

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

APPLICATION FOR PERMIT

Original

14-018

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

APR 30 2014

Facility/Project Identification

Facility Name: McDonough County Hospital District	HEALTH FACILITIES & SERVICES REVIEW BOARD
Street Address: 525 E. Grant Street	
City and Zip Code: Macomb, Illinois 61455	
County: McDonough	Health Service Area 2
Health Planning Area: C-04	

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: McDonough County Hospital District
Address: :525 E. Grant Street, Macomb, Illinois 61455
Name of Registered Agent: N/A
Name of Chief Executive Officer: Kenneth D. Boyd
CEO Address: 525 E. Grant Street, Macomb, Illinois 61455
Telephone Number: 309-833-4101

Type of Ownership of Applicant/Co-Applicant

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

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- 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.

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 during the review period]

Name: John Jessen
Title: Administrative Leader Support Service
Company Name: McDonough County Hospital District
Address: 525 E. Grant Street, Macomb, Illinois 61455
Telephone Number: 309-836-1555
E-mail Address: jcjessen@mdh.org
Fax Number: 309-836-1506

Additional Contact

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

Name: Michael I. Copelin
Title: President
Company Name: Copelin Healthcare Consulting
Address: 42 Birch Lake Drive, Sherman, Illinois 62684
Telephone Number: 217-496-3712
E-mail Address: micbball@aol.com
Fax Number: 217-496-3097

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960

Name: John Jessen
Title: Administrative leader Support services
Company Name: McDonough County District Hospital
Address: 525 E. Grant Street, Macomb, Illinois 61455
Telephone Number: 309-836-1555
E-mail Address: jcjessen@mdh.org
Fax Number: 309-836-1508

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: : McDonough County Hospital District
Address of Site Owner: : 525 E. Grant Street, Macomb, Illinois 61455
Street Address or Legal Description of Site: : 525 E. Grant Street, Macomb, Illinois 61455 Proof of ownership or control of the site is to be provided as Attachment 2. 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.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: McDonough County District Hospital
Address: : 525 E. Grant Street, Macomb, Illinois 61455
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input checked="" type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. 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. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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.
APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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 or 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.

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

<p>Part 1110 Classification:</p> <p><input checked="" type="checkbox"/> Substantive</p> <p><input type="checkbox"/> Non-substantive</p>	<p>Part 1120 Applicability or Classification: [Check one only.]</p> <p><input type="checkbox"/> Part 1120 Not Applicable</p> <p><input type="checkbox"/> Category A Project</p> <p><input type="checkbox"/> Category B Project</p> <p><input type="checkbox"/> DHS or DVA Project</p>
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2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **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.

The applicant is proposing to establish a 12 bed Geriatric Psychiatric Unit in shell space on the second floor of the recently approved three-story addition to the hospital. (Project Number 13-063). The shell space totaled 10,295 GSF and the proposed service will utilize the entire space when the support space for the unit is included.

This is a substantive project since it involves the establishment of a new category of service,

The total estimated project cost is \$3,201,651.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) 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	\$2,325,193		
Modernization Contracts			
Contingencies	164,038		
Architectural/Engineering Fees	204,229		
Consulting and Other Fees	133,192		
Movable or Other Equipment (not in construction contracts)	375,000		
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)			
TOTAL USES OF FUNDS	\$3,201,651		
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$3,201,651		
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$3,201,651		
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

*all costs for constructing the shell of the building were included in Project #13-063. All costs for the completion of the shell have been included in the clinical portion of the project costs with no costs considered to be non-clinical.

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, provide the dollar amount of all non-capitalized 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>1,945,287</u>

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.
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): <u>December 31, 2016</u>
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140): <input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies <input checked="" type="checkbox"/> Project obligation will occur after permit issuance.
APPEND DOCUMENTATION AS <u>ATTACHMENT-8</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable: <input checked="" type="checkbox"/> Cancer Registry <input checked="" type="checkbox"/> APORS <input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted <input checked="" type="checkbox"/> All reports regarding outstanding permits Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

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
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: McDonough County District Hospital		CITY: Macomb			
REPORTING PERIOD DATES: From: July 1 2012 to: June 30,2013					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	31	1,507*	5,489*	0	31
Obstetrics	10	330	919	0	10
Pediatrics	0				0
Intensive Care	7	136	938	0	7
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness	0	0	0	+12	12
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:	48	1,973	7,346,	+12	60

*Includes admissions and patient days for patients formerly treated in the Pediatrics unit which was closed in the recent CON approval Project #13-063

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 McDonough County Hospital District 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.

[Signature]
SIGNATURE
KENT SLATER
PRINTED NAME
CHAIRMAN OF BOARD
PRINTED TITLE

[Signature]
SIGNATURE
JACK BAILY
PRINTED NAME
SECTY/TREAS
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 28th day of April, 2014

Notarization:
Subscribed and sworn to before me
this 28th day of April, 2014

[Signature]
Signature of Notary
Seal
OFFICIAL SEAL
RONDA BAKER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/17/17
*Insert EXACT legal name of the applicant

[Signature]
Signature of Notary
Seal
OFFICIAL SEAL
RONDA BAKER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/17/17

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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. [See 1110.230(b) for examples of documentation.]
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-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

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-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
 - b. 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 B;
 - c. The project involves the conversion of existing space that results in excess square footage.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

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

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage of the proposed shell space;
2. The anticipated use of the shell space, specifying the proposed GSF tot be allocated to each department, area or function;
3. Evidence that the shell space is being constructed due to
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data are available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

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

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

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

C. Criterion 1110.730 - Acute Mental Illness and Chronic Mental Illness

1. Applicants proposing to establish, expand and/or modernize Acute Mental Illness and Chronic Mental Illness category of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> Acute Mental Illness	0	12
<input type="checkbox"/> Chronic Mental Illness		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.730(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.730(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.730(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.730(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.730(b)(5) - Planning Area Need - Service Accessibility	X		
1110.730(c)(1) - Unnecessary Duplication of Services	X		
1110.730(c)(2) - Maldistribution	X		
1110.730(c)(3) - Impact of Project on Other Area Providers	X		
1110.730(d)(1) - Deteriorated Facilities			X
1110.730(d)(2) - Documentation			X
1110.730(d)(3) - Documentation Related to Cited Problems			X
1110.730(d)(4) - Occupancy			X
1110.730(e(1)) - Staffing Availability	X	X	
1110.730(f) - Performance Requirements	X	X	X
1110.730(g) - Assurances	X	X	X
APPEND DOCUMENTATION AS <u>ATTACHMENT-22</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

IX. 1120.130 - 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-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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. **NOT APPLICABLE**

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
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 38, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements NOT APPLICABLE

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 2.0 times for hospitals and 1.5 times for all other 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 NOT APPLICABLE

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:

1. Identify each department or 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 DEPARTMENT OR SERVICE									
Department (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)	
Geriatric Psych Unit	\$225.86	N/A	10,295	23.7%	N/A		\$2,325,193		\$2,325,193
Contingency	\$15.93	N/A	10,295		N/A		\$164,038		\$164,038
TOTALS	\$241.79	N/A	10,295	23.7%	N/A		\$2,489,231		\$2,489,231

* 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 -39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for **ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS**:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			

Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT-41, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Certificate of Good Standing

Since the applicant is a district hospital, which is governmentally owned no Certificate of Good Standing is available or required.

Proof of Ownership

The applicant is a governmental entity which was opened at its present location in 1958 and has operated continuously since that time. The applicant is not for profit and as such does not receive tax bills. The proposed project does not call for relocation of the facility, therefore, the fact that the facility is currently licensed at its present location should meet this requirement.

Certificate of Good Standing

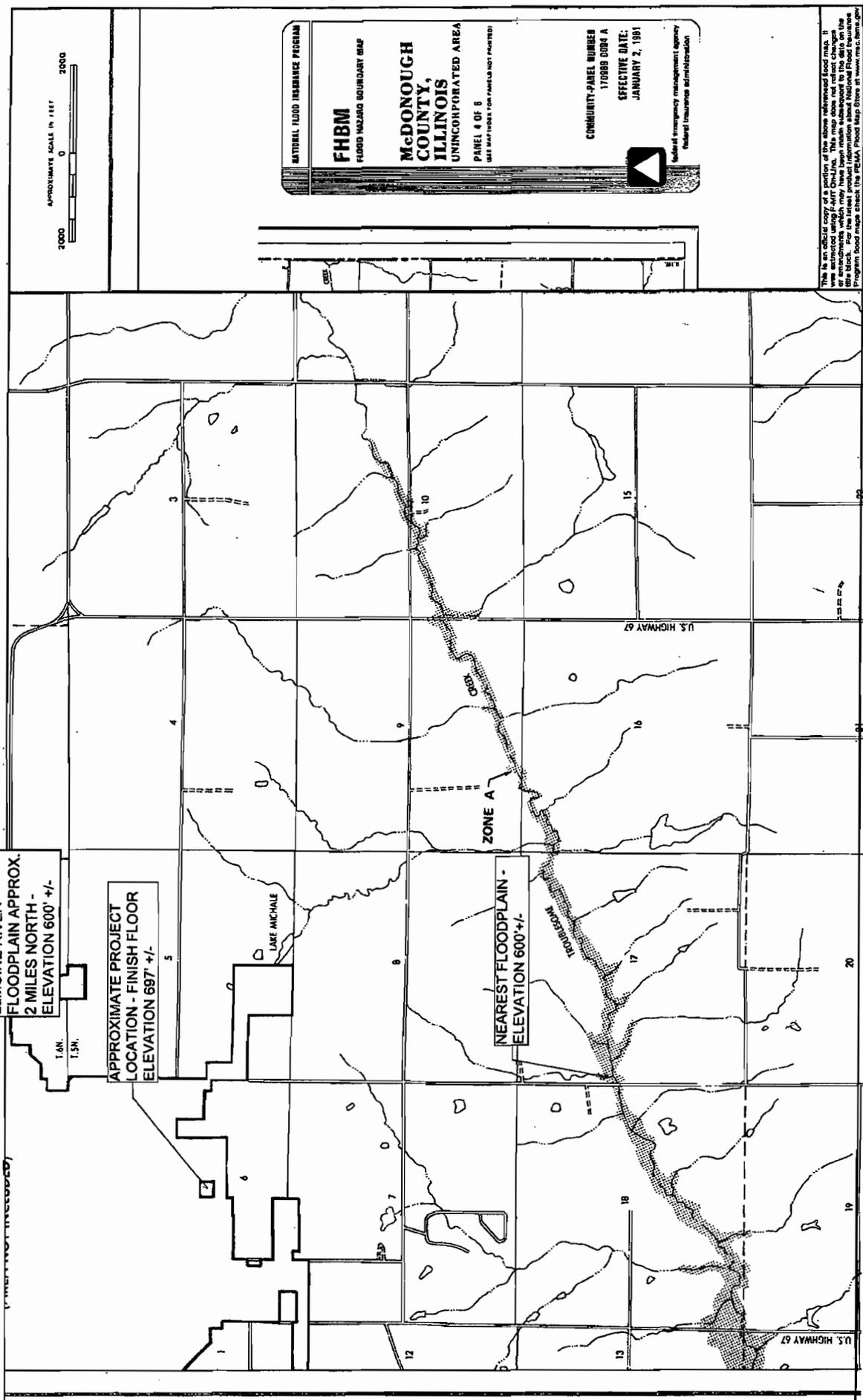
Since the applicant is a district hospital, which is governmentally owned no Certificate of Good Standing is available or required.

Organizational Relationships

The applicant does not own or operate any other licensed health care facility, and no other health care facilities are involved in the proposed project

Flood Plain Requirements

Fema lists McDonough County as an unmapped area under their system. The only Flood Map available is the Flood Hazard Boundry Map from 1981 which shows the closest Flood Hazard are to be 2 miles North of the proposed project, and the present site is well outside that hazard area. A copy of that map is appended to this application



LAMONE RIVER FLOODPLAIN APPROX. 2 MILES NORTH - ELEVATION 600' +/-

APPROXIMATE PROJECT LOCATION - FINISH FLOOR ELEVATION 697' +/-

NEAREST FLOODPLAIN - ELEVATION 600' +/-

NATIONAL FLOOD INSURANCE PROGRAM
FHBM
 FLOOD HAZARD BOUNDARY MAP
McDONOUGH COUNTY, ILLINOIS
 UNINCORPORATED AREA
 PANEL 4 OF 8
 SEE MAP LABELS FOR PANELS NOT PRINTED
 COMMUNITY-PANEL NUMBER 170889 6084 A
 EFFECTIVE DATE: JANUARY 2, 1991
 Federal Emergency Management Agency
 Federal Insurance Administration

This is an extract from a portion of the above referenced flood map. It was extracted using F-9117. The map does not reflect changes or amendments which may have been made subsequent to the date on the original map. For more information, contact the National Flood Insurance Program Flood Map Sheet at www.mis.fema.gov



**Illinois Historic
Preservation Agency**

FAX (217) 782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

McDonough County

Macomb

CON - New Addition, McDonough County District Hospital

525 E. Grant St.

IHPA Log #012081513

August 29, 2013

Michael Copelin
Copelin Healthcare Consulting
42 Birch Lake Dr.
Sherman, IL 62684

Dear Mr. Copelin:

This letter is to inform you that we have reviewed the 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

Project Costs and Sources of Funds

Consulting and Other fees

Design Build Overhead and Profit -	\$104,499.99
Design Build Errors and Omissions Ins.	\$4,399.99
Design Build Pre-Construction Fee	\$9,491.93
CON submission/Review Fee	\$14,800.00
Total	\$133,191.91

Moveable Equipment \$375,000

This line item consists of the furniture for the rooms and offices to be constructed as a part of this project and is an estimate of what the beds, chairs, desks, tables etc., will cost. A definitive equipment list has not been completed at this point.

Cost Space Requirements

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Geriatric Psychiatry (AMI)	\$3,201,651	0	10,295	10,295	0	0	0

BACKGROUND OF APPLICANT

The applicant does not own nor operate any other licensed healthcare facility.

The applicant facility has not had any adverse reaction taken against it in the last three years. The letter from the CEO attesting to that fact and allowing the Board and staff access to the licensure and accreditation information is appended to this attachment.

The facility is fully licensed and accredited, as shown in the appended information.

April 28, 2014

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, Illinois 62671

RE: Certificate of Need Application for McDonough County Hospital District dba
McDonough District Hospital

To Whom It May Concern,

I am writing to certify that as of today, April 28, 2014, there have been no adverse actions taken against MDH or any of its owned or operated facilities in the last three years.

Additionally, I authorize the State Agency to have access to any information the State Agency finds pertinent to this application.

Sincerely,



Kenneth D. Boyd, Jr
President/CEO
McDonough District Hospital



State of Illinois 2132842
Department of Public Health

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.

Issued under the authority of
 The State of Illinois
 Department of Public Health

LA HAR HASBROUCK, MD, NP DIRECTOR	06/30/14	BGBD	0001438
	<small>EXPIRATION DATE</small>	<small>CATEGORY</small>	<small>ID NUMBER</small>
FULL LICENSE			
GENERAL HOSPITAL			
EFFECTIVE: 07/01/13			

BUSINESS ADDRESS

MCDONOUGH DISTRICT HOSPITAL
525 EAST GRANT STREET

MACOMB IL 61455
 The face of this license has a colored background. Printed by Authority of the State of Illinois • 4/97 •

DISPLAY THIS PART IN A
 CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN
 IDENTIFICATION

State of Illinois 2132842
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

MCDONOUGH DISTRICT HOSPITAL

06/30/14	BGBD	0001438
<small>EXPIRATION DATE</small>	<small>CATEGORY</small>	<small>ID NUMBER</small>

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 07/01/13

05/04/13

MCDONOUGH DISTRICT HOSPITAL
525 EAST GRANT STREET
MACOMB IL 61455

FEE RECEIPT NO.

McDonough District Hospital

Macomb, IL

has been Accredited by



The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the
Home Care Accreditation Program

December 18, 2010

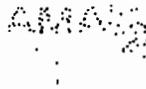
Accreditation is customarily valid for up to 39 months.

Isabel V. Hoverman, MD, MACP
Chair, Board of Commissioners

Organization ID #: 7376
Print/Reprint Date: 03/25/11

Mark R. Chassin, MD, FACP, MPP, MPH
President

The Joint Commission is an independent, not-for-profit, national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



This reproduction of the original accreditation certificate has been issued for use in regulatory/payer agency verification of accreditation by The Joint Commission. Please consult Quality Check on The Joint Commission's website to confirm the organization's current accreditation status and for a listing of the organization's locations of care.

PURPOSE OF PROJECT

The purpose of the proposed project is to establish a Geriatric Psychiatric Unit in an area of the State of Illinois which does not presently have any inpatient psychiatric services.

The primary service area for the proposed project is a 40-mile circle surrounding the hospital which has a total population of 41,716 individuals above the age of 64, based upon the 2010 Census with a projected population of 46,974 individuals above the age of 64 by CY 2016

A map showing the primary service area is appended to the attachment as Attachment 12a and the 2010 population figures for the area are shown on Attachment 12b.

There are currently no hospitals in the proposed primary service area which offer any inpatient psychiatric services, and in discussions with the Senior citizens groups, the nursing home providers and the psychiatrists in the area the need for Geriatric Psychiatric Services was determined to be an area of need which was not being met with existing services. The closest facility offer the AMI service is Galesburg Cottage Hospital located in Galesburg, which, according to Map Quest, is 59 minutes from the applicant facility.

By establishing the proposed service at the hospital it will be possible for patients from the service area to more easily access the needed Geriatric Psychiatric services, and by working with Horizon Health to manage the unit, the resources needed to provide a high quality service are greatly enhanced. Horizon Health is a national provider of AMI services and will be able to assist in the recruitment and training of the staff for the proposed unit.

Several letters of support from the community are attached to the application which demonstrates the community support for the project. These letters also support the difficulty patients now have in accessing these types of services in the service area. The proposed project will meet the service area need for service in a cost effective efficient manner.

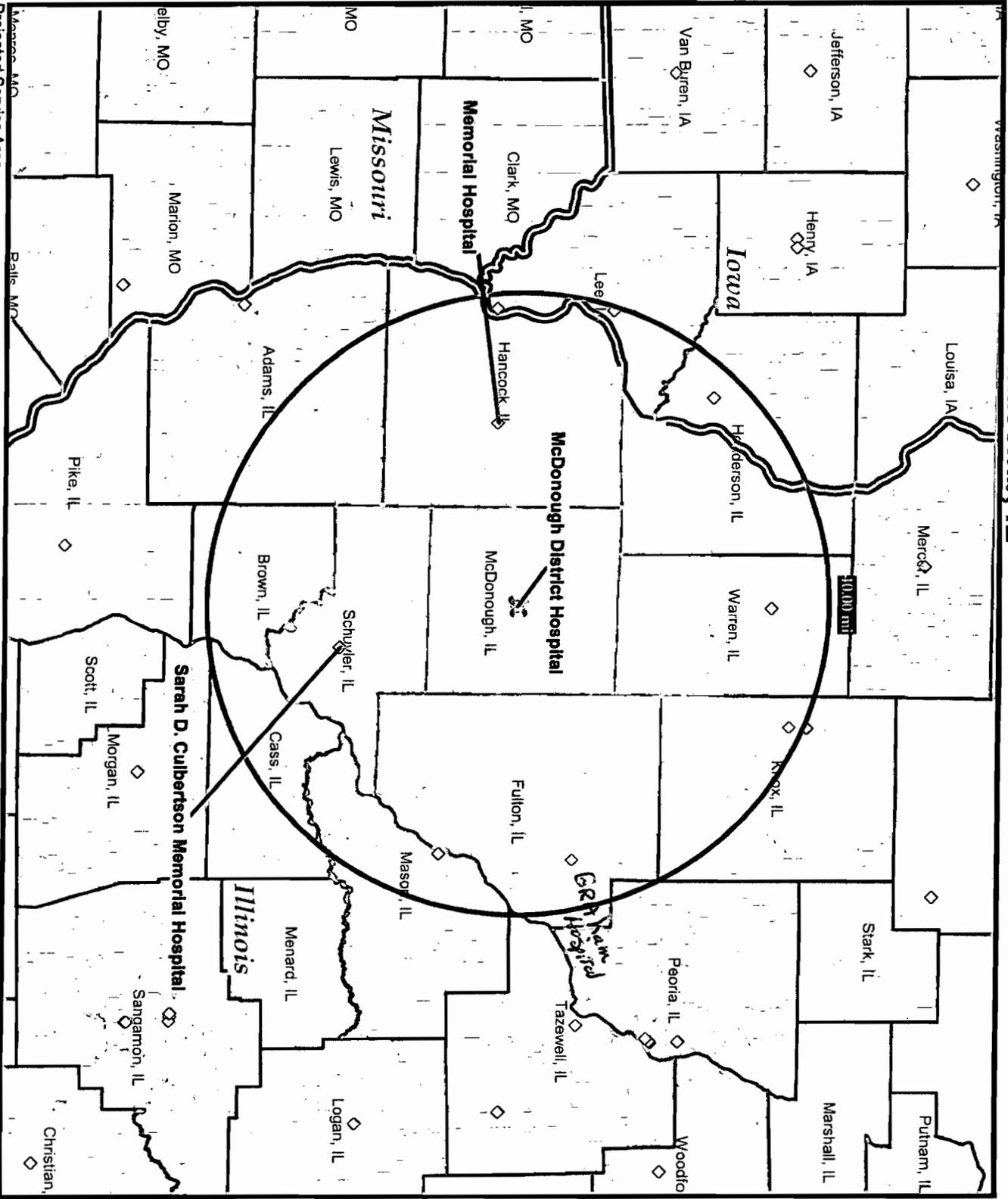
McDonough District Hospital Macomb, IL

Legend

- ◇ AHD All Hospitals
- Zip Codes
- ▭ County Boundaries
- ▭ Custom Boundary

Site Coordinates
 Longitude/X: -90.664703
 Latitude/Y: 40.447899

0 15 30
 Miles



HORIZON
HEALTH

2010 Demographics by Zip Code



McDonough District Hospital
525 East Grant Street Macomb, IL 61455

4/24/2014

Coordinates Longitude: -90.664703
Latitude: 40.447899

ID	2010 Total Population	Ages 0 - 19 Total Population	Ages 20 - 64 Total Population	Ages 65+ Total Population	
52601	29,633	7,613	16,845	5,175	
52623	2,042	554	1,134	352	
52627	13,239	3,063	8,003	2,174	
52632	13,181	3,530	7,418	2,233	
52639	1,820	404	1,066	350	
52650	783	201	459	122	
52655	4,274	995	2,476	802	
52656	2,076	472	1,222	383	
52658	1,158	268	693	196	
61401	34,063	7,928	19,896	6,239	
61410	3,953	1,029	2,214	711	
61411	393	88	233	72	
61412	1,345	316	764	263	
61415	1,848	436	1,025	388	
61417	277	65	163	48	
61418	554	129	311	116	
61420	1,094	235	647	213	
61422	3,458	922	1,922	612	
61423	613	137	357	118	
61425	302	56	180	68	
61427	2,173	518	1,235	419	
61430	778	152	471	155	
61431	319	70	182	67	
61432	674	178	394	99	
61435	148	33	87	29	
61436	1,029	246	592	191	
61437	961	191	590	181	
61438	708	170	401	138	
61440	746	168	438	137	
61441	982	216	585	180	
61447	881	221	519	142	
61448	3,752	940	2,054	757	
61450	1,611	387	884	341	
61452	336	65	220	51	
61453	607	157	363	86	

2010 Demographics by Zip Code



McDonough District Hospital
525 East Grant Street Macomb, IL 61455

4/24/2014

Coordinates Longitude: -90.664703

Latitude: 40.447899

ID	2010 Total Population	Ages 0 - 19 Total Population	Ages 20 - 64 Total Population	Ages 65+ Total Population	
61454	857	215	459	183	
61455	21,871	5,095	14,048	2,729	
61458	770	174	442	155	
61459	416	91	249	78	
61460	393	84	221	87	
61462	11,524	3,241	6,504	1,778	
61469	2,266	513	1,277	475	
61470	498	130	279	90	
61471	284	60	160	63	
61473	1,646	364	894	390	
61474	223	49	131	42	
61475	235	54	136	44	
61476	662	171	379	114	
61477	523	120	302	99	
61478	268	64	158	45	
61480	1,153	265	635	253	
61482	597	153	355	90	
61484	842	210	488	144	
61501	1,964	488	1,103	373	
61520	17,974	3,973	10,896	3,107	
61529	2,901	861	1,579	460	
61531	3,214	874	1,760	581	
61542	3,762	842	2,151	767	
61543	85	17	52	16	
61544	679	167	380	132	
61546	4,287	1,067	2,554	667	
61567	751	179	464	108	
61569	1,178	276	690	212	
61572	1,174	292	666	215	
62311	776	200	413	162	
62313	314	82	180	51	
62316	681	184	386	111	
62319	229	53	133	43	
62320	2,238	622	1,239	377	
62321	4,122	997	2,283	845	

2010 Demographics by Zip Code



McDonough District Hospital
525 East Grant Street Macomb, IL 61455

4/24/2014

Coordinates Longitude: -90.664703
Latitude: 40.447899

ID	2010 Total Population	Ages 0 - 19 Total Population	Ages 20 - 64 Total Population	Ages 65+ Total Population	
62324	1,448	412	808	227	
62325	485	138	262	84	
62326	2,709	634	1,601	474	
62330	1,811	439	1,026	346	
62334	129	27	76	27	
62339	805	227	426	152	
62341	3,637	925	2,034	679	
62344	150	36	83	31	
62346	135	38	74	23	
62349	608	146	325	138	
62351	1,768	491	976	301	
62353	5,252	892	3,820	540	
62354	1,692	373	868	451	
62358	779	181	437	160	
62359	171	50	93	28	
62367	1,448	390	817	241	
62373	288	71	164	53	
62374	211	42	127	42	
62375	514	123	291	100	
62378	1,073	265	607	202	
62379	2,163	507	1,278	379	
62380	498	132	283	82	
62611	1,073	260	623	191	
62617	893	205	529	159	
62618	7,933	2,339	4,494	1,101	
62624	553	133	317	103	
62627	965	242	539	181	
62633	796	175	458	163	
62639	808	214	481	113	
62644	5,070	1,185	2,826	1,059	
62655	531	137	299	94	
62665	1,659	459	941	260	
62681	5,101	1,164	2,950	987	
62691	2,384	554	1,376	454	

37

December 30, 2013

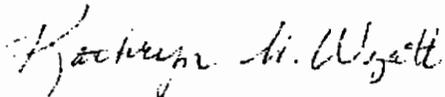
Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson St, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery,

I am writing this letter in support of the establishment of a 12 bed geri-psych unit at McDonough District Hospital, Macomb, Illinois. I am the leader of Day Health Services, an adult day services program in McDonough County, Illinois, that serves a frail elderly population. Of the participants that are enrolled in our Day Health Services program, 26% have a mental diagnosis, 19% are on depression medications and 16% receive counseling. As the elderly population grows with the coming of age of the Baby Boomers, I can only anticipate that the number of elderly with geri-psych issues is going to increase, thus increasing the need for a facility that is available to them in close proximity. The older population of McDonough County, (65+) has risen to 14.6%, whereas the elderly population of Illinois is 13.2%, according to the 2010 U.S. Census Bureau.

Speaking of close proximity, there is not an appropriate facility in close proximity to McDonough County. Quincy, Peoria and Springfield have facilities, yet these are hours away from McDonough County. Some patients choose not to seek treatment due to the logistics of travel and access barriers. Perhaps they are elderly caregivers and cannot travel to see their loved one and feel they can "get by", while putting themselves in danger. I understand that there is a stigma surrounding mental illness and treatment, and the possibility of the denial of problems, especially by the older population as they were socialized to issues of mental illness, at a point in time, when effective treatment plans had not yet made the medical advances that are available today. The three diseases that contribute to the increase in need for a geri-psych unit would be influence by the growing numbers of individuals with Alzheimer's and related disorders, substance abuse and chronic illnesses.

Thank you for your consideration,



Kathryn M. Wyatt, MA
Leader of Day Health Services



Administrative Offices
2960 Chartres Street • P.O. Box 1486
LaSalle, IL 61301 • 815-224-1610
FAX: 815-223-1634
Web site: www.ncbhs.org

December 12, 2013

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 W Jefferson St., 2nd Floor
Springfield, IL 62761

**RE: Letter of Support for McDonough District Hospital
Gero-Psych Unit**

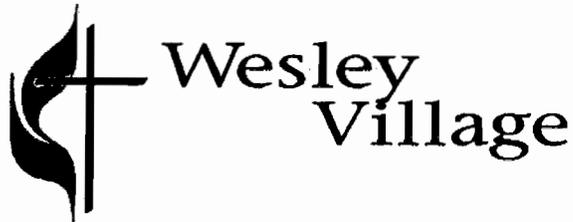
This letter is being written in support of McDonough District Hospital's proposed 12 bed Gero-Psychiatric Unit to enhance behavioral health services availability in their Macomb/McDonough County service area and surrounding communities.

Our organization is a community mental health center serving a seven county area in Central and North Central Illinois including Macomb and McDonough County. As such, we regularly participate in community health need assessments in conjunction with the eight community hospitals in our service area; the 708 Community Mental Health Boards overseeing local mental health funding; the Illinois DHS Division of Mental Health; and we also do our own assessments of community need and mental health service gaps. As such, we have clearly identified that psychiatric inpatient services availability is extremely limited and inadequate for all populations, including the 65 and above age range and the 55 year plus disabled population. More specifically, long-term care facilities in our service area frequently complain about problems in accessing needed inpatient mental health services for their patients.

Access to inpatient services would be significantly improved in having a Gero-Psych inpatient unit located in the Macomb area. Therefore, we enthusiastically support McDonough District Hospital's proposal/application and encourage you to contact us if you have questions or need additional information.

Sincerely,

Don Miskowicz
Chief Executive Officer



1200 East Grant Street

Macomb, Illinois 61455-3499

December 23, 2013

Courtney Avery, Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson St, 2nd Floor
Springfield, IL 62761

Dear Ms. Avery,

I am writing in support of the establishment of a Geri-psych unit at McDonough District Hospital in Macomb, Illinois. I serve as the CEO/Administrator of Wesley Village Retirement Community in Macomb; serving over 250 seniors retirement and health care needs.

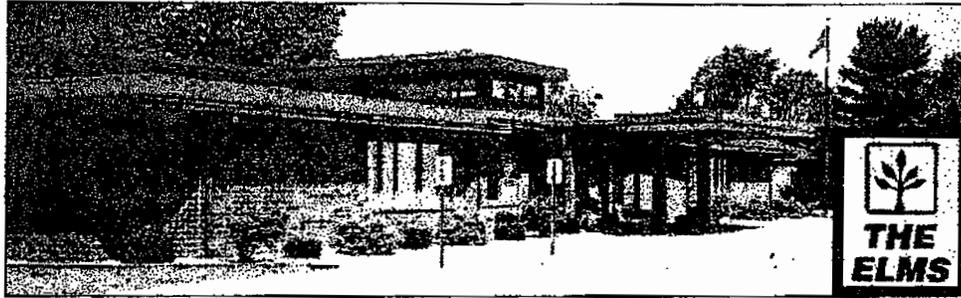
Currently our seniors have to travel out of the area to access psychiatric services. Some of our residents and their families are reluctant to seek treatment due to the logistics of travel and inconvenience.

Each year we have several seniors on our campus that would benefit from psychiatric treatment. Having a local Geri-psych unit is important to our community. We have been challenged by the hurdles that have to be cleared to get the seniors the help they need.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Shelly L. Ward', is written over the typed name.

Shelly L. Ward
CEO/Administrator



January 3, 2014

Illinois Health Facilities and Services Review Board
Attn: Courtney Avery, Administrator
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery:

As a local Nursing Home Administrator in the community, I was pleased to hear that McDonough District Hospital was considering a Geri-Psych Unit. This will be a nice addition to our area. Historically this has been a need for our elderly population.

Over the years when mental health care for our residents has been necessary they have been admitted more than 50 miles away. This is an added inconvenience for their loved ones who themselves are typically elderly as well. There have been instances when someone was in need of medication monitoring and adjustments and in our regional area facilities had no vacancies. This was very concerning for our resident's healthcare. An addition of a Geri-Psych Unit will allow for quality care close to home and continuity of care with the residents primary physicians that serve our elderly.

The local area is grateful that the administration at McDonough District Hospital is seeking these services to serve the many seniors in our community.

Sincerely,

Tina Cox
Elms Administrator



145 S. Chamberlain Street
Roseville, IL 61473
Phone: 309.426.2134
Fax: 309.426.2445
www.petersenhealthcare.net

"Caring With a Hometown Touch"

01-15-2014

Courtney Avery, Administrator
Illinois Health Facilities and Service Review Board
525 West Jefferson St, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery,

It has been brought to my attention that the McDonough District Hospital will be adding Geri-psych unit. I cannot tell you how excited that we are here at Roseville Rehab and Health Care. We have several residents that utilize McDonough District Hospital, but when there is a need for Geri-psych they have to utilize the Geri-psych unit at the Cottage hospital in Galesburg, when that unit is full, when then have to utilize the Peoria unit. We normally utilize this service on a average of one patient per month. That is only an average. This situation has concerned us for a long time just for the continuity of care issue alone that is not to mention the increase confusion for the resident and the families having to enter hospital that they are not accustomed to. So we are very pleased and excited about this new unit in Macomb. It will greatly improve the resident cares here as well as the whole community in the Macomb area.

Respectfully,

Ethel Logue
Administrator



Family Practice Associates, Ltd.

Charles J. O'Neill, M.D.
Michelle R. Reeves, M.D.

Curtis C. Farr, M.D.
Christopher D. Stortzum, M.D.

Amy S. Waschull, M.D.

505 East Grant Street • Suite 110 • Macomb, Illinois 61455
309/833-1733 • FAX 309/836-2369

January 23, 2014

Courtney Avery, Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson St., 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery:

This letter is in support of McDonough District Hospital adding a Geri-psyche unit. Our six provider group is the largest group of primary care in Macomb, Illinois. Our private practice was established in 1978, so therefore a large number of our patient base is comprised of geriatrics. A Geri-psyche unit could potentially be used by our practice on a fairly regular basis. We would estimate between 2 and 3 patients per month.

Currently, the closest facility of this type would be in Quincy, Peoria, or Springfield. While providing care for many geriatric patients, we also provide care for their 2nd, 3rd, and even 4th generations. Keeping the patient's loved ones close would be extremely beneficial to all concerned.

We support the administration at McDonough District Hospital in their decision to add a Geri-psyche unit and feel it has potential to serve our patient population.

Sincerely,

Charles J. O'Neill, M.D.

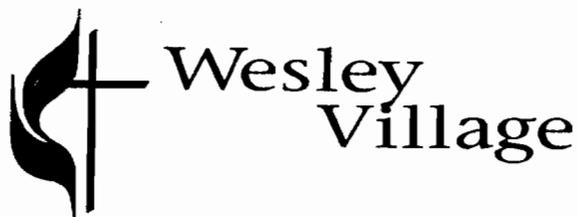
Curtis C. Farr, M.D.

Amy S. Waschull, M.D.

Michelle R. Reeves, M.D.

Christopher D. Stortzum, M.D.

Melissa Pounders, APN, FNP-BC



1200 East Grant Street

Macomb, Illinois 61455-3499

January 24, 2014

Courtney Avery, Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson St, 2nd Floor
Springfield, Il 62761

Dear Ms. Avery,

I am writing in support of the establishment of a Geri-psych unit at McDonough District Hospital in Macomb, Illinois. I serve as the CEO/Administrator of Wesley Village Retirement Community in Macomb; serving over 250 seniors retirement and health care needs.

Currently our seniors have to travel out of the area to access psychiatric services. Some of our residents and their families are reluctant to seek treatment due to the logistics of travel and inconvenience.

Each year we have several seniors on our campus that would benefit from psychiatric treatment. We would expect that 1-2 residents per month might utilize this service. Having a local Geri-psych unit is important to our community. We have been challenged by the hurdles that have to be cleared to get the seniors the help they need.

Sincerely,

A handwritten signature in black ink, appearing to read "Shelly L. Ward".

Shelly L. Ward
CEO/Administrator

Heartland Health Care Center
8 Doctors Lane
Macomb, IL 61455
309-833-5555
309-833-3749 Fax



March 12 2014

Courtney Avery , Adm.
Illinois Health Facilities and Services Review
525 W Jefferson St, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery,

I am writing this letter to support the proposed Geripsych unit at McDonough District Hospital in Macomb, Illinois. As the Administrator at Heartland of Macomb we are sending residents out of the area for psych treatment. The nearest unit is almost an hour drive and the most recent referral to a unit was in Peoria. The location is a burden to family members who was trying to support the resident's recovery. We have averaged at least 2 residents per month that we have sent out of the area for Geripsych services in 2013. I feel this addition of the Geripsych unit to McDonough District Hospital would support the needs for McDonough and surrounding counties.

Sincerely,

A handwritten signature in cursive script that reads "Christie Butler Admin".

Christie Butler Administrator
Heartland Health Care of Macomb

March 21, 2014

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson St, 2nd floor
Springfield, IL 62761

Dear Ms Avery,

We are writing this letter in support of the proposed geriatric psych unit at McDonough District Hospital. Patients in our region currently have to travel a minimum of 50 miles to receive inpatient geriatric psychiatric services, and often up to 100+ miles. This creates a hardship for the patient and their families due to the travel distance to receive these services, and unfortunately in some instances, the decision is made to not seek treatment due to lack of regional availability.

Nearly one-third of Dr. Wright's practice is comprised of patients 65 and older and Dr. Sarwar's practice is about 7%, which is lower, due to his focus on the pediatric and adolescent population. Serving the geriatric population poses unique needs that are best served in a dedicated geriatric psychiatric unit and the proposed unit at MDH would greatly assist in providing much need care to this worthy patient population.

We applaud McDonough District Hospital for recognizing and pursuing this important healthcare need in our region, and request the Illinois Health Facilities and Services Review Board support this project for McDonough District Hospital. This will have a positive impact for the citizens of Illinois residing in our region and we thank-you for your consideration.

Sincerely,



Scott Wright, MD



Sajjad Sarwar, MD

One group. One goal. Your care.



400 West Grant Street
Macomb, IL 61455
Phone: 309-837-2386
Fax: 309-836-9191

"Caring with a Hometown Touch"

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson St, 2nd Floor
Springfield, IL 62761

Dear Ms Avery,

I am writing this letter on behalf of McDonough District Hospital in Macomb. I am the administrator of Countryview Care Center of Macomb, a behavior based nursing home located in Macomb. McDonough District Hospital is proposing to have an inpatient geri-psych unit in their hospital. This would be very beneficial to my residents that reside in my facility.

I currently have 53 residents residing in Countryview Care Center of Macomb, 51 of them have at least one psychiatric diagnosis. Approximately, 45% of these are 65 or over, making them eligible for a geri-psych unit stay if needed. McDonough District Hospital is 2 blocks away from my facility. This would make it more convenient on my residents and their families if they were to be admitted there. Currently, the closest geri-psych unit is 50 miles away. Most residents go to one that is almost 2 hours away from Macomb. This can be a very big burden to the family, most of them are unable to travel that far or do not have the means to travel.

We currently use 2 psychiatrists that have offices located here in Macomb. The proposed unit will be using these psychiatrists. This is very beneficial to my residents and the facility. The physicians are very familiar with my residents and the care of plan that we have worked to make sure is very individualized for their diagnosis and symptoms. This unit would provide a continuum of care, which is very important to keep with people with psychiatric diagnoses. They have trust and comfort with these physicians and often refuse to see other physicians. Gaining trust with my residents is very hard and the fact that this is already established would be highly beneficial.

In conclusion, I believe that my facility and others in the community would be greatly benefited from the addition of a geri-psych unit at McDonough District Hospital. Please feel free to contact me at anytime regarding this issue.

LeAnn Fecht, R.N., B.S.N.
Administrator
Countryview Care Center of Macomb
400 W Grant St
Macomb IL 61455
(309)837-2386

ALTERNATIVES

Once the decision was made to establish a Geriatric Psychiatric unit the alternatives considered were to either utilize existing space now occupied by Medical Surgical beds or to utilize the shell space approved on the second floor of the new building. Both of these alternatives required the same amount of construction cost for the new addition, but the cost of relocating the Medical Surgical beds and modernizing the space to house an AMI unit makes that alternative more expensive. While the consideration of the relocation alternative never got to the level of preparing drawings and getting cost estimates from construction companies, past experience would put that cost in excess of \$1,000,000 in order to meet code requirements and provide for the safety of the facility's patients. This additional cost was also a factor in choosing the proposed project.

The alternative of utilizing existing space was rejected for several reasons. Since the applicant facility is so isolated from other medical services it was determined that the number of Medical Surgical beds, which the applicant now has after the approval of the hospital modernization, was the number needed to assure that the facility would have a bed available in an emergency in order to avoid going on by-pass. Therefore, the Medical Surgical beds would have to be replaced by developing the shell space for Medical-Surgical beds rather than AMI beds which would not result in cost savings to the hospital and would then separate the Medical Surgical Service into two distinct areas of the hospital and would place the AMI service in a more congested area of the hospital.

The existing space also would not be easily converted to the treatment and counseling space needed to support the AMI (Geriatric Psychiatric Service). The open shell space provided the best location for the proposed unit for several reasons:

1. The unit is separate from the other bed units in the hospital.
2. The space is large enough to allow for the 12 bed unit and the necessary support space, as well as the therapy and treatment space needed for the service.
3. The location near the emergency department allows for efficient transfer of patients needing AMI services to the new unit as well as allowing ED staff access to the expertise of the AMI staff should the need arise.
4. The location of the new unit will also allow easy access for patient visitors and family who are often involved in the treatment process.

The alternative of doing nothing was also considered, but was rejected due to the increasing number of Geriatric Patients who need AMI services and the complete lack of those services within a reasonable travel time of the applicant facility

It was also considered to be not feasible to build a separate addition to the hospital just to house the proposed AMI unit based upon the need to expand the hospital as a whole and the ability to accommodate the proposed unit within the confines of that modernization project.

The alternative chosen of using the proposed shell space was determined to be the most cost effective method of providing this much needed new service

SIZE OF PROJECT:

The proposed project will utilize shell space previously approved by the State Board on December 17, 2013. The shell space totaled 10,295 GSF. The total space was determined by the footprint of the building, the first floor houses the new emergency Department which was the driver for the original project.

The project as now proposed is the same one that the applicant indicated would fill the space when the original project was presented to the State Board. At that time design plans and final costs had not yet been determined.

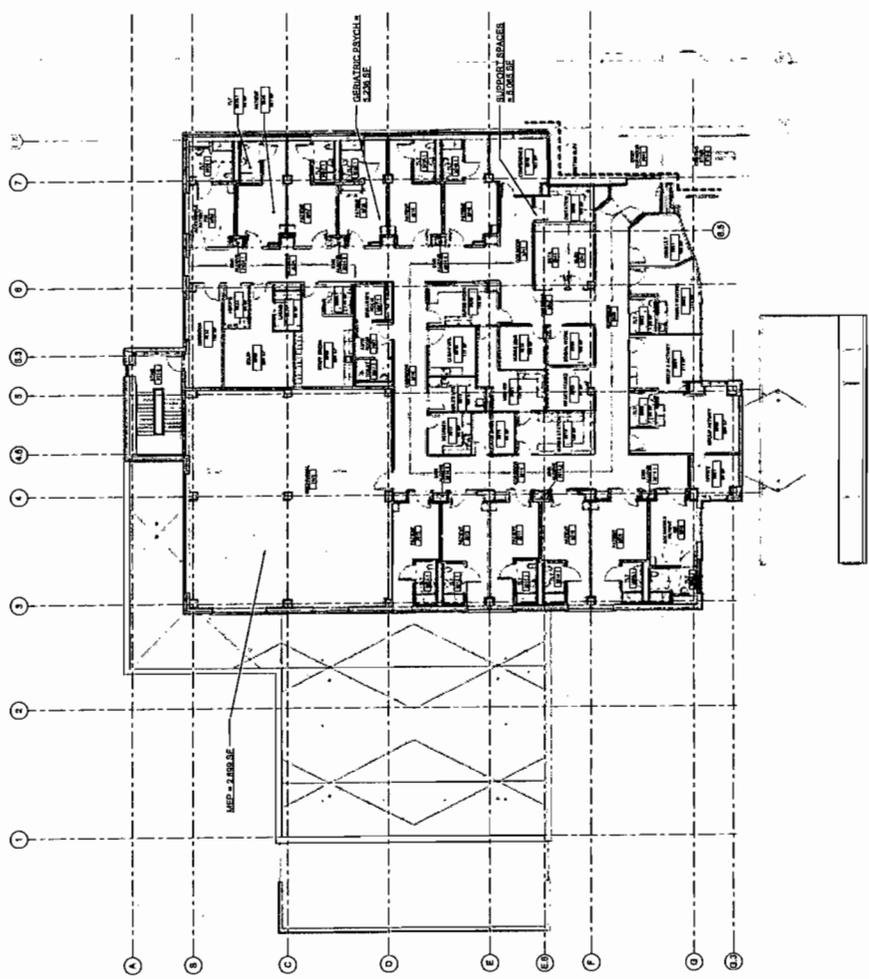
The space proposed consists of 12 private bed rooms, with private bathrooms; the general support space for those 12 bed, i.e., nurses station clean and soiled utilities, a nourishment area and all of the other areas required by licensure and accreditation agencies. In addition there are offices for the directors of the program, a staff break room, a family waiting area and activity rooms for the patients of the unit. Some of these are under normal circumstances would be considered non-clinical and not subject to Board review. However, in this instance where they are going to be occupying shell space which the applicant assured the Board would be brought back before the Board for its approval, the applicant included as clinical space so that a review could be conducted.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Geriatric Psych Unit	857.9 BGSF/Bed	440-560 BGSF per bed	297.9 BGSF/bed	No

Approximately 23.7% of the space proposed for the shell space is corridor space 2,443 GSF, another 657 GSF is for activity rooms, and 1,243 GSF are for offices waiting rooms and staff space which would normally be considered non clinical. That leaves 5,961 GSF for what could be considered to be nursing unit space. This amounts to 496.75 GSF per bed. Which compares favorably to the State Norm, which is 440-560 GSF per bed.

ADDITION - SECOND FLOOR GERIATRIC PSYCH

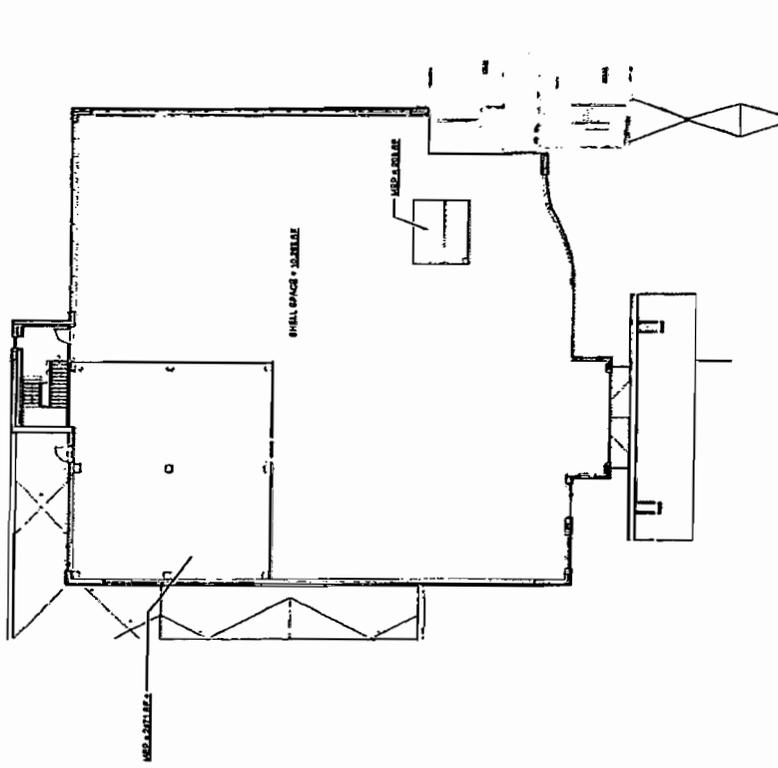
- CLINICAL**
- GERIATRIC PSYCH - 1,238 SF
- NON CLINICAL**
- MDP - 2,699 SF
 - SUPPORT SPACES - 1,085 SF



OWNER	McDonough District Hospital	PROJECT	McDonough District Hospital Facilities Improvement	SHEET NO.	D1.07X.	DATE	3/11/13
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ADDITION - 2ND FLOOR

- CLINICAL
- ACUTE CARE - 12,119 SF (SECOND FLOOR)
- ACUTE CARE - 5,472 SF (THIRD FLOOR)
- PHYSICAL THERAPY - 5,202 SF
- EMERGENCY - 5,201 SF
- RADIOLOGY - 1,504 SF
- WOUND CARE - 1,503 SF
- SURGERY - 1,277 SF
- NON CLINICAL
- DOC UTILIZATION - 1,793 SF
- HOSPITALIST - 485 SF
- QUALITY & INNOVATION - 1,198 SF
- CLINICAL NUTRITION & DIETETICS - 1,076 SF
- MSP - 2879 SF
- SUPPORT SPACES - NOT APPLICABLE
- OVERALL SPACES - 12,299 SF



PROJECT	McDonough District Hospital	DATE	08/28/13
PROJECT	McDonough District Hospital Facilities Improvement	SCALE	D1.07

PROJECT SERVICES UTILIZATION:

Since the hospital does not currently operate an AMI service no records are kept for referrals to a Geriatric Psych service.

The hospital is located in a rural area of West-central Illinois which has very limited access to Acute Mental Illness Services of any kind with the closest facility which provides Geriatric Psych services being located 59 minutes travel time from the proposed unit. There are a limited number of psychiatrists in the area (2) who do not specifically specialize in Geriatric Psychiatry which made obtaining specific numbers of referrals impossible to obtain. The hospital chose Horizon Health as a partner in this proposed unit in order to provide their expertise in calculating the need for the service as well as providing the resources to appropriately staff and manage the unit.

Horizon Health operates facilities throughout the country and has developed formulas for calculating the need for beds in a specific area. Using the 40 mile circle around the hospital and the 2010 census figures it is estimated that the population, age 64 and older, for primary and secondary service area for this service totaled 41,718 in 2010. The Inventory of Health Care Facilities published by the Illinois Health Facilities and Services Review Board projects an increase in that age group in HAS 2 to be 2.1% annually. Based upon this projection, the applicant calculated that the population of the age 64 and over age group would be 46,974 in 2016 when this project is completed and reaches the target occupancy level (85%).

The case projection coefficient* cases per month per person is 0.000537 which means that on average 25.23 patients per month would require care in the proposed facility. Based upon an average length of stay of 13.5 days per admission** the annual number of patient days would total 4,086.4 in 2016 which is an average daily census of 11.19 patients. This indicates a need for 13.16 beds. The applicant chose a more conservative number of beds and chose to develop a 12 bed unit.

Based upon the above calculations the applicant can achieve the 85% occupancy rate by 2016. Even if the population projections are not included the base line number of beds need is 11.698 or 12 beds.

* 2007 NATIONAL Hospital Discharge Survey, pp8-10, U.S. Department of Health and Human Services, centers for disease Control and Prevention, National Center for health statistics, National Health Statistics Number 26, October 26, 2010.

**2011 National Association of Psychiatric Health Systems Annual Survey, pg 24, Exhibit 30

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1	AMI	0	2,928 PD (54% occ.)	85% Occ.	No
YEAR 2	AMI	0	3,723 PD (85% occ.)	85%	Yes

Acute Mental Illness and Chronic Mental Illness

Planning Area Calculated Need

The latest Update to The Inventory of Health Care Facilities revised March 13, 2014 shows that an excess of 36 beds exists in HAS 2 which is the planning area for AMI services. The State Board does not calculate a bed need for Geriatric Psych beds as a separate category of service.

Service to the Planning Area

The Map appended to this application show the primary service area for the proposed project in the shaded area and the total service area for the project in the area inside of the 40 mile circle surrounding the proposed site at McDonough County District Hospital.

The applicant's primary service area includes small areas included in HAS-3 in Henderson, Schuyler, Cass, Adams and Brown Counties. The Counties of McDonough, Fulton, Henderson and Warren make up the majority of the primary service area with a small part of the area also in Knox County.

The primary service area for the proposed project also is the primary planning area for hospital as a whole with the majority of the applicant's patients being located within the boundaries of HAS 2.

There are no other hospitals with 25 miles of the applicant facility and no hospitals within 45 minutes of the hospital which offer AMI services. The closest hospital offering AMI services is Galesburg Cottage Hospital in Galesburg which, according to MapQuest is 59 minutes travel time from the applicant facility.

The hospital's primary purpose is to serve the residents of a large area in West central Illinois which currently do not have ready access to AMI services of any kind much less Geriatric Psych services.

Service Demand-Establishment of Category of Service

Since the hospital does not currently operate an AMI service no records are kept for referrals to a Geriatric Psych service.

The hospital is located in a rural area of West-central Illinois which has very limited access to Acute Mental Illness Services of any kind with the closest facility which provides Geriatric Psych services being located 59 minutes travel time from the proposed unit. There are a limited number of psychiatrists in the area (2) who do not specifically specialize in Geriatric Psychiatry which made obtaining specific numbers of referrals impossible to obtain. The hospital chose Horizon Health as a partner in this proposed unit in order to provide their expertise in calculating the need for the service as well as providing the resources to appropriately staff and manage the unit.

Horizon Health operates facilities throughout the country and has developed formulas for calculating the need for beds in a specific area. Using the 40 mile circle around the hospital and the 2010 census figures it is estimated that the population, age 64 and older, for primary and secondary service area for this service totaled 41,718 in 2010. The Inventory of Health Care Facilities published by the Illinois Health Facilities and Services Review Board projects an increase in that age group in HAS 2 to be 2.1% annually. Based upon this projection, the applicant calculated that the population of the age 64 and over age group would be 46,974 in 2016 when this project is completed and reaches the target occupancy level (85%).

The case projection coefficient* cases per month per person is 0.000537 which means that on average 25.23 patients per month would require care in the proposed facility. Based upon an average length of stay of 13.5 days per admission** the annual number of patient days would total 4,086.4 in 2016 which is an average daily census of 11.19 patients. This indicates a need for 13.16 beds. The applicant chose a more conservative number of beds and chose to develop a 12 bed unit.

Based upon the above calculations the applicant can achieve the 85% occupancy rate by 2016. Even if the population projections are not included the base line number of beds need is 11.698 or 12 beds.

* 2007 NATIONAL Hospital Discharge Survey, pp8-10, U.S. Department of Health and Human Services, centers for disease Control and Prevention, National Center for health statistics, National Health Statistics Number 26, October 26, 2010.

**2011 National Association of Psychiatric Health Systems Annual Survey, pg 24, Exhibit 30

Service Accessibility

The proposed service does not currently exist within a 45 minute travel time of the proposed facility. The closest hospital providing the service is Galesburg Cottage hospital which is located in Galesburg, which is approximately 51 miles and 59 minutes travel time North of the proposed unit. Other AMI units are in the surrounding areas at Blessing Hospital located in Quincy which is approximately 68 miles and 1 hour and 13 minutes Southwest of the proposed unit; Methodist Medical center which is located in Peoria which is approximately 76 miles and 1 hour and 30 minutes from the proposed unit; Proctor Hospital which is also located in Peoria approximately 83 miles and 1 hour and 35 minutes East of the proposed unit; and finally Memorial Medical Center, which is located in Springfield which is approximately 84 miles and 1 hour and 38 minutes Southeast of the proposed unit.

The access to the residents of all of West Central Illinois will be improved by the establishment of this new service at the applicant hospital.

Unnecessary Duplication of Services

A copy of the zipcode data used to develop the projected primary and secondary population figures for proposed project is appended to this attachment.

While there is an excess of AMI beds in HAS 2 of 36 beds. There are 0 beds within 30 or 45 miles of the applicant facility. As was stated earlier in this attachment the closest hospital which provides AMI services is 59 minutes from the proposed unit. Therefore there does not appear to be any unnecessary duplication of services in this area. It is not reasonable to require a patient and/or their family to travel nearly an hour to receive care.

Staffing Availability

Due to the length of the planning and construction time for this unit , we will be able to work with our current employees to determine who might be interested in working in the proposed unit and offer them educational/certification opportunities to become qualified for Geriatric Psych care. We can offer education through on-line classes and collaboration with Western Illinois University's and Spoon River College's nursing programs to develop specific educational opportunities. We will be able to recruit additional RNs from WIU and SRCC in the Spring of 2014 and 2015 to fill positions that our current employees leave to take positions in the new unit. Ads will also be placed in Quincy, Galesburg, Springfield, and Peoria to reach trained RNs. The American Psychiatric Nurses Association offers education/certification and job placement/career assistance. There is a chapter in Illinois that would be very helpful to us. We currently employ an RN with psychiatric nursing experience and certifications who is very interested in a higher level nursing position in the unit.

We currently receive many applications from WIU graduates with either a Bachelor's degree in Social Work or Psychology. Often times, they fulfill their internship requirements in Behavioral Health Services at the hospital. We also receive many applications from people in the community that would be qualified for the Mental Health Tech positions.

WIU also offers the Master's in Social Work degree through the Quad cities campus and these students also intern with our Behavioral Health Services department. We currently have two employees with this degree

With the closing of our TCU (Transitional Care Unit) in 2014 we will have RNs, LPNs activities therapist that will need placement within the organization

In addition we have contracted with Horizon Health to assist in the Management and Operation of the proposed unit, which also brings their national recruiting resources into play to assist us in filling any positions where we have trouble recruiting locally.

In summary we will be able to recruit any staff necessary to meet the units licensure and accreditation standards.

Performance Requirements

The hospital is not located in a MSA and is proposing to have 12 AMI beds which meets the minimum requirement for at least a 10 bed unit.

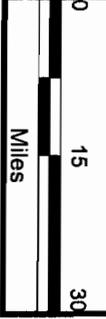
Assurances

A letter with the required assurances is appended to this attachment.

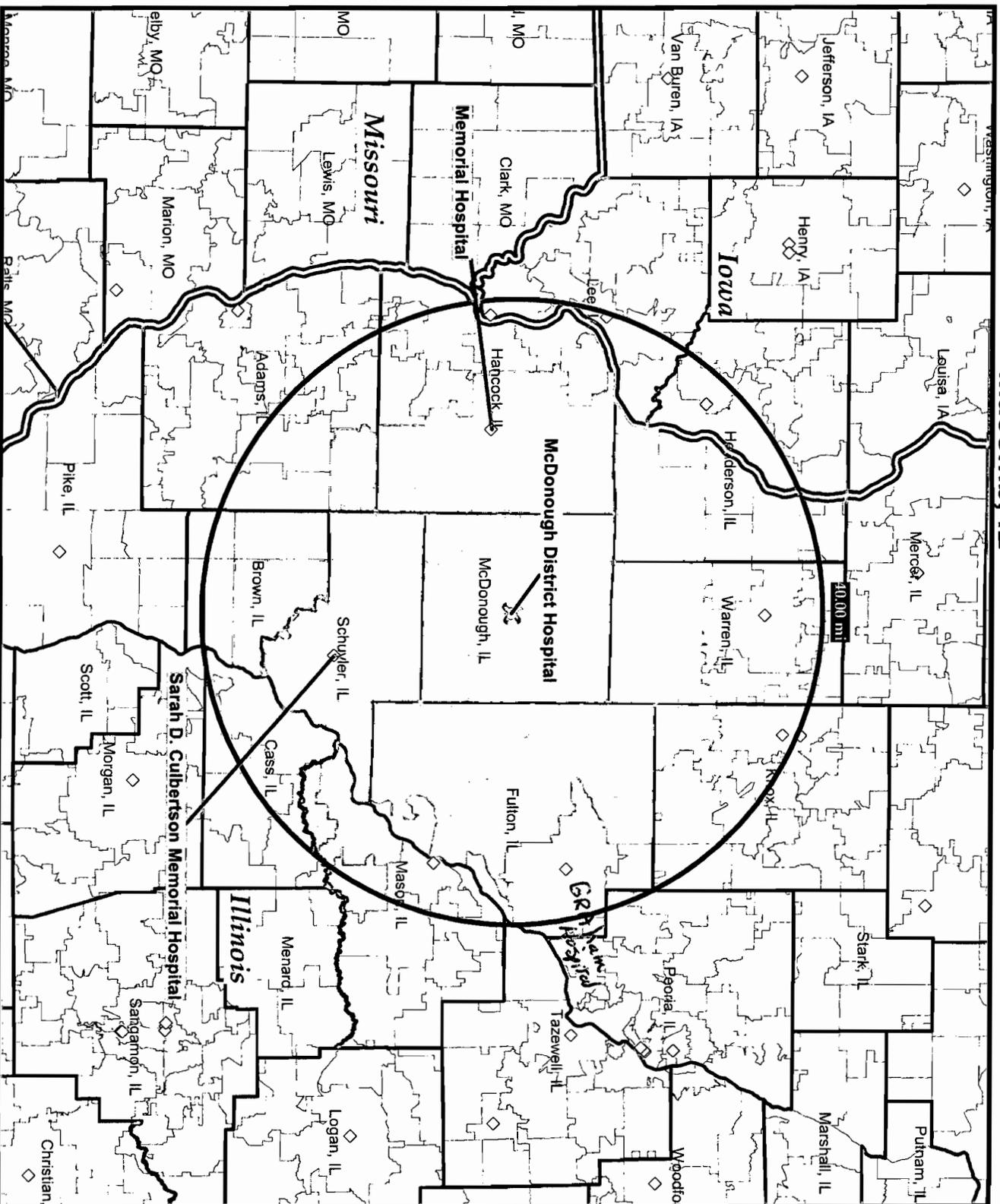
McDonough District Hospital Macomb, IL

- Legend**
- ◇ AHD All Hospitals
 - Zip Codes
 - County Boundaries
 - Custom Boundary

Site Coordinates
 Longitude/X: -90.664703
 Latitude/Y: 40.447899



HORIZON
HEALTH



Projected Service Area

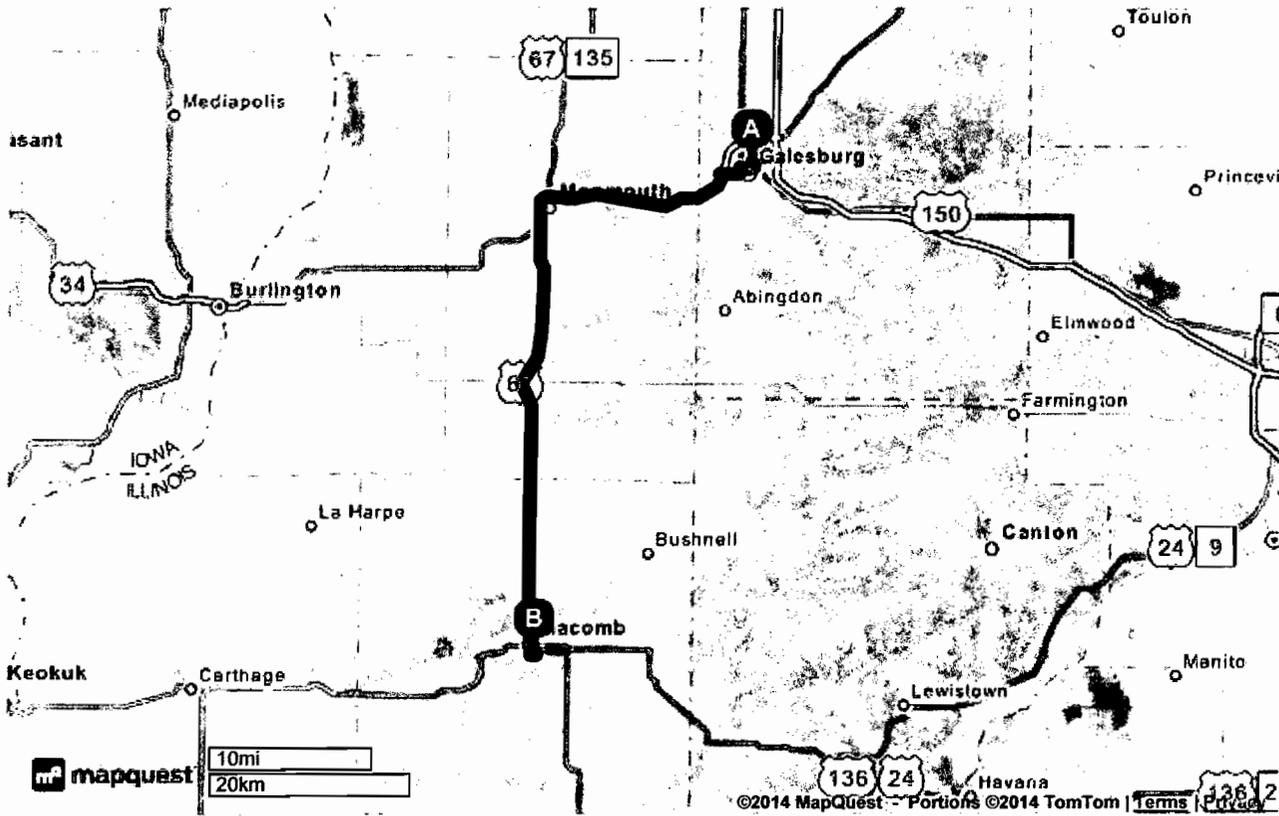
61



Trip to:
625 E Grant St
Macomb, IL 61455
51.29 miles / 59 minutes

Notes

From MCDonough County District Hospital to
Galesburg Cottage Hospital



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Notes



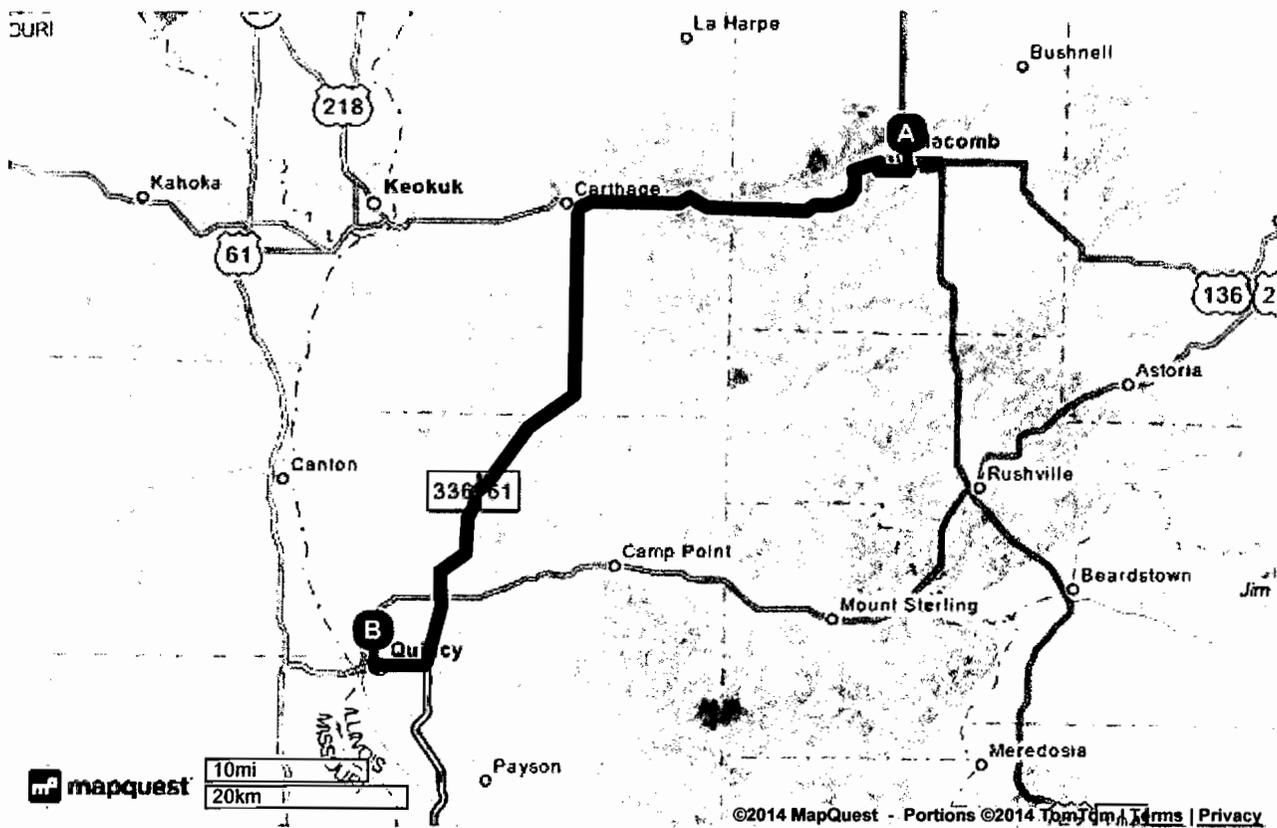
Trip to:

Blessing Hospital
1125 Hampshire St

Quincy, IL 62301

(217) 223-0071

68.28 miles / 1 hour 13 minutes



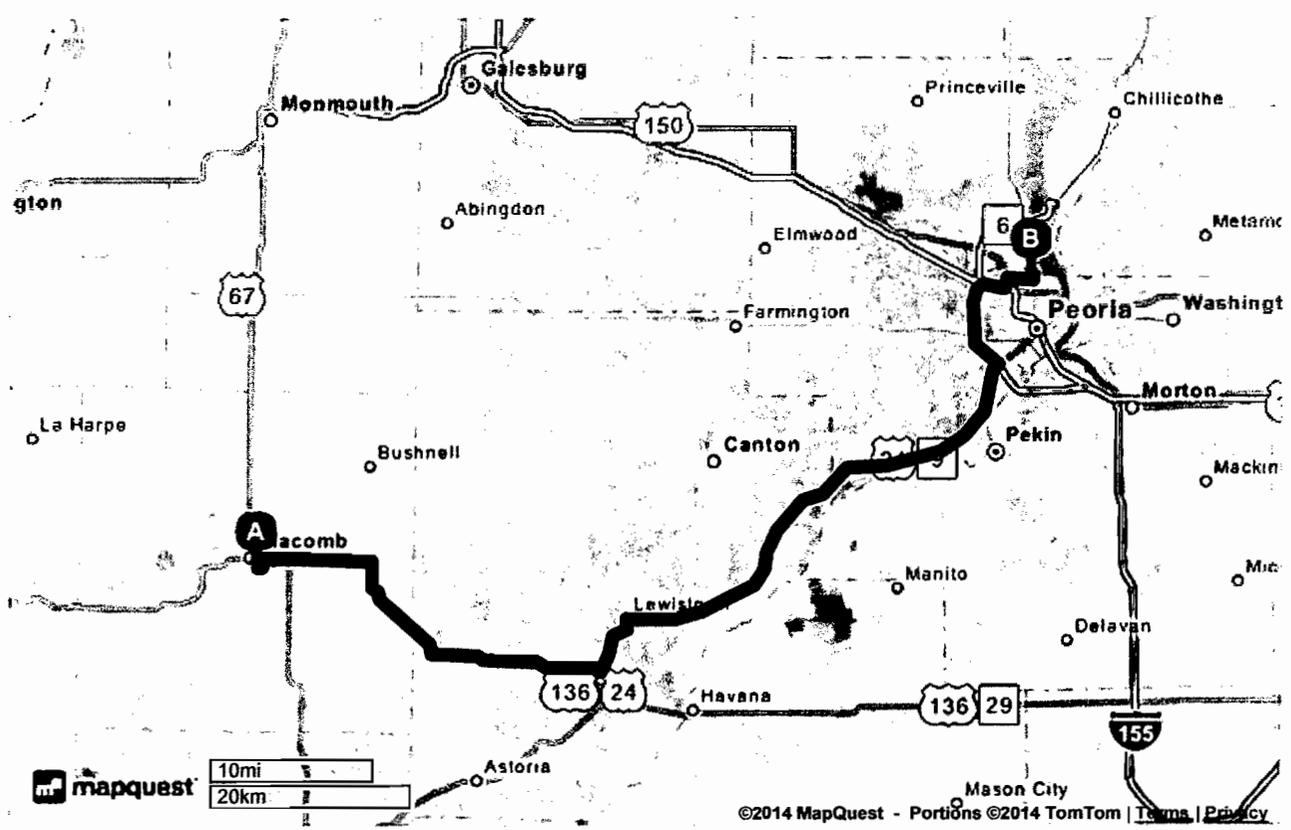
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Notes



Trip to:
Proctor Hospital
5215 N Knoxville Ave
Peoria, IL 61614
(309) 692-9595
82.65 miles / 1 hour 35 minutes



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Notes



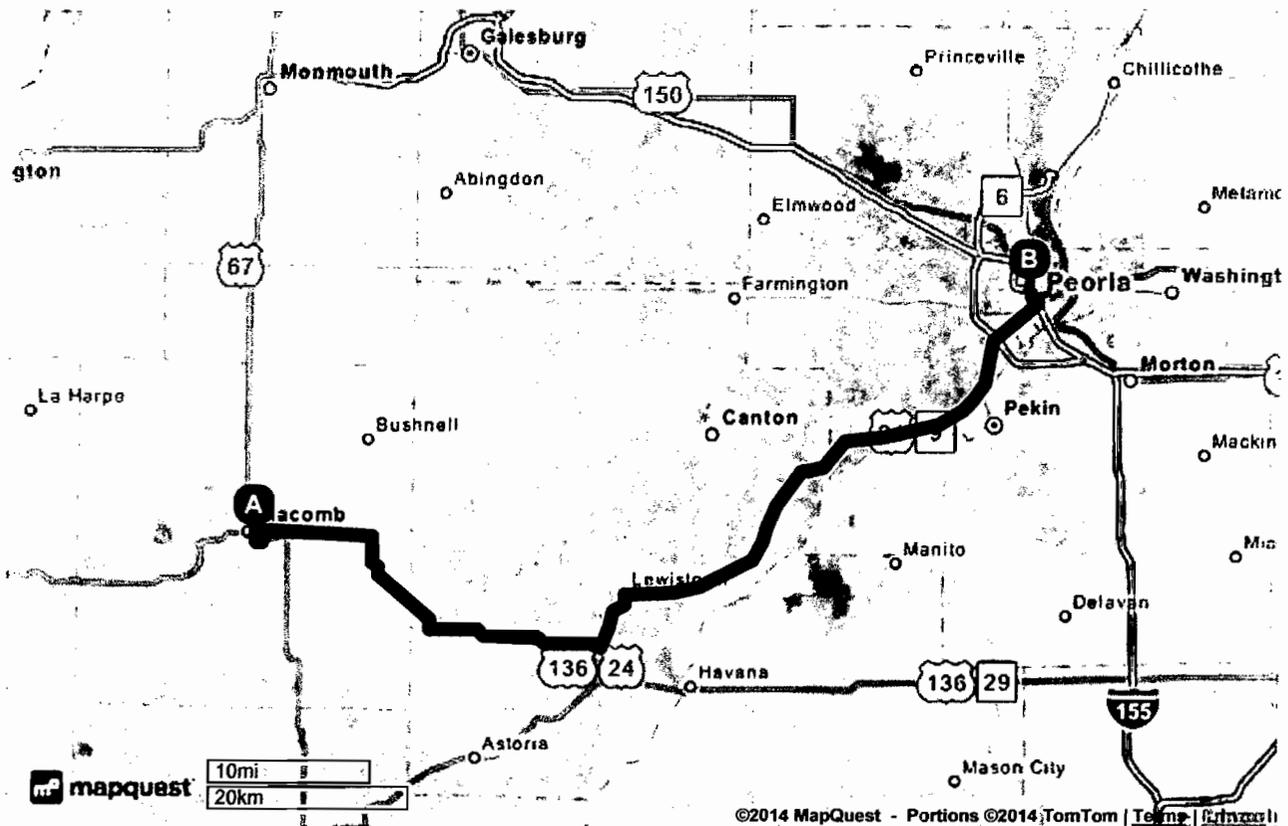
Trip to:

Methodist Medical Center
120 NE Glen Oak Ave

Peoria, IL 61603

(309) 672-5741

75.59 miles / 1 hour 30 minutes



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Trip to:

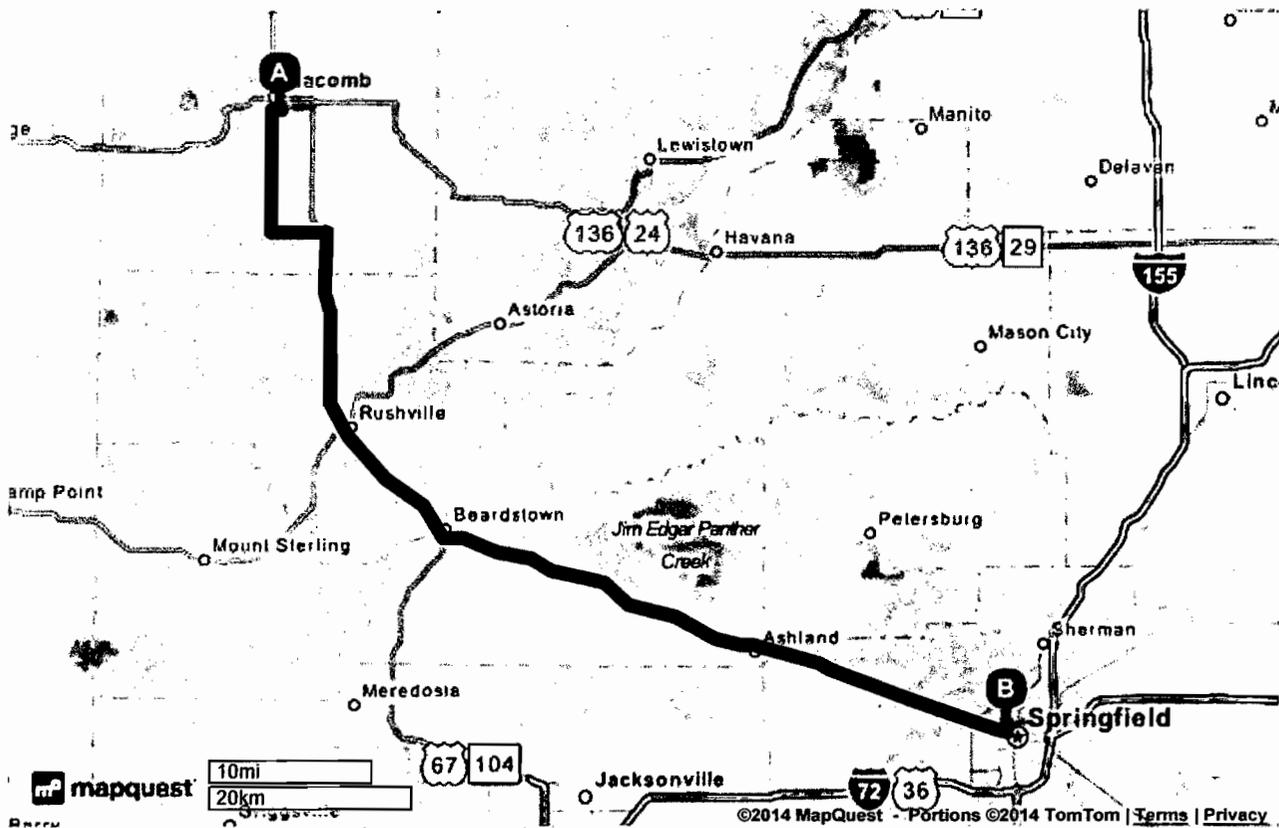
Memorial Medical Foundation

701 N 1st St

Springfield, IL 62702

(217) 788-4700

83.60 miles / 1 hour 38 minutes



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2010 Demographics by Zip Code



McDonough District Hospital
525 East Grant Street Macomb, IL 61455

4/24/2014

Coordinates Longitude: -90.664703
Latitude: 40.447899

ID	2010 Total Population	Ages 0 - 19 Total Population	Ages 20 - 64 Total Population	Ages 65+ Total Population	
52601	29,633	7,613	16,845	5,175	
52623	2,042	554	1,134	352	
52627	13,239	3,063	8,003	2,174	
52632	13,181	3,530	7,418	2,233	
52639	1,820	404	1,066	350	
52650	783	201	459	122	
52655	4,274	995	2,476	802	
52656	2,076	472	1,222	383	
52658	1,158	268	693	196	
61401	34,063	7,928	19,896	6,239	
61410	3,953	1,029	2,214	711	
61411	393	88	233	72	
61412	1,345	316	764	263	
61415	1,848	436	1,025	388	
61417	277	65	163	48	
61418	554	129	311	116	
61420	1,094	235	647	213	
61422	3,458	922	1,922	612	
61423	613	137	357	118	
61425	302	56	180	68	
61427	2,173	518	1,235	419	
61430	778	152	471	155	
61431	319	70	182	67	
61432	674	178	394	99	
61435	148	33	87	29	
61436	1,029	246	592	191	
61437	961	191	590	181	
61438	708	170	401	138	
61440	746	168	438	137	
61441	982	216	585	180	
61447	881	221	519	142	
61448	3,752	940	2,054	757	
61450	1,611	387	884	341	
61452	336	65	220	51	
61453	607	157	363	86	

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2010 Demographics by Zip Code



McDonough District Hospital
525 East Grant Street Macomb, IL 61455

4/24/2014

Coordinates Longitude: -90.664703
Latitude: 40.447899

ID	2010 Total Population	Ages 0 - 19 Total Population	Ages 20 - 64 Total Population	Ages 65+ Total Population	
61454	857	215	459	183	
61455	21,871	5,095	14,048	2,729	
61458	770	174	442	155	
61459	416	91	249	78	
61460	393	84	221	87	
61462	11,524	3,241	6,504	1,778	
61469	2,266	513	1,277	475	
61470	498	130	279	90	
61471	284	60	160	63	
61473	1,646	364	894	390	
61474	223	49	131	42	
61475	235	54	136	44	
61476	662	171	379	114	
61477	523	120	302	99	
61478	268	64	158	45	
61480	1,153	265	635	253	
61482	597	153	355	90	
61484	842	210	488	144	
61501	1,964	488	1,103	373	
61520	17,974	3,973	10,896	3,107	
61529	2,901	861	1,579	460	
61531	3,214	874	1,760	581	
61542	3,762	842	2,151	767	
61543	85	17	52	16	
61544	679	167	380	132	
61546	4,287	1,067	2,554	667	
61567	751	179	464	108	
61569	1,178	276	690	212	
61572	1,174	292	666	215	
62311	776	200	413	162	
62313	314	82	180	51	
62316	681	184	386	111	
62319	229	53	133	43	
62320	2,238	622	1,239	377	
62321	4,122	997	2,283	845	

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2010 Demographics by Zip Code



McDonough District Hospital
525 East Grant Street Macomb, IL 61455

4/24/2014

Coordinates Longitude: -90.664703
Latitude: 40.447899

ID	2010 Total Population	Ages 0 - 19 Total Population	Ages 20 - 64 Total Population	Ages 65+ Total Population	
62324	1,448	412	808	227	
62325	485	138	262	84	
62326	2,709	634	1,601	474	
62330	1,811	439	1,026	346	
62334	129	27	76	27	
62339	805	227	426	152	
62341	3,637	925	2,034	679	
62344	150	36	83	31	
62346	135	38	74	23	
62349	608	146	325	138	
62351	1,768	491	976	301	
62353	5,252	892	3,820	540	
62354	1,692	373	868	451	
62358	779	181	437	160	
62359	171	50	93	28	
62367	1,448	390	817	241	
62373	288	71	164	53	
62374	211	42	127	42	
62375	514	123	291	100	
62378	1,073	265	607	202	
62379	2,163	507	1,278	379	
62380	498	132	283	82	
62611	1,073	260	623	191	
62617	893	205	529	159	
62618	7,933	2,339	4,494	1,101	
62624	553	133	317	103	
62627	965	242	539	181	
62633	796	175	458	163	
62639	808	214	481	113	
62644	5,070	1,185	2,826	1,059	
62655	531	137	299	94	
62665	1,659	459	941	260	
62681	5,101	1,164	2,950	987	
62691	2,384	554	1,376	454	

April 28, 2014

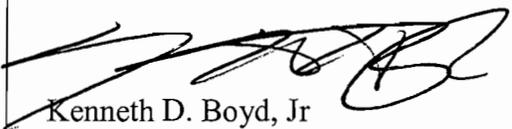
Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, Illinois 62671

RE: Certificate of Need Application for McDonough County Hospital District dba
McDonough District Hospital

To Whom It May Concern,

I am writing to express my assurance that the Geriatric Psychiatric Unit for which we seek application will achieve 85% occupancy and maintain it in the second year of operation.

Sincerely,



Kenneth D. Boyd, Jr
President/CEO
McDonough District Hospital

Financial Viability Waiver

The proposed project will be funded by cash from the Hospital's Trust. A bank letter verifying the availability of the cash is appended to this Attachment.



201 South Grove Avenue
Barrington, IL 60010

April 18, 2014

Re: Fellheimer Trust - McDonough District Hospital

To Whom It May Concern:

This is to inform you that McDonough District Hospital leadership, along with the Board of Directors, has requested a discretionary distribution in the amount of \$4,000,000 from the above mentioned trust. These funds are to be used towards the establishment of a 12-bed inpatient geriatric psychiatric unit in a newly constructed space at McDonough District Hospital.

Given the parameters of the trust, BMO Harris Bank, as Trustee, has approved the request for a \$4,000,000 distribution from the Trust.

Please feel free to call me if you have any questions.

Warmest regards,

Ellaine Sambo-Reyther
Vice-President | Director, Trust & Estate Services
BMO Private Bank
(847) 756-5543
(312) 206-2027 - mobile
(847) 381-4661 - facsimile
ellaine.sambo@harrisbank.com

Projected Operating Costs

The projected operating cost per equivalent patient day for the hospital in 2016 is \$2,909 and the Geri-Psych unit the projected operating cost per equivalent patient day is \$496.

Total Effect of the Project on Capital Costs

The project will add \$4.90 to the capital cost per equivalent patient day for the hospital bringing the total to \$91.10.

Charity Care information

CHARITY CARE			
	Year 2010	Year 2011	Year 2012
Net Patient Revenue	\$55,367,870	\$60,503,816	\$63,066,317
Amount of Charity Care (charges)	\$1,932,571	\$2,114,806	\$2,861,878
Cost of Charity Care	\$772,835	\$835,348	\$1,104,133

Safety Net Impact Statement

Since the applicant is the only licensed hospital within a 25 mile radius, the applicant facility is critical to providing a safety net for the residents of Macomb and a large part of the surrounding area. The only other licensed hospital in the Board designated planning area is Graham Hospital located in Canton, Illinois which is more than 30 minutes travel time from the applicant facility. No other hospital could readily step in to serve the residents of McDonough County and the surrounding area.

The applicant facility is the safety net hospital for this area and its continued existence is essential to providing high quality care to this planning area.

The table below addresses the safety net requirements of the State Board

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year 2010	Year 2011	Year 2012r
Inpatient	79	67	98
Outpatient	1401	1601	2878
Total	1480	1668	2976
Charity (cost in dollars)			
Inpatient	\$181,457	\$252,560	\$346,734
Outpatient	\$404,231	\$504,535	\$826,384
Total	\$585,688	\$757,095	\$1,173,118
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient	313	272	251
Outpatient	7,570	8,149	9,191
Total	7,883	8,421	9,442
Medicaid (revenue)			
Inpatient	\$3,548,243	\$3,192,458	\$3,188,528
Outpatient	\$8,451,894	\$9,941,633	\$10,911,746
Total	\$12,000,137	\$13,134,071	\$14,100,274

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:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	20
2	Site Ownership	21
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4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	23
5	Flood Plain Requirements	24-25
6	Historic Preservation Act Requirements	26
7	Project and Sources of Funds Itemization	27
8	Obligation Document if required	N/A
9	Cost Space Requirements	28
10	Discontinuation	N/A
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13	Alternatives to the Project	48
14	Size of the Project	49-51
15	Project Service Utilization	52
16	Unfinished or Shell Space	N/A
17	Assurances for Unfinished/Shell Space	N/A
18	Master Design Project	N/A
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	N/A
20	Medical Surgical Pediatrics, Obstetrics, ICU	N/A
21	Comprehensive Physical Rehabilitation	53-70
22	Acute Mental Illness	N/A
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	
27	Non-Hospital Based Ambulatory Surgery	
28	Selected Organ Transplantation	
29	Kidney Transplantation	
30	Subacute Care Hospital Model	
31	Children's Community-Based Health Care Center	
32	Community-Based Residential Rehabilitation Center	
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35	Freestanding Emergency Center Medical Services	N/A
	Financial and Economic Feasibility:	
36	Availability of Funds	72
37	Financial Waiver	71
38	Financial Viability	N/A
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40	Safety Net Impact Statement	74
41	Charity Care Information	75