dr.</u>	<u>235-1278</u>			<u>jlammers4@yahoo.com</u>	<u>275-2190</u>
<u>Cheryl Lessman (Lonnie)</u>	<u>P.O. Box 660</u>	<u>235-7324</u>	<u>233-3620</u>		<u>cheryl.lessman@53.com</u>	
<u>Tim Mahoney (Lisa)</u>	<u>50 W. Douglas St., Suite 300</u>	<u>232-6031</u>	<u>235-1515</u>	<u>235-9657</u>	<u>tim@mahoneyandhauser.com</u>	
<u>Heather McPherson</u>	<u>1720 Hance Dr.</u>	<u>238-1664</u>	<u>235-4411</u>	<u>335-8660</u>	<u>hm@mcphersonlaw.com</u>	
<u>Kathy Moffatt (Keith)</u>	<u>P.O. Box 30</u>	<u>233-5159</u>	<u>235-8563</u>	<u>235-9459</u>	<u>Kathy.A.Moffatt@usbank.</u>	<u>541-5158</u>
<u>DuWayne Pople (Martha)</u>	<u>216 N. Fairview Ave.</u>	<u>233-9668</u>			<u>md.pople@gmail.com</u>	<u>541-9668</u>
<u>Steenrod, David (Ellen)</u>	<u>1340 S. Park Blvd.</u>	<u>232-6917</u>			<u>davest1@comcast.net</u>	<u>541-6917</u>
<u>Dr. Frank Weldele (Sherry)</u>	<u>610 S. Parkcrest Dr.</u>	<u>616-9779</u>	<u>233-3277</u>	<u>232-2268</u>	<u>weldele@gmail.com</u>	<u>616-9779</u>
<u>Stan Zuravel (Meg)</u>	<u>2279 Yellow Creek Rd.</u>	<u>233-0038</u>	<u>297-6261</u>	<u>235-1940</u>	<u>szuravel@indsolutions.com</u>	<u>238-3935</u>
<u>Margaret Hoefle, P.V. Neighbors Pres.</u>	<u>1733 Parkview Dr.</u>					
<u>Debra Gitz, Administrator</u>	<u>4774 S. Hamm Rd.</u>	<u>235-2483</u>	<u>232-8612</u>	<u>232-8686</u>	<u>dgitz@parkviewhome.org</u>	<u>541-8610</u>

\*\*\*\*\*

# Attachment 12

## Item 1

DISPLAY THIS PART IN A CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION

**LICENSE, PERMIT, CERTIFICATION, REGISTRATION**

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

**L.A. MARSH-BRONCK, MD, MPH**  
DIRECTOR  
Issued under the authority of  
The State of Illinois  
Department of Public Health

**State of Illinois 2104837**  
**Department of Public Health**

EXPIRATION DATE	CATEGORY	ID NUMBER
10/28/2013	B6BE	0012526
LONG TERM CARE LICENSE SKILLED SHELTERED		
UNRESTRICTED 073 TOTAL BEDS		

BUSINESS ADDRESS  
LICENSEE

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.  
PARKVIEW HOME-FREEPORT  
1234 SOUTH PARK BOULEVARD  
FREEPORT, IL 61032  
ESPEY/ELINE/DAVE/2012/2104837/Authority of the State of Illinois 9/07

State of Illinois 2104837  
Department of Public Health  
LICENSE, PERMIT, CERTIFICATION, REGISTRATION

EXPIRATION DATE	CATEGORY	ID NUMBER
10/28/2013	B6BE	0012526
LONG TERM CARE LICENSE SKILLED SHELTERED		
UNRESTRICTED 073 TOTAL BEDS		

REGION 1

09/21/12

PARKVIEW HOME-FREEPORT  
1234 SOUTH PARK BOULEVARD  
FREEPORT IL 61032

FEE RECEIPT NO.

# Attachment 12

## Item 2



April 5, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Heather McPherson  
1720 Hance Drive  
Freeport, IL 61032

April 5, 2013

STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF STEPHENSON    )

The undersigned, a notary public in and for the above county and state certifies that Heather McPherson known to me to be the same person whose name is signed above.

DATED: Apr. 15 2013      *Amy R Kaiser*

Seal:

55

April 5, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

  
\_\_\_\_\_  
Gregory A. Dunham

1550 W. Stephenson, Freeport, IL 61032  
Address

April 5, 2013  
Date

STATE OF ILLINOIS )

)SS.

COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Gregory Dunham known to me to be the same person whose name is signed above.

DATED: 4/5/13   
Notary Public

Seal:



56



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Cheryl L. Lessman  
Name

805 S. Park Blvd, Freeport, IL 61032  
Address

4/23/13  
Date

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON    )

The undersigned, a notary public in and for the above county and state certifies that Cheryl L. Lessman known to me to be the same person whose name is signed above.

DATED: 4/23/13

Debra Gitz  
Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Betty Felder  
Name

2105 W. Revere St. Freeport, IL 61032  
Address

4-9-2013  
Date

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Betty Felder known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Gitz  
Notary Public

Seal:







April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Kenneth A. Urban  
Name

1105 Oakhill Dr. Freeport, IL 61032  
Address

4/9/13  
Date

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON    )

The undersigned, a notary public in and for the above county and state certifies that Kenneth A. Urban known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Citz  
Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

*Carol Wilhelms*

Name

*1020 N. Mesa Dr, Freeport, IL 61032*

Address

*4/9/13*

Date

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that  
known to me to be the same person whose name is signed above.

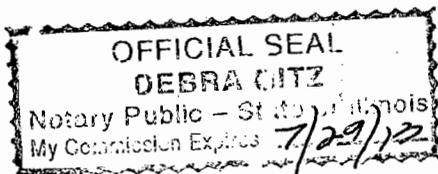
*Carol Wilhelms*

DATED: *4/9/13*

*Debra Citz*

Notary Public

Seal:



61







April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a)3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Name

60 N. Westwood, Freeport, IL 61032

Address

4-9-13

Date

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that

Robert Dahms

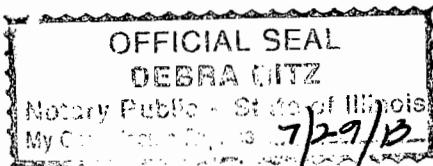
known to me to be the same person whose name is signed above.

DATED:

4/9/13

Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

*Dwight D. People*  
Name

*211 N. FAIRVIEW AV FREEPORT IL*  
Address

*4-9-13*  
Date

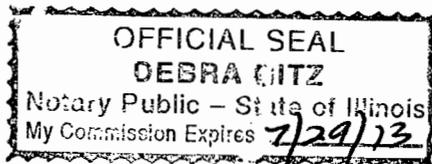
STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON    )

The undersigned, a notary public in and for the above county and state certifies that *Dwight D. People* known to me to be the same person whose name is signed above.

DATED: *4/9/13*

*Debra Citz*  
Notary Public

Seal:



05



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230 a.)3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

David A. Steenrod  
Name

1340 S. Park Blvd, Freeport, IL 61032  
Address

4-9-13  
Date

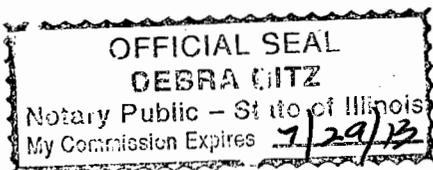
STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that David A. Steenrod known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Gitz  
Notary Public

Seal:



66



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

*Henry J. Waddell, Ph.D.* 4/9/13



*Debra Gitz*  
4/9/13



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

George H. Hively  
Name

50 PARK CREST  
Address  
FREEPORT, ILL. 61032

4-22-13  
Date

STATE OF ILLINOIS )  
                                  ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that George Hively known to me to be the same person whose name is signed above.

DATED: 4/22/13

Debra Citz  
Notary Public

Seal:







April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

Please be advised that no adverse action as defined under 1110.230.a)3)B has been taken against Parkview Home or against any health care facility owned or operated by Parkview Home, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Colleen Fenn  
Name

4248 Autumn Lane Freeport IL 61032  
Address

4/22/13  
Date

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Colleen Fenn known to me to be the same person whose name is signed above.

DATED: 4/22/13

Debra Gitz  
Notary Public

Seal:





# Attachment 12

## Item 3



April 5, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Heather McPherson  
1720 Hance Drive  
Freeport, IL 61032

April 5, 2013

STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Heather McPherson known to me to be the same person whose name is signed above.

DATED: April 5 2013        Amy R Kaiser

Notary Public

Seal:



April 5, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,



Gregory A. Dunham

1550 W. Stephenson, Freeport, IL 61032

Address

April 5, 2013

Date

STATE OF ILLINOIS )

)SS.

COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that

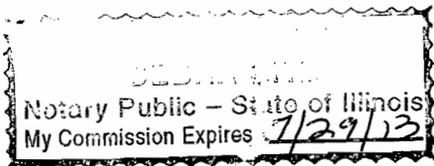
Gregory Dunham

known to me to be the same person whose name is signed above.

DATED: 4/5/13 Debra Gitz

Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Cheryl L. Lessman  
Name

805 S. Park Blvd, Freeport, IL 61032  
Address

4/23/13  
Date

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Cheryl L. Lessman known to me to be the same person whose name is signed above.

DATED: 4/23/13

Debra Citz  
Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Betty Felder  
Name

2105 W. Revere St. Freeport, IL 61032  
Address

4-9-2013  
Date

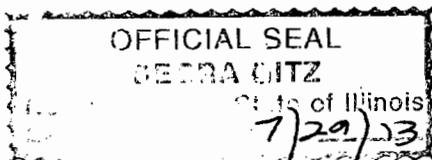
STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Betty Felder known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Jitz  
Notary Public

Seal:







April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Kenneth A. Urban  
Name

1105 Oak Hill Dr. Freeport, IL 61032  
Address

4/9/13  
Date

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Kenneth A. Urban known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Gitz  
Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Carol Wilhelm  
Name

1020 N. Mesa Dr. Freeport IL 61032  
Address

4/9/13  
Date

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

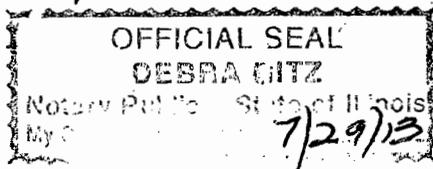
The undersigned, a notary public in and for the above county and state certifies that

Carol W. Wilhelm  
known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Gitz  
Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Joanne Lammers  
Name

3443 Daren Dr Freeport IL 61032  
Address

4-9-13  
Date

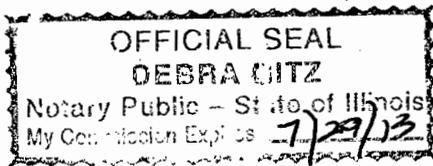
STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Joanne Lammers known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Gitz  
Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

*Stan Zurek*

Name

210 PARK CREST DR, FREEPORT, IL

Address

4/9/13

Date

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that

*Stan Zurek*

known to me to be the same person whose name is signed above.

DATED:

4/9/13

Notary Public

*Debra Lutz*

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Name

60 N. Westwood, Freeport IL

Address

Date

4-9-13

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that

Robert Dahms

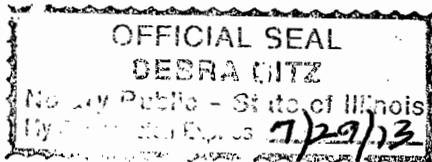
known to me to be the same person whose name is signed above.

DATED:

4/9/13

Notary Public

Seal:



83



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

  
Name

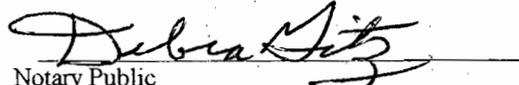
216 N. Fairview Av Freeport IL  
Address

4-9-13  
Date

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that DuWayne Poole known to me to be the same person whose name is signed above.

DATED: 4/9/13

  
Notary Public

Seal:





April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

David A. Stearnod  
Name

1340 S. Park Blvd Freeport, IL 61032  
Address

4-9-13  
Date

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON    )

The undersigned, a notary public in and for the above county and state certifies that David A. Stearnod known to me to be the same person whose name is signed above.

DATED: 4/9/13

Debra Gitz  
Notary Public

Seal:



85



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

*Frank J. Winkler, Ph.D.* 4/9/13



*Debora Litz*  
4/9/13



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

George H. Hively  
Name

50 PARK CREST  
Address  
FREEPORT, ILL 61032

4-22-13  
Date

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that George Hively known to me to be the same person whose name is signed above.

DATED: 4/22/13

Debra Citz  
Notary Public

Seal:



88



April 9, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL 62761

RE: Parkview Home of Freeport

I authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Parkview Home Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Kathy A Moffatt  
Name  
4/22/13

2123 Timber Tr, Freeport  
Address

Date

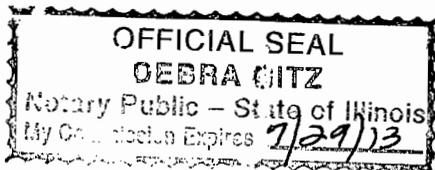
STATE OF ILLINOIS )  
) SS.  
COUNTY OF STEPHENSON )

The undersigned, a notary public in and for the above county and state certifies that Kathy Moffatt known to me to be the same person whose name is signed above

DATED: 4/22/13

Debra Jitz  
Notary Public

Seal:



89





# Attachment 13

## Criterion 1125.530 – Planning Area Need

### 1. Bed Need Determination 1125.530(a)

According to the *Inventory of Health Care Facilities and Services and Need Determinations 2011*, or "2011 Inventory", a bed need exists in Planning Area 1 – Stephenson County. The bed need stands at 2 beds as of the *2011 Inventory*.

As of the latest update to 2011 Inventory of LTC Facilities, this planning area has the following need/(surplus):

83 bed surplus

Although the 15 beds established by the project is not in conformance with the projected bed need, the de minimis number of beds requested will not exacerbate the surplus substantially. Including the proposed project's 15 beds, there will be an increase in the calculated surplus to 98 beds as a result of the project.

The relevant pages of the 2011 Inventory and the latest update are included as **Attachment 13 Item 1**.

### 2. Service to Planning Area Residents 1125.530(b)

The applicant attests that over 50% of projected residents of the long term care facility will come from Planning Area 1 - Stephenson County.

The primary service area for this project is Planning Area 1 – Stephenson County. The secondary market is those residents residing within a 30-minute drive time of the facility. As the proposed project expands capacity by 15 beds, Parkview Home will provide necessary long-term care services to the primary and secondary service areas.

The ZIP code listing and planning area map are provided in **Attachment 13 Item 2**.

### 3. Projected Referrals 1125.540(d)

FHN Memorial Hospital estimates referrals to long-term care facilities at 783 patients in the year ending December 31, 2012. Furthermore, FHN Memorial Hospital estimates referrals to Parkview Home to be 6-12 per year.

A letter from FHN Memorial Hospital that attest to the total number of prospective residents referrals is attached as **Attachment 13 Item 3**. A letter from FHN Memorial Hospital documenting these referrals are attached as in the following section as **Attachment 14 Item 3**. The originals of these letters were sent directly to the HFSRB and cannot be included in this application. Copies are provided herein.

The project received letters of support from physicians pledging 28-45 referrals per year. A total of 4 physician letters were received for this project. These letters are provided as **Attachment 13 Item 4**. Additional physician letters were received that pledge support for the project but did not detail the number of referrals. These letters are included in Attachment 21.

# Attachment 13

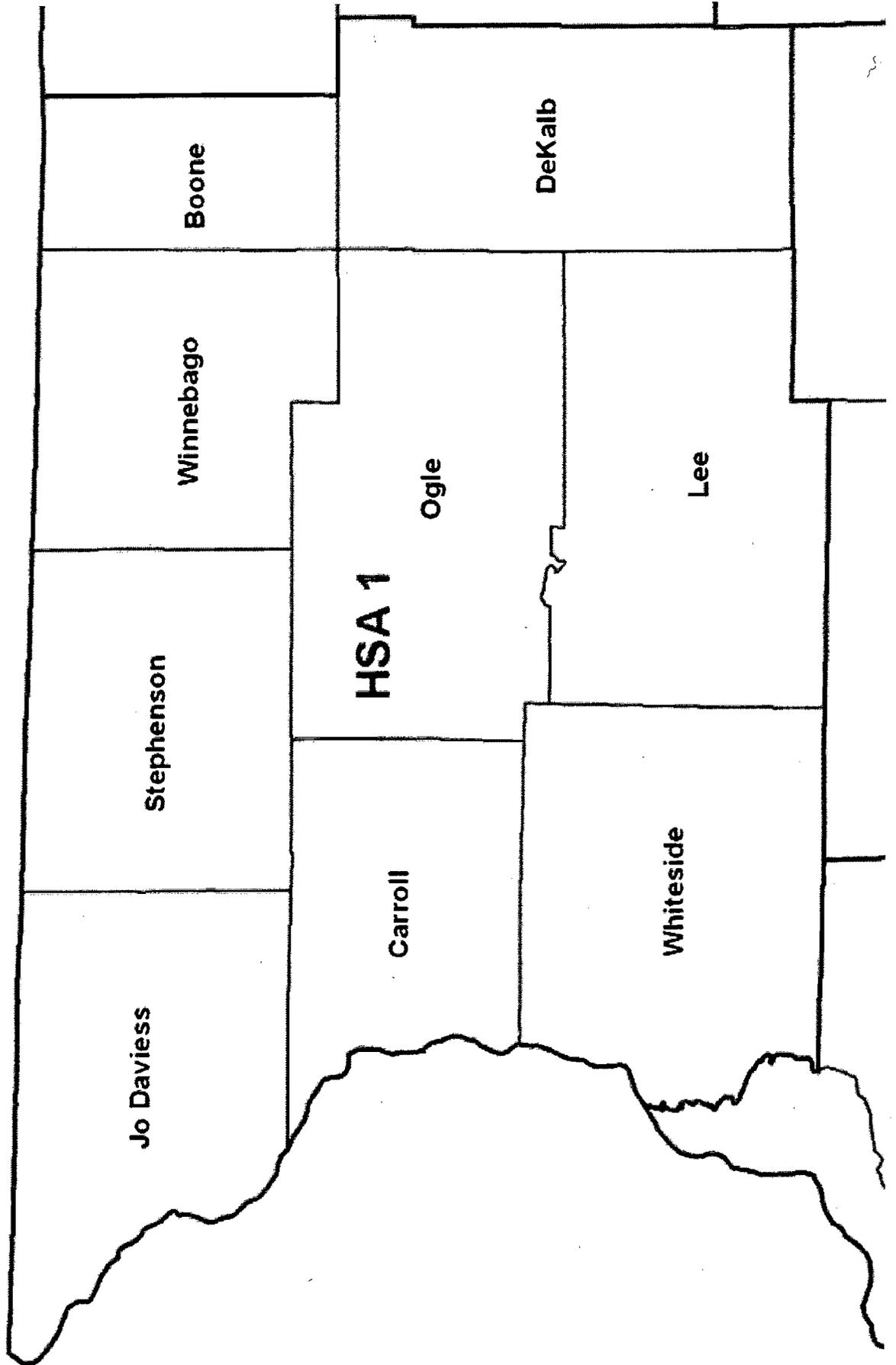
## Item 1



# Attachment 13

## Item 2

### Health Service Area 1



## ZIP Code Radius Finder and Search

**25 mile radius of 61032, FREEPORT, IL** [Printable Version](#) [Driving Distance & Directions](#)[Get the U.S. ZIP Code Database](#)[Add the Radius Finder tool to your website](#)

#	Zip	City	County	St	Country	Distance	
1	61032	FREEPORT	STEPHENSON	IL	US	0.00 miles	
2	61013	CEDARVILLE	STEPHENSON	IL	US	3.44 miles	
3	61027	ELEROY	STEPHENSON	IL	US	6.65 miles	
4	61018	DAKOTA	STEPHENSON	IL	US	7.31 miles	
5	61067	RIDOTT	STEPHENSON	IL	US	8.16 miles	
6	61050	MC CONNELL	STEPHENSON	IL	US	8.85 miles	
7	61007	BAILEYVILLE	OGLE	IL	US	9.00 miles	
8	61070	ROCK CITY	STEPHENSON	IL	US	10.07 miles	
9	61060	ORANGEVILLE	STEPHENSON	IL	US	10.30 miles	
10	61048	LENA	STEPHENSON	IL	US	10.96 miles	
11	61062	PEARL CITY	STEPHENSON	IL	US	11.54 miles	
12	61039	GERMAN VALLEY	STEPHENSON	IL	US	11.87 miles	
13	61019	DAVIS	STEPHENSON	IL	US	12.54 miles	
14	61078	SHANNON	CARROLL	IL	US	12.79 miles	
15	61089	WINSLOW	STEPHENSON	IL	US	13.66 miles	
16	61044	KENT	STEPHENSON	IL	US	13.71 miles	
17	61030	FORRESTON	OGLE	IL	US	14.37 miles	
18	61063	PECATONICA	WINNEBAGO	IL	US	14.89 miles	
19	61077	SEWARD	WINNEBAGO	IL	US	15.19 miles	
20	61047	LEAF RIVER	OGLE	IL	US	16.15 miles	
21	61046	LANARK	CARROLL	IL	US	17.47 miles	
22	53550	JUDA	GREEN	WI	US	18.19 miles	
23	61088	WINNEBAGO	WINNEBAGO	IL	US	18.36 miles	
24	61024	DURAND	WINNEBAGO	IL	US	19.03 miles	
25	53522	BROWNTOWN	GREEN	WI	US	19.19 miles	
26	61059	NORA	JO DAVIESS	IL	US	19.26 miles	
27	53566	MONROE	GREEN	WI	US	19.83 miles	
28	61085	STOCKTON	JO DAVIESS	IL	US	20.91 miles	
29	61087	WARREN	JO DAVIESS	IL	US	21.07 miles	
30	61054	MOUNT MORRIS	OGLE	IL	US	21.17 miles	
31	53587	SOUTH WAYNE	LAFAYETTE	WI	US	22.37 miles	
32	61053	MOUNT CARROLL	CARROLL	IL	US	22.82 miles	
33	61010	BYRON	OGLE	IL	US	23.12 miles	
34	61064	POLO	OGLE	IL	US	23.24 miles	
35	61079	SHIRLAND	WINNEBAGO	IL	US	23.65 miles	
36	61051	MILLEDGEVILLE	CARROLL	IL	US	23.78 miles	
37	53520	BRODHEAD	GREEN	WI	US	23.97 miles	
38	61101	ROCKFORD	WINNEBAGO	IL	US	24.72 miles	
39	61102	ROCKFORD	WINNEBAGO	IL	US	24.87 miles	
#	Zip	City	County	St	Country	Distance	

# Attachment 13

## Item 3

April 15, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need Application.

As Chief Executive Officer of FHN Memorial Hospital, I am familiar with the need to ensure quality health care for a growing population of elderly residents.

Our hospital draws patients from the communities to be served by Parkview Home of Freeport, Illinois. Being able to discharge our patients to licensed nursing facility beds closer to home is a surely desired goal for elderly patients and the families that care for them.

Our hospital referred 783 patients to area long term care facilities in 2012. Approximately 7% of patients referred to licensed nursing care are from Freeport, and the remaining 28% are from surrounding communities.

We anticipate that Parkview Home will become a discharge destination for some of our patients, and we look forward to the increased access to high quality long term care that will be provided as a result of Parkview Home's proposed project.

We would anticipate referring 6 to 12 patients annually to Parkview Home within a 24 month period after the project is completed.

These projected patient referrals:

- \* Do not exceed our Hospital's total discharges to long term care during the time period referenced above.
- \* Have not been used to support another pending or approved CON application.

Sincerely,

CEO's Notarized Signature:

Michael R. Perry  
CEO

MRP/kt

# Attachment 13

## Item 4

April 15, 2013

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

RE: Projected and Historical Referrals  
Parkview Home of Freeport

As a physician serving Freeport and surrounding communities, I intend to utilize the new 15-bed addition for Parkview Home, a 30-bed licensed nursing facility located in Freeport, Illinois.

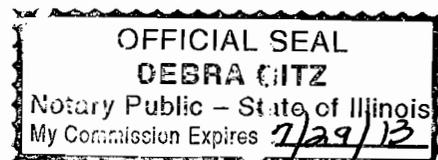
I estimate that after the project is completed, I will refer approximately 20 patients annually to Parkview Home in the twenty-four months following its completion. These patients would come from within Health Service Area 1, Stephenson County, where the facility is located.

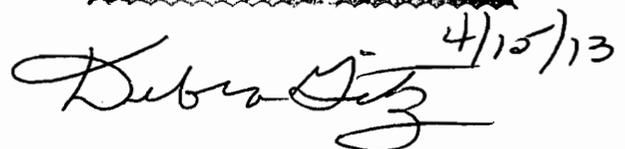
In the past twelve months, I have referred approximately 12-15 patients to other long-term care facilities. The ZIP code of residence of those patients is not readily available, but my practice serves primarily patients in the immediate area.

I verify that, to the best of my knowledge, I have not used the above-mentioned referrals to support another pending CON application for a long-term care facility.

  
Sincerely,

Allen Workman, MD  
FHN Family Healthcare Center  
3001 Highland View Drive  
Freeport, IL 61032



  
4/15/13

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

RE: Projected and Historical Referrals  
Parkview Home of Freeport

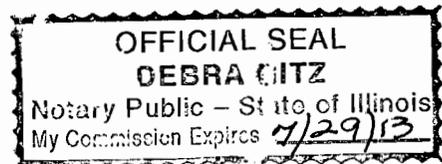
As a physician serving Freeport and surrounding communities, I intend to utilize the new 15-bed addition for Parkview Home, a 30-bed licensed nursing facility located in Freeport, Illinois.

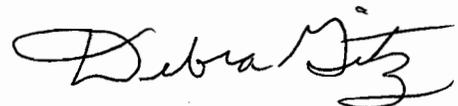
I estimate that after the project is completed, I will refer approximately 10 patients annually to Parkview Home in the twenty-four months following its completion. These patients would come from within Health Service Area 1, Stephenson County, where the facility is located.

In the past twelve months, I have referred approximately 5 patients to other long-term care facilities. The ZIP code of residence of those patients is not readily available, but my practice serves primarily patients in the immediate area.

I verify that, to the best of my knowledge, I have not used the above-mentioned referrals to support another pending CON application for a long-term care facility.

Sincerely,  
  
4/22/13







04/10/2013

Chairman Dale Galassie  
Illinois Health Facilities and Services Review Board  
525 W. Jefferson St.  
2nd Floor  
Springfield, IL 62761

Re: Projected and historical referrals and Parkview Home of Freeport

Dear Mr. Galassie:

As a physician serving Freeport and the surrounding communities, I intend to utilize the new 15-bed addition for Parkview Home, a 30-bed licensed nursing facility located in Freeport, Illinois.

I estimate that after the project is completed, I will refer approximately 6 to 10 patients annually to Parkview Home in the 24 months following its completion. These patients would come from within health service area 1, Stephenson County, where the facility is located.

I verify that to the best of my knowledge, I have not used the above-mentioned referrals to support another pending CON application for a long-term facility.

Sincerely,

Vivek Menta, MD

VM/MedQ Job #: 15251/558899142  
DD: 04/10/2013 14:26:47  
DT: 04/11/2013 14:54:02



Family Healthcare Center  
1036 W. Stephenson Street, Freeport, Illinois 61032  
Phone: 815-599-6000 Toll Free: 877-484-8084  
Website: [www.fhn.org](http://www.fhn.org)

ORIGINAL

104



04/10/2013

Chairman Dale Galassie  
Illinois Health Facilities and Service Review Board  
525 W. Jefferson St., 2nd Floor  
Springfield, IL 62761

Re: Projected and historical referrals, Parkview Home of Freeport

Dear Mr. Galassie:

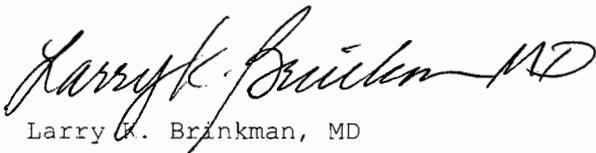
As a physician serving Freeport and surrounding communities, I intend to utilize the new 15-bed addition for Parkview Home, a 30-bed licensed nursing facility located in Freeport, Illinois.

I estimate that after the project is completed I will refer approximately 15 patients annually to Parkview Home in the 24 months following its completion. These patients would come from within health service area number 1 Stephenson County where the facility is located.

In the past 12 months I have referred approximately 50 patients to other long-term facilities. The zip code of residence of those patients is not readily available but my practice serves primarily patients in the immediate area.

I verify that to the best of my knowledge, I have not used the above-mentioned referrals to support another pending CON application for a long-term care facility.

Sincerely,



Larry K. Brinkman, MD

LKB/MedQ Job #: 2421/558770502  
DD: 04/10/2013 17:30:05  
DT: 04/10/2013 18:21:31



Family Healthcare Center - Burchard Hills  
1010 West Fairway Drive, Freeport, Illinois 61032  
Phone: 815-599-6000 Toll Free: 877-484-8084  
Website: [www.fhn.org](http://www.fhn.org)

ORIGINAL

105

# Attachment 14

## Criterion 1125.540 Service Demand – Establishment of General Long Term Care

1. N/A
2. A letter from FHN Memorial Hospital that attest to the total number of prospective residents are attached previously as **Attachment 13 Item 3**.
3. FHN Memorial Hospital estimates referrals to long-term care facilities at 783 patients in the year ending December 31, 2012. Furthermore, FHN Hospital estimates referrals to Parkview Home of Freeport to be 6-12 per year. To support the need for this project, project referrals from FHN Memorial Hospital is attached as **Attachment 14 Item 3**.
4. As documented in the letters, these referrals have not been used to support another pending or approved CON application.

# Attachment 14

## Item 3

April 15, 2013

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

Dear Mr. Galassie:

FHN Memorial Hospital referred 783 patients to area long term care facilities in 2012. The attachment lists these referrals by ZIP code of patient's residence:

Sincerely,

Michael R. Perry  
CEO

MRP/kt

CEO's Notarized Signature:

# Attachment 17

## Criterion 1125.570 Service Accessibility

### 1. Service Restrictions

Although there is not a total absence of the proposed service, general long-term care beds, and a bed surplus of 83 beds has been identified in the IDPH *Inventory of Long Term Care Facilities 2011* inclusive of the latest update, there is a lack of quality facilities serving Freeport. As noted in the State Board Staff Report for Project No. 12-014, only one 5 star facility is available – Freeport Memorial Hospital’s 26-bed unit. Therefore, residents of Parkview Home have no desire to choose any other facility for Medicare services.

### 2. Additional Documentation

- a. The location and utilization of other planning area service providers is provided as **Attachment 17 Item 1**. Source: *State Board Staff Report on Project No. 12-014 for the June 5, 2012 meeting of the HFSRB Pages 5-6*.
- b. Patient/resident location information is provided as **Attachment 17 Item 2**.
- c. Independent time-travel studies are not applicable.
- d. Certification of a waiting list is not applicable.
- e. An assessment of admission restrictions at area providers is not applicable.
- f. An assessment of area population characteristics is not applicable.
- g. The most recently published IDPH Long Term Care Facilities Inventory and Data was previously provided as **Attachment 13 Item 1**.

# Attachment 17

## Item 1

Facility	City	Star Rating	Beds	Occupancy
Freeport Rehab & Healthcare	Freeport	1	143	58.6 %
Parkview Home	Freeport	N/A	30	72.9 %
Freeport Memorial Hospital	Freeport	5	26	60.4 %
Provena St. Joseph Ctr.	Freeport	2	120	88.7 %
Stephenson Nursing Ctr.	Freeport	3	162	70.6 %
Lena Living Ctr.	Lena	1	92	90 %

# Attachment 17

## Item 2

P.V. Home Average Length of Stay of Residents in Sheltered and Health Care as of December 31, 2012

A	A	I
1	Nam	Zip Code
2	* De	
3	Barg	68106
4	*Bur	59730
5	Bus	61051
6	Bus	61051
7	*Cal	61032
8	Jear	61032
9	The	61032
10	*Clo	61032
11	*Col	61032
12	Coo	61032
13	Dem	61032
14	*Die	61032
15	Haie	77450
16	Hen	61053
17	Heri	61032
18	Heri	61032
19	*Ho	61032
20	*Kar	61032
21	*Koe	61032
22	*Ma	61032
23	Mar	61032
24	*Ma	61032
25	*Ma	61032
26	*Mc	61032
27	*Mil	61032
28	*Mil	61032
29	Mull	53589
30	Nim	61032
31	*O'H	61032
32	Pati	50701
33	Pec	61032
34	*Pet	61032
35	Plei	60053
36	Roa	61032
37	*Ro	61032
38	Sch	61032
39	*Stu	61032
40	*Tay	61070
41	Tho	61032
42	Toe	61070
43	Toe	61032
44	*Tra	61032
45	*Un	61032
46	*Uth	61032
47	Wea	61032
48	Wie	61032
49	Woc	61032
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A	A	G	I
1	Name		Zip Code
2	Genevie		61032
3	Gladys		61064
4	Doris H		61032
5	Angela		61032
6	Edward		61032
7	Bruce J		61032
8	Robert		18055
9	Marion		61032
10	Dina Ma		61032
11	Clarend		61032
12	Ina May		61032
13	Mary He		61032
14	Marian		61032
15	Dorothy		61070
16	Dolores		61039
17	Betty Th		61032
18	Jean W		61054
19	Ruth W		61032
20			
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A	A	J
1	Name	Zip Code
2	Carol A	61434
3	Phyllis	61032
4	Claire I	61032
5	Sylvia I	61085
6	Elaine	61054
7	Eugen	85373
8	Joann	85373
9	Lois Cl	61032
10	Eldora	61032
11	Ann Dc	61032
12	Nancy	61032
13	Gerald	61032
14	Marilyn	61032
15	Jane G	61013
16	Roger	61013
17	Donald	61030
18	Norene	61030
19	Harvey	61032
20	Susan	61032
21	Patricia	61032
22	Joan H	61032
23	Eunice	61032
24	Margar	61024
25	Hazel I	61032
26	Faye H	61032
27	Glenn	61032
28	Ramor	34446
29	Richar	61032
30	Carol M	61032
31	Edward	61032
32	Doroth	61032
33	Dolore	61046
34	Betty M	61032
35	Donald	61032
36	Vivian I	61032
37	LaDon	61032
38	Maxine	84010
39	Fred P	61072
40	Joyce I	54545
41	Theod	54545
42	Lyle Re	61032
43	Fairie F	61032
44	Carla F	61032
45	Patricia	60084
46	Edward	85541
47	Fern S	85541
48	Harriet	61032
49	Arthur	61028
50	Audrey	61028
51	Mary T	61032
52	Mireilla	61548
53	Larry T	61074
54	Lynette	61074
55	Orland	61032
56	Barbar	61054
57	David V	61054
58	Jean V	61032
59		
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61		

# Attachment 18

**1125.210(c) Maldistribution**

1) Information provided in compliance with 1125.210(c):

- a. The ZIP codes located within 30 minutes normal travel time include:

61032, 61013, 61027, 61018, 61067, 61050, 61007, 61070, 61060, 61048, 61062, 61039, 61019, 61078, 61089, 61044, 61030, 61063, 61077, 61047, 61046, 53550, 61088, 61024, 53522 61059, 53566, 61085, 61087, 61054, 53587, 61053, 61010, 61064, 61079, 61051, 53520, 61101, 61102

- b. Total population of Stephenson County was 47,812 in 2010 according to the latest DCEO population projections.

- c. The names and locations of all existing or approved facilities located within 30 minutes normal drive time and grouped by HSA:

<u>Facility</u>	<u>City</u>
Freeport Rehab & Healthcare	Freeport
Parkview Home	Freeport
Freeport Memorial Hospital	Freeport
Provena St. Joseph Ctr.	Freeport
Stephenson Nursing Ctr.	Freeport
Lena Living Ctr.	Lena

2) The proposed project will not lower the utilization of other area providers below the occupancy standards specified in 77 Ill. Adm. Code 1100 of 90%; and will not lower to a further extent the utilization of other facilities currently operating below the occupancy standards. Our rationale is as follows:

Parkview Home of Freeport seeks to serve primarily its own residents either residing in sheltered care but requiring more care or returning from the hospital. First, Parkview Home currently has 30 licensed long term care beds and 43 sheltered care beds. The expansion of 25 assisted living units will also generate internal demand. These beds generate sufficient demand for Medicare and long term care beds to sustain the proposed project at the utilization standard of 90%. Second, Parkview Home currently enjoys a waiting list for its services.

Therefore, the impact of the project on other area providers will be negligible in 2 years.

3) Certification that the project will not lower the utilization of other area providers below the occupancy standards and will not lower, to a further extent, the utilization of other area facilities that are currently operating below the occupancy standards are included as **Attachment 18 Item 3**.

# Attachment 18

## Item 3



July 1, 2013

Dale Galassie, Chairman  
Illinois Health Facilities & Services Review Board  
525 West Jefferson St., Second Floor  
Springfield, IL. 62761

RE: Parkview Home of Freeport

I certify that the project will not lower the utilization of other area providers below the occupancy standards set by Illinois Health Facilities & Services Review Board. Furthermore, I certify that the project will not lower, to a further extent, the utilization of other area facilities that are currently operating below the occupancy standards.

Thank you.

Sincerely,

*Debra Sitz*  
*Administrator Parkview*

# Attachment 19

**1125.590 Staffing Availability**

The professional staffing needs of the proposed project at stabilized occupancy are as follows:

Administrator	1.00
Assistant Admin/SLF	1.00
Nursing Salaries:	-
RN-Includes MDS Nurse	3.98
LPN	5.92
CNA	29.45
Rehab Aides	0.86
Nursing admin	1.00
ADON	1.00
Dietary Supervisor	1.00
Dietary	9.00
Activities	4.00
Laundry	2.10
Housekeeping	5.50
Maintenance	1.00
Social Service	1.00
Business Office/Clerical	2.00

Parkview Home is an existing facility with resumes for nurses, CNAs, and support personnel on file. A letter from Chris Kempel, the Director of Human Resources is provided as **Attachment 19 Item 1**.

# Attachment 19

## Item 1



May 9, 2013

To Whom it May Concern:

This letter is to confirm that Parkview Home of Freeport has 19 current applications and resumes on file for Registered Nurses and Licensed Practical Nurses. Parkview also has 67 current applications and resumes on file for Certified Nursing Assistants.

Sincerely,

A handwritten signature in cursive script that reads "Chris Kempel".

Chris Kempel  
Director of Human Resources  
Parkview Home of Freeport

# Attachment 20

**1125.600 Bed Capacity**

The criterion reads:

*The maximum size of a general long term care facility is 250 beds unless the applicant documents that a larger facility would provide personalization of patient care and documents provision of quality care based on the experience of the applicant and compliance with IDPH's licensure standards.*

This does not apply, as the facility is proposing the addition 15 general long-term care beds to an existing facility with 30 beds. The 45 total beds after project completion does not exceed the standard.

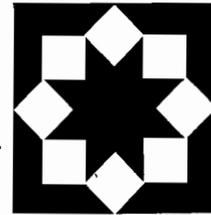
# Attachment 21

### **1125.610 Community Related Functions**

A total of 31 support letters were received for this project. Also, the project received letters of support from several physicians included in this total. However, these letters did not pledge referrals to the project to be included in the Planning Area Need section and are included here.

**STEPHENSON COUNTY HEALTH DEPARTMENT**

*Building a Healthy Community*



[www.stephensonhealth.com](http://www.stephensonhealth.com)

CRAIG BEINTEMA, MS, LEHP, CPHA  
Public Health Administrator

10 W. Linden Street  
Freeport, IL 61032-3310  
815/235-8271  
FAX: 815/232-7160

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a professional in Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Craig Beintema*



# FREEPORT LIONS CLUB

FREEPORT, ILLINOIS



---

MEETINGS SECOND AND FOURTH TUESDAY NIGHTS • 7:00 P.M.

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

Dear Mr. Galassie:

We are writing this letter in support of Parkview Home's Certificate of Need application. As a civic organization in Stephenson County, we are very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

We appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Terry G. Anderson*  
*Freeport Lions Club, President*

# SHOCKEY & COX, LLC

ATTORNEYS AND COUNSELORS AT LAW

ATTORNEYS

DAVID D. SHOCKEY

dave@shockeyandcox.com

STEVEN A. COX

steve@shockeyandcox.com



Telephone: (815) 235-2507

Facsimile: (815) 235-4597

www.ShockeyandCox.com

208 W. STEPHENSON STREET

P. O. BOX 780

FIRST FLOOR, SUITE 101

FREEPORT, ILLINOIS 61032

April 23, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certification of Need application. As a professional in Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Very truly yours,

David D. Shockey

DDS/crb

# **ABWA<sup>®</sup>**

**AMERICAN BUSINESS WOMEN'S ASSOCIATION**

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

Dear Mr. Galassie,

On behalf of the American Business Women's Association in Freeport, Illinois, I am writing this letter of support of Parkview Home's Certificate of Need application. ABWA is a civic non-profit organization in Stephenson County that is very concerned about the needs of our aging community, particularly those relating to the availability of high quality long-term nursing home care. As a caregiver and member of ABWA I express the needs of our group and the community I work with. I know first hand that we have need to ensure adequate access to high quality health care services in our community.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

We appeal to you as members of the Health Facilities and Services Review Board to acknowledge and lend your much needed support to this expansion of service at Parkview Home of Freeport.

Regards,



Dr. Debra A. Welser  
Secretary of the Lamplighter Chapter of ABWA



## *City of Freeport, Illinois*

GEORGE W. GAULRAPP  
MAYOR

524 W. Stephenson Street  
Freeport, Illinois 61032  
Telephone (815) 235-8200  
Facsimile (815) 235-8874

April 15, 2013

Mr. Dale Galassie, Chairman  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As the Mayor of Freeport, Illinois, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

George W. Gaulrapp  
Mayor

April 5, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need Application.

As a social worker at Freeport Memorial Hospital, I am familiar with the need to ensure quality health care for a growing population of elderly residents.

Our hospital draws patients from the communities to be served by Parkview Home of Freeport, Illinois. Being able to discharge our patients to licensed nursing facility beds closer to home is a surely desired goal for elderly patients and the families that care for them.

Parkview Home is a discharge destination for some of our patients, and we look forward to the increased access to high quality long term care that will be provided as a result of Parkview Home's proposed project.

Sincerely,

*Sarah A. Lueche*  
*FHM Memorial Hospital*  
*1045 W. Stephenson St.*  
*Freeport, IL 61032*

April 5, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need Application.

As a social worker at Freeport Memorial Hospital, I am familiar with the need to ensure quality health care for a growing population of elderly residents.

Our hospital draws patients from the communities to be served by Parkview Home of Freeport, Illinois. Being able to discharge our patients to licensed nursing facility beds closer to home is a surely desired goal for elderly patients and the families that care for them.

Parkview Home is a discharge destination for some of our patients, and we look forward to the increased access to high quality long term care that will be provided as a result of Parkview Home's proposed project.

Sincerely,

*Karen Shoemaker*  
Free Memorial Hospital  
1045 W. Stephenson St  
Freeport, IL 61032

April 5, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need Application.

As a social worker at Freeport Memorial Hospital, I am familiar with the need to ensure quality health care for a growing population of elderly residents.

Our hospital draws patients from the communities to be served by Parkview Home of Freeport, Illinois. Being able to discharge our patients to licensed nursing facility beds closer to home is a surely desired goal for elderly patients and the families that care for them.

Parkview Home is a discharge destination for some of our patients, and we look forward to the increased access to high quality long term care that will be provided as a result of Parkview Home's proposed project.

Sincerely,

*Kris Roberson  
FHM Memorial Hospital  
Freeport IL 61032*

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a resident of Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Dolores J. Stykel*  
*1711 W. Church St*  
*Apt 129*  
*Freeport IL 61032*  
*April 10, 2013*

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a resident of Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Oland Walker*  
*1734 Parkview Drive*  
*Freeport, IL 61032*

*04/05/13*

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a resident of Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Patricia Hebert*  
*1809 Parkview Cir., Freeport, Ill.*  
*4-5-13*

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a resident of Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

Nancy K. Egan  
1813 Parkview Circle  
Freeport, Illinois 61032

April 5, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a resident of Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Sheldon Brien*  
*(805 W Church*  
*Freeport*

*4/5/13*

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a resident of Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Julian (Jay) De Jesus - 04-05-13*  
*1723 W Church*  
*Freeport IL*

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a resident of Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

Norlan R. Diehl  
810 S. Greenfield Dr.  
Freeport, Ill. 61032  
4-22-13



**American Red Cross**  
Northwest Illinois Chapter

224 W. Galena Ave.  
Freeport, IL 61032  
Tel: (815)233-0011  
Fax: (815)233-0019

April 8, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a nonprofit organization in Stephenson County, we are very concerned about the needs of our community, especially those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me, my family and friends.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

We appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of services at Parkview Home of Freeport.

Sincerely,

A handwritten signature in black ink, appearing to read "Leslie Mastroianni".

Leslie Mastroianni  
Executive Director  
Northwest Illinois Chapter



HIGHLAND COMMUNITY COLLEGE

April 9, 2013

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As an older adult service organization in Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I ask that you as members of the Health Facilities and Services Review Board lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

Michael J. Shore, Director  
RSVP of Northwest Illinois

145

**Lyle S Chad Reedy, D.D.S.**

981 West South Street  
Freeport IL 61032  
(815) 235-5174

April 16, 2013

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

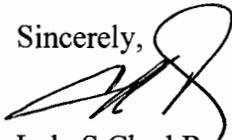
Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a professional in Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality, long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community. I understand that this expansion of services will be insuring that we have adequate access to private room accommodations as well.

I appeal to you as a member of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,



Lyle S Chad Reedy, DDS

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

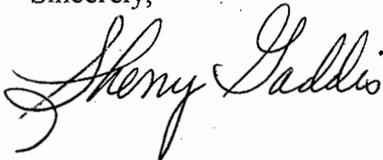
Dear Mr. Galassie,

I am writing this letter in support of Parkview Home's Certificate of Need application. As a professional in Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

A handwritten signature in cursive script that reads "Sherry Gaddis". The signature is written in dark ink and is positioned below the word "Sincerely,".



MIDWEST DENTAL

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

Dear Mr. Galassie,

I am writing this letter in support of Parkview Home's Certificate of Need application. As a professional in Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Deane Ludwig DMD*

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*The*  
**Experience**

Excellence • Integrity • Accountability • Perseverance • Joy

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

Dear Mr. Galassie:

I am writing this letter in support of Parkview Home's Certificate of Need application. As a minister in Stephenson County, I am very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

I am aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

I appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

 4/13/13

Prince of Peace Lutheran Church  
2700 W. Stephenson St.  
Freeport, IL 61032

*Dale Galassie, Chairman  
Illinois Health Facilities and Services Review Board  
525 W. Jefferson St. Second Floor  
Springfield, IL 62761*

*May 10, 2013*

*Dear Mr. Galassie,*

*We are writing this letter in support of Parkview Home's Certificate of Need application. We are a civic organization in Stephenson County, and we are very concerned about the needs of our community, especially those relating to high quality long-term nursing home care. Parkview Home is an outstanding example of the type of care we all want to have available to our community and we want to continue that we have high quality health care services in Freeport. This is very important to us and our families and friends.*

*We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be possible that we have adequate access to private room accommodations as well. Sadly our community is an aging one and is more in need of such facilities than some are.*

*We are appealing to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.*

*Sincerely,*

*Freeport Culture Club  
by Mrs. H.*

*Freeport Culture Club  
% Marilyn S. Hull  
1345 S. Demeter Dr.*

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

Dear Mr. Galassie:

We are writing this letter in support of Parkview Home's Certificate of Need application. As a civic organization in Stephenson County, we are very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

We appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Thompson Brandt*

Thompson Brandt  
President, Freeport Area Rotary

4/22/13

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

Dear Mr. Galassie:

We are writing this letter in support of Parkview Home's Certificate of Need application. As a civic organization in Stephenson County, we are very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

We appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Charles F. Sitney*

Golden K Kiwanis

4/23/13

Freeport, IL 61032

Dale Galassie, Chairman

Illinois Health Facilities and Services Review Board

525 West Jefferson Street, Second Floor

Springfield, Illinois 62761

Dear Mr. Galassie,

We are writing this letter in support of Parkview Home's Certificate of Need application. As a civic organization in Stephenson County, we are very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

We appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport

Sincerely,



Jill Collin

Pres. Chapter LI, P.E.O. Sisterhood



# *Civic Garden Club*

OF  
FREEPORT, ILLINOIS  
61032

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

Dear Mr. Galassie:

We are writing this letter in support of Parkview Home's Certificate of Need application. As a civic organization in Stephenson County, we are very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to me and to my family and friends.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be ensuring that we have adequate access to private room accommodations as well.

We appeal to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.

Sincerely,

*Doris Hannish*  
*President 4-18-13*



**The League of Women Voters of Freeport**

---

April 8, 2013

Dale Galassie, Chairman  
Illinois Health Facilities and Services Review Board  
525 W. Jefferson St.  
Floor 2  
Springfield, IL. 62761

Dear Mr. Galassie,

The League of Women Voters of Freeport is writing in support of the *Certificate of Need* Application for Parkview Home in Freeport. As a civic organization in Stephenson County, we are very concerned about the needs of our community, particularly those relating to the availability of high quality long-term nursing home care. Ensuring that we have adequate access to high quality health care services in our community is important to the members of our League as well as their families and friends.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services, it will be ensuring that there will be adequate access to private room accommodations as well.

The League of Women Voters of Freeport appeals to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home in Freeport.

Sincerely,

Angela Snymers  
Executive Team President – League of Women Voters of Freeport

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

RE: Projected and Historical Referrals  
Parkview Home of Freeport

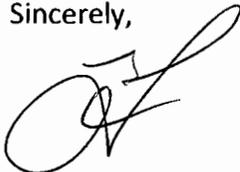
As a physician serving Freeport and surrounding communities, I intend to utilize the new 15-bed addition for Parkview Home, a 30-bed licensed nursing facility located in Freeport, Illinois.

I estimate that after the project is completed, I will refer approximately 0 patients annually to Parkview Home in the twenty-four months following its completion. These patients would come from within Health Service Area 1, Stephenson County, where the facility is located.

In the past twelve months, I have referred approximately 0 patients to other long-term care facilities. The ZIP code of residence of those patients is not readily available, but my practice serves primarily patients in the immediate area.

I verify that, to the best of my knowledge, I have not used the above-mentioned referrals to support another pending CON application for a long-term care facility.

Sincerely,



4/15/13

**Dale Galassie, Chairman  
Illinois Health Facilities and Services Review Board  
525 W. Jefferson St. Second Floor  
Springfield, IL 62761**

**May 10, 2013**

**Dear Mr. Galassie,**

**We are writing this letter in support of Parkview Home's Certificate of Need application. We are a civic organization in Stephenson County, and we are very concerned about the needs of our community, especially those relating to high quality long-term nursing home care. Parkview Home is an outstanding example of the type of care we all want to have available to our community and we want to continue that we have high quality health care services in Freeport. This is very important to us and our families and friends.**

**We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and by this expansion of services it will be possible that we have adequate access to private room accommodations as well. Sadly our community is an aging one and is more in need of such facilities than some are.**

**We are appealing to you as members of the Health Facilities and Services Review Board to lend your support to this expansion of service at Parkview Home of Freeport.**

**Sincerely,**

*Freeport Culture Club*  
*by M.S.H.*  
**Freeport Culture Club  
% Marilyn S. Hull  
1345 S. Demeter Dr.**

# FREEPORT



# JAYCEES

P.O. Box 635 • Freeport, IL 61032

[www.freeportjaycees.org](http://www.freeportjaycees.org)

Dale Galassie, Chairman  
Illinois Health Facilities and Services Review Board  
525 W. Jefferson Street, Second Floor  
Springfield, Illinois 62761

Dear Mr. Galassie:

We are writing this letter in support of Parkview Home's Certificate of Need application. The Freeport Jaycees is a service organization in Stephenson County which empowers young people by providing development opportunities to create positive change in our local community.

One particular need we find in our community is the availability of high quality long-term nursing home care. Ensuring that individuals who need this level of care have access to it in our community is important to all of us.

We are aware of the effort Parkview Home has undertaken to bring additional long-term care beds to our community and we support this expansion as we believe it will increase access to care and private room accommodations.

We ask that you as members of the Health Facilities Review Board support this expansion of services at Parkview Home in Freeport.

Sincerely,

Karen Luedtke  
Jaycees President

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Make Friends, Make Connections, Make a Difference



April 9, 2013

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

RE: Projected and Historical Referrals  
Parkview Home of Freeport

As a physician serving Freeport and surrounding communities, I intend to utilize the new 15-bed addition for Parkview Home, a 30-bed licensed nursing facility located in Freeport, Illinois.

I am a specialist, so I do not usually refer patients to nursing facilities. That is done by primary care physicians. These patients would come from within Health Service Area 1, Stephenson County, where the facility is located.

In the past twelve months, I have referred . . . no patients. . . to other long-term care facilities. My practice serves primarily patients in the immediate area.

I verify that, to the best of my knowledge, I have not used the above-mentioned referrals to support another pending CON application for a long-term care facility.

Sincerely,

Shawn Shianna, MD

SS/cj

**FAMILY HEALTHCARE CENTER**

1030 South Kunkle Boulevard, Freeport, Illinois 61032  
Phone: 815-599-7850 Toll Free: 866-417-0539 Fax: 815-599-7859  
Website: [www.fhn.org](http://www.fhn.org)

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

RE: Projected and Historical Referrals  
Parkview Home of Freeport

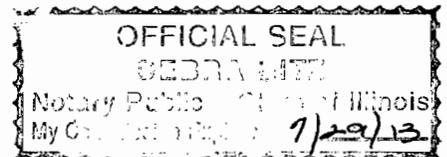
As a physician serving Freeport and surrounding communities, I intend to utilize the new 15-bed addition for Parkview Home, a 30-bed licensed nursing facility located in Freeport, Illinois.

I estimate that after the project is completed, I will refer approximately ~~\_\_\_\_\_~~ 2 patients annually to Parkview Home in the twenty-four months following its completion. These patients would come from within Health Service Area 1, Stephenson County, where the facility is located.

In the past twelve months, I have referred approximately \_\_\_\_\_ patients to other long-term care facilities. The ZIP code of residence of those patients is not readily available, but my practice serves primarily patients in the immediate area.

I verify that, to the best of my knowledge, I have not used the above-mentioned referrals to support another pending CON application for a long-term care facility.

Sincerely,



# Attachment 22

**Project Scope, Utilization, and Unfinished/Shell Space**

**Size of Project:**

1. The physical space is necessary for delivering the program – 15 licensed nursing beds, nurses stations, therapy rooms, clean and dirty linen rooms, shower rooms, etc. A total of 8,740 gross square feet of clinical space is included in the project.
2. The gross square footage is in line with the BGSF standards in Appendix A.

**SIZE OF PROJECT**

<b>DEPARTMENT/SERVICE</b>	<b>PROPOSED BGSF/DGSF</b>	<b>STATE STANDARD</b>	<b>DIFFERENCE</b>	<b>MET STANDARD?</b>
General Long-Term Care	583 BGSF/Bed	435-713 BGSF/Bed	N/A	Yes

# Attachment 23

### **Section 1125.630 Zoning**

The current zoning for the site is R-6 Multi-Family Residence District. The proposed use is permitted in that district with a Special Use Permit. Parkview Home was granted a Special Use Permit to operate a nursing home on the property. As indicated in a letter dated April 19, 2013, Parkview Home is permitted an expansion on the property under the current Special Use Permit. A letter from Shelly R. Griswold, Community Development Director for the City of Freeport follows this page.



**CITY OF FREEPORT**  
**DEPARTMENT OF COMMUNITY DEVELOPMENT**  
City Hall Building • 524 West Stephenson Street • Freeport, IL 61032  
Telephone (815) 235-8221 • Fax (815) 599-5819

April 19, 2013

RE: Parkview Home, 1234 South Park Boulevard, Freeport, Illinois

To whom it may concern:

The property at 1234 South Park Boulevard, Freeport, Illinois, (Parkview Home) is located in an R6 Multi-Family Residence District. Nursing homes are permitted in that district with a Special Use Permit.

Parkview Home was granted a Special Use Permit to operate a nursing home on the property in Ordinance 1984-23. That Special Use Permit was amended in Ordinance 2000-56 to include additional property located at 1711 West Church Street, Freeport, Illinois.

Continued operation and expansion of the use of the property as a nursing home is permitted under Parkview Home's Special Use Permit.

If you have questions or need additional information or clarification, please do not hesitate to contact me at 235-8221.

Very kind regards,

*Shelly R. Griswold*

Shelly R. Griswold  
Community Development Director

# Attachment 24

## **Section 1125.640 Assurances**

Assurances regarding the applicant's understanding that, by the second year of operation after project completion, the project will achieve and maintain the occupancy standards specified in Section 1125.210(c).



Assurances Statement

This statement is being filed pursuant to Section 1110.1730(K) of the Board's Rules(77ILAdm.Code 1110.1730). The undersigned is an authorized representative of Parkview Home and attests that Parkview Home understands that by the second year of operation after the project completion Parkview Home will make every attempt to achieve and maintain the occupancy standards specified in Part 1100 of the Board's Rules for the long term care category of service.

*Kenneth A. Urban*

May 14, 2013

Date

May 14, 2013

Date

*Debra Citz*



Notary: Debra Citz

Date: 5/14/13

# Attachment 25

## Criterion 1125.650 Modernization

### 1. Areas to be Modernized

The only areas to be modernized include corridors connecting the existing facility to the new construction. No further modernization is needed at this time.

### 2. Not applicable

### 3. Not applicable

### 4. Parkview Home's current occupancy exceeds the 90% standard set by the HFSRB.

# Attachment 27

## Criterion 1125.800 Availability of Funds

The type of financing selected is a combination of a conventional loan and cash from investments.

1. A bank letter related to the availability of funds is provided as **Attachment 27 Item 1**.

# Attachment 27

## Item 1



May 24, 2013

Deb Gitz  
Parkview Home  
1234 S. Park Blvd.

**RE: Parkview Home of Freeport**

Dear Ms. Gitz:

Fifth Third Bank is pleased to discuss financing for the expansion project being undertaken by Parkview Home. We believe that this project has significant potential given the team assembled and the market demand. Please consider this letter an indication of our interest in reviewing your project and financing needs subject to our normal underwriting considerations.

Our bank has a strong background in financing large projects and we are here to partner with you. We have several financing options to choose from including traditional construction financing as well as a bond sale to ultimately assist you with your growth project. Fifth Third Bank is very interested in supporting our community through projects such as your proposed expansion and modernization.

As you proceed with your plans and have further information to review, please feel free to contact me directly at 847-871-6123 or by e-mail at [garrett.drucker@53.com](mailto:garrett.drucker@53.com).

We look forward to learning more about the project as it progresses.

Respectively,

Garrett Drucker  
Vice President  
Fifth Third Bank

# Attachment 29

Criterion 1125.800 Statement on Historical Financial Viability Data

Pursuant to 1125.800, Parkview Home of Freeport is an existing facility with extensive operating history. Audited financial statements from 2009, 2010, 2011, and 2012 are provide as **Attachment 29 Item 1**.

In addition, a financial proforma model was prepared by Revere Healthcare, Ltd. projecting forward the operation of the existing facility and the proposed project for three years. Ratios are provided based upon these projections as **Attachment 29 Item 2**.

# Attachment 29

## Item 1

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Parkview Home of Freeport, Illinois, Inc.  
Freeport, Illinois

We have audited the accompanying financial statements of Parkview Home of Freeport, Illinois, Inc. (a nonprofit organization), which comprise the Statements of Financial Position as of December 31, 2012 and 2011, and the related Statements of Activities and Cash Flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Parkview Home of Freeport, Illinois, Inc. as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information, listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

QUIMBY & CO., P.C.



Rockton, Illinois  
February 22, 2013

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENTS OF FINANCIAL POSITION  
December 31, 2012 and 2011

ASSETS	<u>2012</u>	<u>2011</u>
Current assets:		
Cash and cash equivalents	\$ 1,368,392	\$ 587,405
Accounts receivable	245,067	284,680
Unexpired insurance	37,381	11,615
Investments	<u>5,097,673</u>	<u>4,504,402</u>
Total current assets	6,748,513	5,388,102
Temporarily restricted:		
Cash and cash equivalents	41,945	--
Accounts receivable	40,000	--
Investments-long term	1,500,000	1,500,000
Property and equipment, net	7,217,842	7,630,362
Beneficial interest in perpetual trusts	<u>15,802,894</u>	<u>13,910,283</u>
Total assets	<u>\$31,351,194</u>	<u>\$28,428,747</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 75,708	\$ 84,996
Wages payable	168,465	159,188
Accrued expenses	58,854	14,932
Real estate taxes payable	214,000	214,000
Refundable deposits, current portion	350,000	350,000
Note payable, current portion	<u>11,189</u>	<u>10,816</u>
Total current liabilities	878,216	833,932
Refundable deposits, less current portion	3,857,971	3,852,332
Deferred revenue from advance fees	1,746,168	2,050,763
Note payable, net of current portion	<u>17,595</u>	<u>28,702</u>
Total liabilities	<u>6,499,950</u>	<u>6,765,729</u>
Net Assets:		
Unrestricted	7,185,107	6,252,735
Unrestricted-Board designated	<u>1,781,298</u>	<u>1,500,000</u>
Total unrestricted	8,966,405	7,752,735
Temporarily restricted	81,945	--
Permanently restricted	<u>15,802,894</u>	<u>13,910,283</u>
Total net assets	<u>24,851,244</u>	<u>21,663,018</u>
Total liabilities and net assets	<u>\$31,351,194</u>	<u>\$28,428,747</u>

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENT OF ACTIVITIES  
for the year ended December 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>				
Revenue from services:				
Regular monthly fees	\$1,606,743	\$ --	\$ --	\$ 1,606,743
Health center fees	1,480,863	--	--	1,480,863
Amortization of advance fees	358,594	--	--	358,594
Guest fee and other income	27,268	--	--	27,268
Garage rent	<u>6,440</u>	<u>--</u>	<u>--</u>	<u>6,440</u>
	<u>3,479,908</u>	<u>--</u>	<u>--</u>	<u>3,479,908</u>
Revenue from investments:				
Perpetual trust distributions	835,473	--	--	835,473
Investment income	<u>619,119</u>	<u>--</u>	<u>--</u>	<u>619,119</u>
	<u>1,454,592</u>	<u>--</u>	<u>--</u>	<u>1,454,592</u>
Contributions	<u>14,776</u>	<u>81,945</u>	<u>--</u>	<u>96,721</u>
Total revenue and support	<u>4,949,276</u>	<u>81,945</u>	<u>--</u>	<u>5,031,221</u>
<b>EXPENSES</b>				
Operating expenses	3,817,364	--	--	3,817,364
Investment fees	<u>156,500</u>	<u>--</u>	<u>--</u>	<u>156,500</u>
Total expenses	<u>3,973,864</u>	<u>--</u>	<u>--</u>	<u>3,973,864</u>
Operating income	975,412	81,945	--	1,057,357
Unrealized gain on investment	253,753	--	--	253,753
Increase in value of beneficial interest in perpetual trusts	--	--	1,892,611	1,892,611
Loss on disposition of property and equipment	( 15,495)	<u>--</u>	<u>--</u>	( 15,495)
CHANGE IN NET ASSETS	1,213,670	81,945	1,892,611	3,188,226
Balance beginning of year	<u>7,752,735</u>	<u>--</u>	<u>13,910,283</u>	<u>21,663,018</u>
Balance end of year	<u>\$8,966,405</u>	<u>\$81,945</u>	<u>\$15,802,894</u>	<u>\$24,851,244</u>

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENT OF ACTIVITIES  
for the year ended December 31, 2011

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Revenue from services:			
Regular monthly fees	\$1,644,623	\$ --	\$ 1,644,623
Health center fees	1,455,699	--	1,455,699
Amortization of advance fees	296,054	--	296,054
Guest fee and other income	21,625	--	21,625
Garage rent	<u>6,980</u>	<u>--</u>	<u>6,980</u>
	<u>3,424,981</u>	<u>--</u>	<u>3,424,981</u>
Revenue from investments:			
Perpetual trust distributions	688,197	--	688,197
Investment income	<u>401,252</u>	<u>--</u>	<u>401,252</u>
	<u>1,089,449</u>	<u>--</u>	<u>1,089,449</u>
Contributions	<u>281,393</u>	<u>--</u>	<u>281,393</u>
Total revenue and support	<u>4,795,823</u>	<u>--</u>	<u>4,795,823</u>
<b>EXPENSES</b>			
Operating expenses	3,690,502	--	3,690,502
Investment fees	<u>152,616</u>	<u>--</u>	<u>152,616</u>
Total expenses	<u>3,843,118</u>	<u>--</u>	<u>3,843,118</u>
Operating income	952,705	--	952,705
Unrealized loss on investments	( 324,558)	--	( 324,558)
Decrease in value of beneficial interest in perpetual trusts	--	( 803,411)	( 803,411)
Gain on disposition of property and equipment	<u>3,164</u>	<u>--</u>	<u>3,164</u>
<b>CHANGE IN NET ASSETS</b>	631,311	( 803,411)	( 172,100)
Balance beginning of year	<u>7,121,424</u>	<u>14,713,694</u>	<u>21,835,118</u>
Balance end of year	<u>\$7,752,735</u>	<u>\$13,910,283</u>	<u>\$21,663,018</u>

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENTS OF CASH FLOWS  
for the years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$3,188,226	(\$ 172,100)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	540,367	532,479
Amortization of unearned residency fees	( 358,594)	( 296,054)
Unrealized (gain) loss on investments	( 253,753)	324,558
Loss on disposition of property and equipment	15,819	1,136
(Increase) decrease in beneficial interest in perpetual trusts	( 1,892,611)	803,411
Effects of changes in operating assets and liabilities:		
Accounts receivable	( 387)	( 244,739)
Unexpired insurance	( 25,766)	220
Accounts payable	( 9,288)	10,831
Wages payable	9,277	( 2,080)
Accrued expenses	43,922	1,068
Real estate taxes payable	--	5,000
Refundable deposits	5,639	( 76,006)
Deferred revenue from advance fees	<u>53,999</u>	<u>325,982</u>
Net cash from operating activities	<u>1,316,850</u>	<u>1,213,706</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	( 143,666)	( 233,317)
Purchases of investments	( 3,874,170)	( 1,810,334)
Proceeds from the sale of investments	<u>3,534,652</u>	<u>931,875</u>
Net cash from investing activities	( <u>483,184</u> )	( <u>1,111,776</u> )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	--	44,790
Payments on long term borrowings	( <u>10,734</u> )	( <u>5,272</u> )
Net cash from financing activities	( <u>10,734</u> )	<u>39,518</u>
Net increase in cash and cash equivalents	822,932	141,448
Cash and cash equivalents, beginning of year	<u>587,405</u>	<u>445,957</u>
Cash and cash equivalents, end of year	<u>\$1,410,337</u>	<u>\$ 587,405</u>

Total interest paid for the years ended December 31, 2012 and 2011 was \$1,257 and \$724, respectively.

**Lombardozzi, Moses, Quimby & Co., P.C.**  
**Certified Public Accountants**

697 S. Blackhawk Blvd. • Rockton, IL 61072 • 815/624-6601 • Fax 815/624-4724 • teamrktn@lmqcpa.com

**AUDITOR'S INDEPENDENT REPORT**

Board of Directors  
Parkview Home of Freeport, Illinois, Inc.  
Freeport, Illinois

We have audited the accompanying Statements of Financial Position of Parkview Home of Freeport, Illinois, Inc., as of December 31, 2011 and 2010, and the related Statements of Activities, and Cash Flows for the years then ended. These financial statements are the responsibility of Parkview Home of Freeport, Illinois, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Parkview Home of Freeport, Illinois, Inc., as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information, listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**LOMBARDOZZI, MOSES, QUIMBY & CO., P.C.**



Rockton, Illinois  
February 17, 2012

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENTS OF FINANCIAL POSITION  
December 31, 2011 and 2010

ASSETS	2011	2010
Current assets:		
Cash and cash equivalents	\$ 587,405	\$ 445,957
Accounts receivable	284,680	39,941
Unexpired insurance	11,615	11,835
Investments	<u>4,504,402</u>	<u>3,950,501</u>
Total current assets	5,388,102	4,448,234
Investments-long term	1,500,000	1,500,000
Property and equipment, net	7,630,362	7,930,660
Beneficial interest in perpetual trusts	<u>13,910,283</u>	<u>14,713,694</u>
Total assets	<u>\$28,428,747</u>	<u>\$28,592,588</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 84,996	\$ 74,165
Wages payable	159,188	161,268
Accrued expenses	14,932	13,864
Real estate taxes payable	214,000	209,000
Refundable deposits, current portion	350,000	350,000
Note payable, current portion	<u>10,816</u>	<u>--</u>
Total current liabilities	833,932	808,297
Refundable deposits, less current portion	3,852,332	3,928,338
Deferred revenue from advance fees	2,050,763	2,020,835
Note payable, net of current portion	<u>28,702</u>	<u>--</u>
Total liabilities	<u>6,765,729</u>	<u>6,757,470</u>
Net Assets:		
Unrestricted	6,252,735	5,621,424
Unrestricted-Board designated	<u>1,500,000</u>	<u>1,500,000</u>
Total unrestricted	7,752,735	7,121,424
Permanently restricted	<u>13,910,283</u>	<u>14,713,694</u>
Total net assets	<u>21,663,018</u>	<u>21,835,118</u>
Total liabilities and net assets	<u>\$28,428,747</u>	<u>\$28,592,588</u>

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENT OF ACTIVITIES  
for the year ended December 31, 2011

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Revenue from services:			
Regular monthly fees	\$1,644,623	\$ --	\$ 1,644,623
Health center fees	1,455,699	--	1,455,699
Amortization of advance fees	296,054	--	296,054
Guest fee and other income	21,625	--	21,625
Garage rent	<u>6,980</u>	<u>--</u>	<u>6,980</u>
	<u>3,424,981</u>	<u>--</u>	<u>3,424,981</u>
Revenue from investments:			
Perpetual trust distributions	688,197	--	688,197
Investment income	<u>401,252</u>	<u>--</u>	<u>401,252</u>
	<u>1,089,449</u>	<u>--</u>	<u>1,089,449</u>
Contributions	<u>281,393</u>	<u>--</u>	<u>281,393</u>
Total revenue and support	<u>4,795,823</u>	<u>--</u>	<u>4,795,823</u>
<b>EXPENSES</b>			
Operating expenses	3,690,502	--	3,690,502
Investment fees	<u>152,616</u>	<u>--</u>	<u>152,616</u>
Total expenses	<u>3,843,118</u>	<u>--</u>	<u>3,843,118</u>
Operating income	952,705	--	952,705
Unrealized loss on investments	( 324,558)	--	( 324,558)
Decrease in value of beneficial interest in perpetual trusts	--	( 803,411)	( 803,411)
Gain on disposition of fixed assets	<u>3,164</u>	<u>--</u>	<u>3,164</u>
CHANGE IN NET ASSETS	631,311	( 803,411)	( 172,100)
Balance beginning of year	<u>7,121,424</u>	<u>14,713,694</u>	<u>21,835,118</u>
Balance end of year	<u>\$7,752,735</u>	<u>\$13,910,283</u>	<u>\$21,663,018</u>

See accompanying notes to financial statements.

Page 3

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENT OF ACTIVITIES  
for the year ended December 31, 2010

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Revenue from services:			
Regular monthly fees	\$1,712,224	\$ --	\$ 1,712,224
Health center fees	1,399,583	--	1,399,583
Amortization of advance fees	453,469	--	453,469
Guest fee and other income	20,918	--	20,918
Garage rent	<u>7,571</u>	<u>--</u>	<u>7,571</u>
	<u>3,593,765</u>	<u>--</u>	<u>3,593,765</u>
Revenue from investments:			
Perpetual trust distributions	698,342	--	698,342
Investment income	<u>165,726</u>	<u>--</u>	<u>165,726</u>
	<u>864,068</u>	<u>--</u>	<u>864,068</u>
Contributions	<u>7,261</u>	<u>--</u>	<u>7,261</u>
Total revenue and support	<u>4,465,094</u>	<u>--</u>	<u>4,465,094</u>
<b>EXPENSES</b>			
Operating expenses	3,559,398	--	3,559,398
Investment fees	<u>141,302</u>	<u>--</u>	<u>141,302</u>
Total expenses	<u>3,700,700</u>	<u>--</u>	<u>3,700,700</u>
Operating income	764,394	--	764,394
Unrealized gain on investments	451,282	--	451,282
Increase in value of beneficial interest in perpetual trusts	<u>--</u>	<u>1,165,590</u>	<u>1,165,590</u>
CHANGE IN NET ASSETS	1,215,676	1,165,590	2,381,266
Balance beginning of year	<u>5,905,748</u>	<u>13,548,104</u>	<u>19,453,852</u>
Balance end of year	<u>\$7,121,424</u>	<u>\$14,713,694</u>	<u>\$21,835,118</u>

See accompanying notes to financial statements.

Page 4

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENTS OF CASH FLOWS  
for the years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	(\$ 172,100)	\$2,381,266
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	532,479	513,148
Amortization of unearned residency fees	( 296,054)	( 453,469)
Unrealized (gain) loss on investments	324,558	( 451,282)
(Increase) decrease in beneficial interest in perpetual trusts	803,411	( 1,165,590)
Effects of changes in operating assets and liabilities:		
Accounts receivable	( 244,739)	22,226
Unexpired insurance	220	2,030
Accounts payable	10,831	( 5,284)
Wages payable	( 2,080)	1,912
Accrued expenses	1,068	( 264)
Real estate taxes payable	5,000	1,500
Refundable deposits	( 76,006)	( 194,358)
Deferred revenue from advance fees	<u>325,982</u>	<u>139,324</u>
Net cash from operating activities	<u>1,212,570</u>	<u>791,159</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	( 233,317)	( 296,531)
Loss on disposition of property	1,136	-
Purchases of investments	( 1,810,334)	( 1,403,439)
Proceeds from the sale of investments	<u>931,875</u>	<u>798,201</u>
Net cash from investing activities	<u>( 1,110,640)</u>	<u>( 901,769)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	44,790	--
Payments on long term borrowings	( 5,272)	--
Net cash from financing activities	<u>39,518</u>	<u>--</u>
Net increase (decrease) in cash and cash equivalents	141,448	( 110,610)
Cash and cash equivalents, beginning of year	<u>445,957</u>	<u>556,567</u>
Cash and cash equivalents, end of year	<u>\$ 587,405</u>	<u>\$ 445,957</u>

Total interest paid for the years ended December 31, 2011 and 2010 was \$724 and \$0, respectively.

**Lombardozzi, Moses, Quimby & Co., P.C.**  
**Certified Public Accountants**

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**AUDITOR'S INDEPENDENT REPORT**

Board of Directors  
Parkview Home of Freeport, Illinois, Inc.  
Freeport, Illinois

We have audited the accompanying Statements of Financial Position of Parkview Home of Freeport, Illinois, Inc., as of December 31, 2010 and 2009, and the related Statements of Activities, and Cash Flows for the years then ended. These financial statements are the responsibility of Parkview Home of Freeport, Illinois, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Parkview Home of Freeport, Illinois, Inc., as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information, listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**LOMBARDOZZI, MOSES, QUIMBY & CO., P.C.**



Rockton, Illinois  
February 17, 2011

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENTS OF FINANCIAL POSITION  
December 31, 2010 and 2009

ASSETS	<u>2010</u>	<u>2009</u>
Current assets:		
Cash and cash equivalents	\$ 445,957	\$ 556,567
Accounts receivable	39,941	62,167
Unexpired insurance	11,835	13,865
Investments	<u>3,950,501</u>	<u>2,893,981</u>
Total current assets	4,448,234	3,526,580
Investments-long term	1,500,000	1,500,000
Property and equipment, net	7,930,660	8,147,277
Beneficial interest in perpetual trusts	<u>14,713,694</u>	<u>13,548,104</u>
Total assets	<u>\$28,592,588</u>	<u>\$26,721,961</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 74,165	\$ 79,449
Wages payable	161,268	159,356
Accrued expenses	13,864	14,128
Real estate taxes payable	209,000	207,500
Refundable deposits, current portion	<u>350,000</u>	<u>350,000</u>
Total current liabilities	808,297	810,433
Refundable deposits, less current portion	3,928,338	4,122,696
Deferred revenue from advance fees	<u>2,020,835</u>	<u>2,334,980</u>
Total liabilities	<u>6,757,470</u>	<u>7,268,109</u>
Net Assets:		
Unrestricted	5,621,424	4,405,748
Unrestricted-Board designated	<u>1,500,000</u>	<u>1,500,000</u>
Total unrestricted	7,121,424	5,905,748
Permanently restricted	<u>14,713,694</u>	<u>13,548,104</u>
Total net assets	<u>21,835,118</u>	<u>19,453,852</u>
Total liabilities and net assets	<u>\$28,592,588</u>	<u>\$26,721,961</u>

See accompanying notes to financial statements.

Page 2

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENT OF ACTIVITIES  
for the year ended December 31, 2010

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Revenue from services:			
Regular monthly fees	\$1,712,224	\$ --	\$ 1,712,224
Health center fees	1,399,583	--	1,399,583
Amortization of advance fees	453,469	--	453,469
Guest fee and other income	20,918	--	20,918
Garage rent	<u>7,571</u>	<u>--</u>	<u>7,571</u>
	<u>3,593,765</u>	<u>--</u>	<u>3,593,765</u>
Revenue from investments:			
Perpetual trust distributions	698,342	--	698,342
Investment income	<u>165,726</u>	<u>--</u>	<u>165,726</u>
	<u>864,068</u>	<u>--</u>	<u>864,068</u>
Contributions	<u>7,261</u>	<u>--</u>	<u>7,261</u>
Total revenue and support	<u>4,465,094</u>	<u>--</u>	<u>4,465,094</u>
<b>EXPENSES</b>			
Operating expenses	3,559,398	--	3,559,398
Investment fees	<u>141,302</u>	<u>--</u>	<u>141,302</u>
Total expenses	<u>3,700,700</u>	<u>--</u>	<u>3,700,700</u>
Operating income	764,394	--	764,394
Unrealized gain on investments	451,282	--	451,282
Increase in value of beneficial interest in perpetual trusts	<u>--</u>	<u>1,165,590</u>	<u>1,165,590</u>
<b>CHANGE IN NET ASSETS</b>	1,215,676	1,165,590	2,381,266
Balance beginning of year	<u>5,905,748</u>	<u>13,548,104</u>	<u>19,453,852</u>
Balance end of year	<u>\$7,121,424</u>	<u>\$14,713,694</u>	<u>\$ 21,835,118</u>

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENT OF ACTIVITIES  
for the year ended December 31, 2009

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE, GAINS, AND SUPPORT</b>			
Revenue from services:			
Regular monthly fees	\$1,647,197	\$ --	\$ 1,647,197
Health center fees	1,330,442	--	1,330,442
Amortization of advance fees	161,133	--	161,133
Guest fee and other income	18,663	--	18,663
Garage rent	<u>6,704</u>	<u>--</u>	<u>6,704</u>
	<u>3,164,139</u>	<u>--</u>	<u>3,164,139</u>
Revenue from investments:			
Perpetual trust distributions	623,415	--	623,415
Investment income	<u>147,796</u>	<u>--</u>	<u>147,796</u>
	<u>771,211</u>	<u>--</u>	<u>771,211</u>
Contributions	<u>14,251</u>	<u>--</u>	<u>14,251</u>
Total revenue, gains, and support	<u>3,949,601</u>	<u>--</u>	<u>3,949,601</u>
<b>EXPENSES</b>			
Operating expenses	3,353,432	--	3,353,432
Investment fees	<u>114,487</u>	<u>--</u>	<u>114,487</u>
Total expenses	<u>3,467,919</u>	<u>--</u>	<u>3,467,919</u>
Operating income	481,682	--	481,682
Unrealized gain on investments	509,883	--	509,883
Increase in value of beneficial interest in perpetual trusts	<u>--</u>	<u>1,743,799</u>	<u>1,743,799</u>
<b>CHANGE IN NET ASSETS</b>	991,565	1,743,799	2,735,364
Balance beginning of year	<u>4,914,183</u>	<u>11,804,305</u>	<u>16,718,488</u>
Balance end of year	<u>\$5,905,748</u>	<u>\$13,548,104</u>	<u>\$19,453,852</u>

PARKVIEW HOME OF FREEPORT, ILLINOIS, INC.

STATEMENTS OF CASH FLOWS  
for the years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$2,381,266	\$2,735,364
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	513,148	494,968
Amortization of unearned residency fees	( 453,469)	( 161,133)
Unrealized gain on investments	( 451,282)	( 509,883)
Increase in beneficial interest in perpetual trusts	( 1,165,590)	( 1,743,799)
Effects of changes in operating assets and liabilities:		
Accounts receivable	22,226	99,492
Unexpired insurance	2,030	946
Accounts payable	( 5,284)	( 88,182)
Wages payable	1,912	( 3,015)
Accrued expenses	( 264)	( 759)
Real estate taxes payable	1,500	5,000
Refundable deposits	( 194,358)	475,499
Deferred revenue from advance fees	<u>139,324</u>	<u>135,872</u>
Net cash provided by operating activities	<u>791,159</u>	<u>1,440,370</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	( 296,531)	( 190,649)
Purchases of investments	( 1,403,439)	( 1,728,323)
Proceeds from the sale of investments	<u>798,201</u>	<u>327,311</u>
Net cash used in investing activities	<u>( 901,769)</u>	<u>( 1,591,661)</u>
Net decrease in cash and cash equivalents	( 110,610)	( 151,291)
Cash and cash equivalents, beginning of year	<u>556,567</u>	<u>707,858</u>
Cash and cash equivalents, end of year	<u>\$ 445,957</u>	<u>\$ 556,567</u>

# Attachment 29

## Item 2

Year 3

Current Ratio

A	Current Assets	\$7,739,580
B	Current Liabilities	\$1,013,685
	Current ratio (A/B)	7.64

Net Margin percentage

C	Net Income/(Loss)	\$1,377,494
D	Net Operating Revenue	\$7,213,422
	Net Margin percentage (C/D)	19.10%

Percent Debt to Total Capitalization

E	LT Debt	\$5,298,176
F	LT Debt + Equity	\$36,609,041
	Debt service coverage ratio (E/F)	14%

Projected Debt Service Coverage

G	Net inc + depr+int+amort/P&I payment	\$1,947,509
H	Principal and interest payment	\$357,970
	Debt capitalization ratio (G/H)	5.44

Days Cash on Hand

I	Cash + investments	\$4,752,750
J	Operating expense-depreciation/365	\$13,035
	Days cash on hand (I/J)	365

Cushion Ratio

K	Cash + investments	\$4,752,750
L	Max Annual Debt Service	\$1,947,509
	Cushion Ratio (K/L)	2.44

Debt to Equity

	Debt	\$5,298,176
	Equity	\$31,310,865
	Debt to Equity Ratio	0.17

# Attachment 30

## Criterion 1125.800 Economic Feasibility

The type of financing selected is a combination of a conventional loan and cash from investments.

1. A statement attesting that the total estimated project costs will be funded in part by borrowing in order to maintain a current ratio of 1.5 is provided as **Attachment 30 Item 1**.
2. A statement regarding the reasonableness of financing arrangements is provided as **Attachment 30 Item 2**.
3. The projected direct annual operating costs is provided as **Attachment 30 Item 3**.
4. The total projected direct annual capital costs are provided as **Attachment 30 Item 4**.

# Attachment 30

## Item 1



July 2, 2013

Mr. Dale Galassie  
Chairman  
Illinois Health Facility and Services Review Board  
525 West Jefferson Street  
Springfield, Illinois 62761

Re: Certificate of Need Application for Parkview Home of Freeport,  
Attachment 30 - Reasonableness of Financing Arrangement

Dear Mr. Galassie:

This letter is sent in regard to the Parkview Home of Freeport application for a Certificate of Need permit to expand an existing skilled nursing facility. This notarized statement signed by an authorized representative attests that the total estimated project costs and related costs will be funded in part by borrowing because a portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of 1.5.

Sincerely,

*Debra Fitz*  
*Administrator Parkview*

Notarization:



Subscribed and sworn to before me this 2<sup>nd</sup> day of July, 2013

# Attachment 30

## Item 2



Certificate of Financing at Lowest Net Cost Available

This statement is being filed pursuant to Section 1 120.310(b) of the Board's Rules (77 Ill. Adm. Code 1120.310). The undersigned are authorized representatives of Parkview Home and attest that the mortgage or bond selected to finance the project will be done in the best interest of Parkview.

*Kenneth A. Urban*      *Betty Felder*

Dated the 14<sup>th</sup> day of May 2013:

# Attachment 30

## Item 3

ATTACHMENT-30-3 Op

Criterion 1120.310(d) Projected Operating Costs

For first full year of stabilized occupancy

Salaries	\$	1,780,989	Includes AL
Supplies and other costs	\$	2,551,396	Includes AL
Benefits	\$	<u>425,476</u>	Includes AL
Total direct costs	\$	4,757,862	

Year of Target Utilization

Year 3

Patient days per year	\$	56,575
Cost per patient day	\$	84.10

# Attachment 30

## Item 4

ATTACHMENT-30-4 Cap

Criterion 1120.310(e) Total Effect of the Project on Capital Costs

Depreciation	\$	302,634
Interest	\$	267,381
Property Tax		
Total annual capital cost	\$	570,015

Year of Target Utilization

Year 3

Patient days per year	\$	56,575
	\$	10.08

# Appendix A

Parkview Home of Freeport, IL CON  
Appendix A  
Project Costs and Sources of Funds

USE OF FUNDS	CLINICAL	SUBTOTAL CL	NON-CLINICAL	SUBTOTAL NON-CL	TOTAL
<b>Preplanning Costs</b>		<b>22,359</b>		<b>87,641</b>	
	-		-		-
Legal and Accounting	9,147		35,853		45,000
Development fee	-		-		-
Taxes, Title & Insurance	13,212		51,788		65,000
<b>Site Survey and Soil Investigation</b>					
Included in construction	-		-		-
	-		-		-
<b>Site Preparation</b>					
Included in construction	-		-		-
	-		-		-
<b>Off Site Work</b>					
	-		-		-
<b>New Construction Contracts</b>		<b>1,527,795</b>		<b>5,988,465</b>	
Construction	1,527,795		5,988,465		7,516,260
Builder profit	-		-		-
	-		-		-
<b>Modernization Contracts</b>					
	-		-		-
<b>Contingencies</b>		<b>21,749</b>		<b>85,251</b>	
Working capital allowance	-		-		-
Construction contingency	21,749		85,251		107,000
Minor movable escrow	-		-		-
	-		-		-
<b>Architectural/Engineering Fees</b>		<b>115,943</b>		<b>454,457</b>	
Architect's fee (3.5% of construction)	115,943		454,457		570,400
	-		-		-
<b>Consulting and Other Fees</b>		<b>20,327</b>		<b>79,673</b>	
Marketing	20,327		79,673		100,000
	-		-		-
	-		-		-
<b>Movable or Other Equipment (not in Furnishings and security)</b>		<b>57,422</b>		<b>225,078</b>	
Furnishings and security	57,422		225,078		282,500
	-		-		-
<b>Bond Issuance Expense (project)</b>					
	-		-		-
<b>Net Interest Expense During</b>		<b>41,669</b>		<b>163,331</b>	
	41,669		163,331		205,000
<b>Fair Market Value of Leased Space or</b>					
	-		-		-
<b>Other Costs to be Capitalized</b>		<b>34,711</b>		<b>136,058</b>	
Cost of financing	34,711		136,058		170,769
	-		-		-
<b>Acquisition of Building or Other</b>					
	-		-		-
<b>TOTAL USES OF FUNDS</b>	<b>1,841,975</b>	<b>1,841,975</b>	<b>7,219,954</b>	<b>7,219,954</b>	<b>9,061,929</b>
<b>SOURCE OF FUNDS</b>	<b>CLINICAL</b>		<b>NON-CLINICAL</b>		
<b>Cash and Securities</b>		<b>712,445</b>		<b>2,792,555</b>	
Equity and Fundraising	712,445		2,792,555		3,505,000
	-		-		-
<b>Pledges</b>					
	-		-		-
<b>Gifts and Bequests</b>					
	-		-		-
<b>Bond Issues (project related)</b>					
	-		-		-
<b>Mortgages</b>		<b>1,129,531</b>		<b>4,427,398</b>	
Mortgage	1,129,531		4,427,398		5,556,929
	-		-		-
<b>Leases (fair market value)</b>					
	-		-		-
<b>Governmental Appropriations</b>					
	-		-		-
<b>Grants</b>					
	-		-		-
<b>Other Funds and Sources</b>					
	-		-		-
<b>TOTAL SOURCES OF FUNDS</b>	<b>1,841,975</b>	<b>1,841,975</b>	<b>7,219,954</b>	<b>7,219,954</b>	<b>9,061,929</b>

# Appendix D

**Cost/Space Requirements**

Type of gross square footage: DGSF

Dept./Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet that is:			
		Existing	Proposed	New Construction	Modernized	As Is	Vacated Space
<b>CLINICAL</b>							
Patient Rooms	873,147	-	4,143	4,143	-	-	-
Patient Bathrooms	202,322	-	960	960	-	-	-
Nurses Stations / Med Prep	101,372	-	481	481	-	-	-
Living / Dining / Activity	437,311	-	2,075	2,075	-	-	-
Kitchen / Food Service	55,849	-	265	265	-	-	-
Clean / Soiled Utility Rooms	43,415	-	206	206	-	-	-
Spa	59,432	-	282	282	-	-	-
Janitor's Closet	8,219	-	39	39	-	-	-
Equipment Storage	34,563	-	164	164	-	-	-
Corridor	-	-	-	-	-	-	-
<b>Total CLINICAL</b>	<b>1,841,975</b>	<b>-</b>	<b>8,740</b>	<b>8,740</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NON CLINICAL</b>							
Office / Admin	51,002	-	242	242	-	-	-
Corridor / Public Toilets	849,753	-	4,032	4,032	-	-	-
Structure / Misc	44,469	-	211	211	-	-	-
Stairs / Elevators	146,262	-	694	694	-	-	-
Corridor Modernize	51,002	-	242	-	242	-	-
Floor 2	3,013,126	-	14,297	13,919	378	-	-
Assisted Living	3,064,339	-	14,540	14,126	414	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<b>Total NON CLINICAL</b>	<b>7,219,954</b>	<b>-</b>	<b>34,258</b>	<b>33,224</b>	<b>1,034</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>9,061,929</b>	<b>-</b>	<b>42,998</b>	<b>41,964</b>	<b>1,034</b>	<b>-</b>	<b>-</b>

Note: The non-clinical cost and square footage includes the assisted living facility which is part of this structure.

# Appendix 1

## 3<sup>rd</sup> Party Financial Feasibility Report by Revere Healthcare, Ltd.

	A	B	C	D	E	F	G	H	I	J	K	
1	<b>Parkview Home of Freeport, IL CON</b>						\$1,377,494					
5	155	Units					5.44					
6							\$ -	Additional cash needed (if negative)				
9	SQUARE FOOTAGE								Second Year Inflation factor		103.50%	
10	EST'D COST PER SQ FT								Third Year Inflation Factor		103.50%	
11	EST'D END FINANCING INT RT						5.00%					
12	EST'D CONST FINANCING INT RT						5.00%					
13	YEARS PROJECTED						2013	2014	2015			
14	Private	Existing		30	\$170	\$176	\$182	67%				
15	Private			12	\$114	\$118	\$122	27%				
17	Medicare			3	\$410	\$424	\$439	7%	4500%			
18	Sheltered Care		3500	43	\$115	\$119	\$123					
20	Apartments			67	\$1,165	\$1,205	\$1,247					
23	TOTAL NUMBER OF UNITS						155					
25	AMOUNT MORTGAGED						\$5,556,929	Term	=	30 years		
27	CONSTRUCTION PERIOD						12					
32	<u>ILU/ALU CONSTRUCTION COSTS:</u>								<u>ILU/ALU SOURCE OF FUNDS:</u>			
33	Construction Cost						0.30%	\$22,548.78	\$7,516,260			
34	Construction Consulting Fee									Mortgage	\$5,556,929	
35	Construction Contingency						4%		\$107,000	2nd Mortgage		
36	Subtotal Construction Cost							\$7,623,260				
37	Land Cost	Estimated							Fundraising and equity	\$3,505,000		
38	Incremental land value											
39	Architectural and Engineering Fees, Permits and Associated Costs						5.5%		\$570,400			
41	Owners Contingency										\$3,505,000	
43	Organizational Costs								\$170,000	Total Funds	\$9,061,929	
44	Capitalized Interest								\$205,000			
45	Working Capital											
46	Insurance during construction and rounding								\$20,000			
47	Working Capital Allowance to cover initial deficits											
48	Subtotal Estimated Replacement Costs								\$8,588,660			
50	Cost of Financing						3.25%		\$ 170,769			
52	Furnishings & Equipment:								\$282,500			
53	Application inspection insurance fees								\$20,000			
55	Subtotal: Escrows/Additional Costs								\$473,269			
57	Total uses of Funds							\$9,061,929	\$9,061,929			
60	<u>Architectural and Engineering:</u>											
61	A&E Fees								\$570,400			
62	Permits & Other											
63	Total A&E								\$570,400			
65	<u>Organizational:</u>											
66	Legal and Accounting								\$45,000			
67	Initial Marketing and CON Fees								\$100,000			
68	Title and recording								\$25,000			
70	Development fee											
73	Organization Costs								\$170,000			
76	<u>Furnishings &amp; Equipment:</u>											
77	Furniture/Furnishings (included)						155	1500	\$232,500			
78	Phone system, cable, computer								\$50,000			
80	minor moveable escrow											
81									\$282,500			

**Parkview Home of Freeport, IL CON**  
**PROJECTED STATEMENTS OF REVENUES, EXPENSES AND**  
**CHANGES IN RETAINED EARNINGS**

	As of December 31		
	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>SERVICE REVENUES</b>			
Private	\$1,761,073	\$1,926,653	\$1,994,085
Private	\$311,107	\$517,386	\$535,494
Medicare	\$279,405	\$464,663	\$480,926
Sheltered Care	\$1,708,567	\$1,869,210	\$1,934,632
Apartments	\$885,557	\$969,042	\$1,002,958
Additional Person Revenue			
Rental Income			
Trust and Investment income	\$1,644,980	\$1,644,980	\$1,644,980
<b>TOTAL SERVICE REVENUES</b>	<b>\$6,590,688</b>	<b>\$7,391,933</b>	<b>\$7,593,076</b>
Less Vacancy and Bad Debts	\$329,534	\$369,597	\$379,654
<b>Net Income</b>	<b>\$6,261,154</b>	<b>\$7,022,336</b>	<b>\$7,213,422</b>
<b>OPERATING EXPENSES</b>			
Management Fee	\$313,058	\$351,117	\$360,671
Administrator	\$89,449	\$92,580	\$95,820
Assistant Admin/SLF			
Nursing Salaries:			
RN-Includes MDS Nurse	\$171,322	\$192,784	\$199,532
LPN	\$216,338	\$241,434	\$249,885
CNA	\$563,590	\$625,925	\$647,833
Rehab Aides		\$26,802	\$27,740
Nursing admin	\$56,188	\$58,155	\$60,190
Dietary Supervisor	\$25,209	\$26,092	\$27,005
Dietary	\$155,076	\$175,467	\$181,608
Activities	\$91,017	\$102,985	\$106,589
Laundry	\$37,880	\$42,861	\$44,361
Housekeeping	\$99,209	\$112,254	\$116,183
Maintenance	\$27,104	\$28,052	\$29,034
Social Service	\$31,200	\$32,292	\$33,422
Business Office/Clerical	\$53,777	\$55,659	\$57,607
Employee Benefits and payroll taxes	\$437,629	\$411,088	\$425,476
Therapy	\$64,740	\$107,666	\$111,434
Pharmacy	\$27,259	\$45,333	\$46,920
Medical Supplies	\$180,613	\$204,362	\$211,515
Medicare Ancillary	\$6,815	\$11,333	\$11,730
Raw Food	\$396,527	\$448,666	\$464,369
Dietary Supplies	\$84,213	\$95,286	\$98,621
Laundry	\$29,211	\$33,052	\$34,209
Utilities	\$142,477	\$147,464	\$152,625
Maintenance	\$44,912	\$46,484	\$48,111
Housekeeping Supplies	\$63,527	\$71,880	\$74,396
Accounting and Legal	\$9,000	\$9,315	\$9,641
Office Supplies	\$14,807	\$15,325	\$15,861

**Parkview Home of Freeport, IL CON**  
**PROJECTED STATEMENTS OF REVENUES, EXPENSES AND**  
**CHANGES IN RETAINED EARNINGS**

	<b>As of December 31</b>		
	<u><b>2013</b></u>	<u><b>2014</b></u>	<u><b>2015</b></u>
Social Service Supplies	\$4,816	\$5,265	\$5,449
Telephone/Internet	\$4,670	\$4,833	\$5,003
Property Taxes	\$56,260	\$58,229	\$5,003
Insurance	\$87,325	\$90,381	\$93,545
Medical Director and Physiatrist	\$12,000	\$12,420	\$12,855
Administrative Costs	\$52,955	\$54,808	\$56,726
Bed Taxes	\$24,638	\$24,638	\$24,638
Provider Assesment	\$83,563	\$99,700	\$99,700
Charitable Care	\$248,400	\$248,400	\$248,400
<b>TOTAL OPERATING EXPENSES</b>	<b>\$4,599,672</b>	<b>\$5,025,333</b>	<b>\$4,757,862</b>
<b>INCOME (LOSS) BEFORE</b>			
<b>OTHER EXPENSE (INCOME)</b>	<b>\$1,661,482</b>	<b>\$1,997,003</b>	<b>\$2,455,561</b>
<b>OTHER EXPENSES (INCOME)</b>			
Depreciation and Amortization	(\$300,634)	(\$301,634)	(\$302,634)
Depreciation existing buildings	(\$532,479)	(\$532,479)	(\$532,479)
Interest Income	\$2,988	\$11,065	\$24,427
Interest Expense	(\$275,985)	(\$271,790)	(\$267,381)
<b>TOTAL OTHER EXPENSES (INCOME)</b>	<b>(\$1,106,110)</b>	<b>(\$1,094,839)</b>	<b>(\$1,078,067)</b>
<b>NET INCOME (LOSS)</b>	<b>\$555,372</b>	<b>\$902,165</b>	<b>\$1,377,494</b>
<b>RETAINED EARNINGS</b>			
Beginning of Period		\$555,372	\$1,457,537
End of Period	<b>\$555,372</b>	<b>\$1,457,537</b>	<b>\$2,835,031</b>

**Parkview Home of Freeport, IL CON  
PROJECTED BALANCE SHEETS**

ASSETS	As of December 31		
	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>CURRENT ASSETS</b>			
Cash	\$1,988,232	\$3,062,712	\$4,752,750
Accounts Receivable	\$1,401,868	\$1,454,910	\$1,486,830
Investments	\$1,500,000	\$1,500,000	\$1,500,000
<b>TOTAL CURRENT ASSETS</b>	<b>\$4,890,100</b>	<b>\$6,017,622</b>	<b>\$7,739,580</b>
<b>PLANT, PROPERTY &amp; EQUIPMENT</b>			
Land			
Existing Fixed assets	\$7,217,842	\$7,217,842	\$7,217,842
Building	\$7,828,260	\$7,828,260	\$7,828,260
Equipment	\$5,000	\$10,000	\$15,000
	\$15,051,102	\$15,056,102	\$15,061,102
Less Accumulated Depreciation	(\$260,942)	(\$522,884)	(\$785,826)
<b>TOTAL PLANT, PROPERTY &amp; EQUIPMENT</b>	<b>\$14,790,160</b>	<b>\$14,533,218</b>	<b>\$14,275,276</b>
<b>OTHER ASSETS</b>			
Financing Costs (Net of Amortization)	\$165,077	\$159,384	\$153,692
Organizational Costs (Net of Amortization)	\$136,000	\$102,000	\$68,000
Debt Service Reserve Fund	\$20,000	\$20,000	\$20,000
Replacement Reserve - Building			
Replacement Reserve - Equipment	\$23,250	\$46,500	\$69,750
Investments	\$20,900,567	\$20,900,567	\$20,900,567
<b>TOTAL OTHER ASSETS</b>	<b>\$21,244,894</b>	<b>\$21,228,451</b>	<b>\$21,212,009</b>
<b>TOTAL ASSETS</b>	<b>\$40,925,154</b>	<b>\$41,779,291</b>	<b>\$43,226,865</b>
<b>LIABILITIES AND GENERAL UNRESTRICTED NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	\$1,007,999	\$1,046,152	\$1,013,685
Accrued Payroll and Payroll Taxes			
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$1,007,999</b>	<b>\$1,046,152</b>	<b>\$1,013,685</b>
<b>LONG-TERM DEBT</b>			
Mortgage	\$5,474,944	\$5,388,764	\$5,298,176
Bank Letter of Credit			
<b>TOTAL LONG-TERM DEBT</b>	<b>\$5,474,944</b>	<b>\$5,388,764</b>	<b>\$5,298,176</b>
<b>OTHER LIABILITIES</b>			
Deposits	\$5,604,139	\$5,604,139	\$5,604,139
<b>TOTAL OTHER LIABILITIES</b>	<b>\$5,604,139</b>	<b>\$5,604,139</b>	<b>\$5,604,139</b>
<b>TOTAL LIABILITIES</b>	<b>\$12,087,082</b>	<b>\$12,039,055</b>	<b>\$11,916,000</b>
<b>Unrestricted Net Assets</b>			
<b>FUND BALANCE</b>	<b>\$3,505,000</b>	<b>\$3,505,000</b>	<b>\$3,505,000</b>
Unrestricted Assets	\$8,966,405	\$8,966,405	\$8,966,405
Retained Earnings	\$563,772	\$1,465,937	\$3,036,566
Restricted Net assets	\$15,802,894	\$15,802,894	\$15,802,894
<b>TOTAL</b>	<b>\$28,838,071</b>	<b>\$29,740,236</b>	<b>\$31,310,865</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$40,925,154</b>	<b>\$41,779,291</b>	<b>\$43,226,865</b>

**Parkview Home of Freeport, IL CON  
STATEMENT OF CASH FLOWS**

	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Income (Loss)	563,772	902,165	1,570,629
Adjustments to Reconcile Net Revenues (Expenses) to Net Cash Provided (Used) By Operating Activities:			
Depreciation and Amortization	300,634	301,634	302,634
Changes in Current Assets and Liabilities:			
Accounts Receivable	(1,119,420)	(53,042)	(31,920)
Other Current Assets	-	-	-
Accounts Payable	112,188	38,152	(32,467)
Accrued Payroll and Payroll Taxes	-	-	-
Operating Deficit Reserve	-	-	-
Working Capital Reserve	-	-	-
Deposits	-	-	-
Replacement Reserves	(23,250)	(23,250)	(23,250)
<b>TOTAL CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(166,075)</b>	<b>1,165,659</b>	<b>1,785,627</b>
<b>CASH FROM (USED IN) FINANCING ACTIVITIES</b>			
Equity Contribution	3,505,000	-	-
Loan Acquisition Costs	(170,769)	-	-
Proceeds from Long-Term Debt	5,556,929	-	-
Principal Payments on Long-Term Debt	(81,985)	(86,180)	(90,589)
<b>TOTAL CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>8,809,175</b>	<b>(86,180)</b>	<b>(90,589)</b>
<b>CASH FROM (USED IN) INVESTING ACTIVITIES</b>			
Capitalized Organization Costs	(170,000)		
Purchase of Land	-		
<b>TOTAL CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>8,639,175</b>	<b>(\$86,180)</b>	<b>(\$90,589)</b>
<b>CASH FROM (USED IN) INVESTING ACTIVITIES</b>			
Capitalized Organization Costs	(\$170,000)		
Purchase of Land			
Purchase of Plant and Equipment	(\$7,833,260)	(\$5,000)	(\$5,000)
<b>TOTAL CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(\$8,023,260)</b>	<b>(\$5,000)</b>	<b>(\$5,000)</b>
<b>INCREASE (DECREASE) IN CASH</b>	<b>\$619,840</b>	<b>\$1,074,480</b>	<b>\$1,690,038</b>
<b>INVESTMENT INCOME</b>			
<b>CASH - BEGINNING OF PERIOD</b>		<b>\$619,840</b>	<b>\$1,694,320</b>
<b>CASH - END OF PERIOD</b>	<b>\$619,840</b>	<b>\$1,694,320</b>	<b>\$3,384,358</b>