



14-066

December 15, 2015

Ms. Courtney Avery
Administrator
Illinois Health Facilities and
Services Review Board
525 W. Jefferson
Springfield, IL 62761

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Dear Ms. Avery:

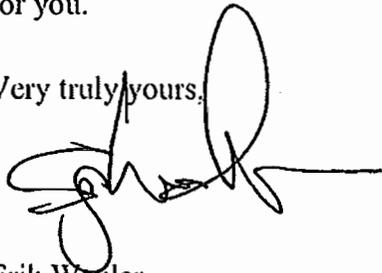
MacNeal Hospital has filed a Certificate of Need application to establish a 12-bed comprehensive physical rehabilitation ("rehabilitation") unit at the hospital. This project is the product of Tenet Healthcare Corporation's ("Tenet") comprehensive review of its rehabilitation services across all four of its Chicago-area hospitals (MacNeal, Weiss, Westlake and West Suburban) since its purchase of these hospitals from Vanguard Health Systems in October, 2013. This application to establish a new rehabilitation unit will result in 12 additional rehabilitation beds in Planning Area 7. Tenet would like to avoid triggering an increase in the planning area's inventory of rehabilitation beds by offering to reduce its rehabilitation beds at Westlake Hospital by 12 beds. (Westlake is also located in Planning Area 7). This downsizing in Westlake's rehabilitation beds will result in no net increase in rehabilitation beds for the planning area.

We are coming to you in connection with this matter because, as you will recall, Tenet committed to the Illinois Health Facilities and Services Review Board ("IHFSRB") that it would not reduce beds at the four hospitals it purchased from Vanguard until two years following the acquisition. That two-year period will conclude on October 1, 2015. Tenet is willing to reduce the Westlake rehabilitation beds from 40 to 28 upon the IHFSRB's approval of the MacNeal application, which is anticipated to be heard by the agency prior to the expiration of the two-year period. As you may know, we sought Technical Assistance from your staff (copied here) to formally offer to reduce Westlake's rehabilitation beds so that the MacNeal proposal would not represent an increase in the number of rehabilitation beds in Planning Area 7. We informed your staff that Westlake's proposed 28-bed unit will provide sufficient bed capacity to meet our community's in-patient rehabilitation needs. Moreover, we have engaged our community in our plans regarding the proposed downsizing of Westlake's rehabilitation unit and we are unaware of any opposition. In fact, if it is convenient for your schedule, we would appreciate the opportunity to schedule a follow-up Technical Assistance call with you and our CON consultants regarding this matter. We intend to include Rep. Chris Welch, who serves as Board Chair at Westlake for the purpose of answering any questions that you might have regarding community reaction.

Bottom line, Tenet is prepared to discontinue 12 Westlake rehabilitation beds upon the approval of the MacNeal application, and we would agree to a condition on the MacNeal approval that articulates that condition. We seek your direction on this request because, as noted above, the 2-year period will not run until October 1, 2015. As you are aware, the Board has approved discontinuations prior to the end of the 2-year period. (See Presence St. Francis' request to discontinue its pediatric beds.)

We are eager for your input and we will make ourselves available at any time that is convenient for you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Erik Wexler', with a large, stylized flourish at the end.

Erik Wexler
Chief Executive Officer
Northeast Region

cc: Mike Constantino
Jack Axel
Honey Skinner