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RECEIVED
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HEALTH FACILITIES &
SERVICES REVIEW BOARD

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

Re: **Project 15-044**

Dear Ms. Avery:

On behalf of Crystal Pines Rehabilitation Center, Crossroads Care Center, Fair Oaks, Florence Nursing Home and The Springs at Crystal Lake, I would like to take this opportunity to address errors in the State Board Report ("SBR") regarding the above referenced project.

Before doing so, I would like to thank the staff for noting that the project failed to meet important criterion of the State Board, including service accessibility, unnecessary duplication/maldistribution and negative impact on area providers. The State Board staff noted that there is ample access to the proposed services the facility would provide, that the various facilities within the service area are predominantly underutilized and that they will be negatively impacted by the proposed facility. It also noted the facility will have "minimal" impact on the provision of care to Medicaid insureds.

However, the SBR erroneously concluded that the applicants met criterion pertaining to 1125.520 (background of the applicant) and 1125.530 and 1125.540(service to planning area residents and service demand). In addition the SBR did not note that the proposed facility will provide limited access as they will have 98 beds dedicated to patients requiring short term (14 day) rehabilitation stays. It will not meet the general long term care need within McHenry County which is projected through 2018.

1125.520 Background of the Applicant(s)

The state board failed to note that throughout the application the applicants referred to Symphony Post-Acute Care Network as "affiliated" and "related". The applicants clearly referenced Symphony Post-Acute Care Network because it is an owner operator of various long-term care facilities in the State and the applicants attempt to rely on its reputation to support its

ability to own and operate the proposed facility. The State Board should inquire as to the specific relationship between Symphony and the applicants, and if Symphony indeed has an owner operator relationship with the applicants and/or will be managing the facility the application should be deferred and Symphony should be required to be an applicant. The SBR notes Symphony will provide staffing to the proposed facility, but fails to note the other confusing references to Symphony's role in this project. Also, staffing a long term care facility is a major endeavor and the background of the entity doing so should be part of the State Board review, which it would be if Symphony were an applicant, as it apparently should be. The application references Symphony in the following locations:

Pg. 50 "The manager of TCO JV, LLC has an affiliation with Symphony Post-Acute Network. Symphony Post-Acute Network has a proven track record of successfully operating and managing nursing homes in Illinois with an emphasis on managing facilities like this project. Through Symphony Post-Acute Care Network, the proposed project is "related" to other Illinois nursing homes. . ."

Then a listing of presumably Symphony nursing homes is referred to and attached as part of the Background of the Applicants section. The applicants' later state:

Pg. 90 "The proposed owner and operator do not directly own or operate any other licensed Illinois nursing facilities. The ownership entity specifically, does not have any related facilities. ATTACHMENT 12-A identifies all related nursing facilities owned and operated by the Operator/licensee."

The attachment is the same as that referred to as "related" Symphony facilities, which is very confusing. The applicants are saying they do not own or operate any other nursing facilities, but then say they do in the same sentence.

The applicants again reference Symphony, stating:

Pg. 167 "The applicant is an affiliate of Symphony Post-Acute Care Network. Symphony provides management and consulting services to its ***(whose Symphony's or the applicants???)*** *26 related skilled and assisted living facilities in Illinois . . .The applicant recruits both locally and regionally* ***(if the applicant recruits locally etc. why does it need Symphony for staffing, or is this referring to Symphony's recruitment processes???)*** *for highly qualified staff. . . Furthermore it is the policy of the organization to promote from within" (Bolded notes are the authors and not part of the application.)*

It is impossible to tell from all of the above who the "organization" and "applicant" is and what role Symphony plays if any in managing, operating or staffing the facility.

Lastly, in the section of the application addressing "community related functions" (criterion 1125.610), pg. 191, various community support letters are provided that again state the

understanding that Mainstreet Development, LLC and Symphony Post-Acute Care Network are proposing a 98 bed skilled nursing facility.

Given all of the above, either Symphony should be an applicant or the application is itself misleading.

Referral Sources Appear to Believe Applicant is Symphony Post-Acute Care Network

Furthering the confusion regarding who the applicant is or should be is the referral letters provided to support the project, which all reference a proposed nursing facility of Symphony.

Pg. 110 "It is our understanding that the Mainstreet Development Group and Symphony Post-Acute Care Network propose to establish a 98 bed, all private room long term care skilled nursing facility in facility in Health Service Area 8, McHenry County."

The above is taken out of a referral letter from Centegra Health System. Indeed, **all** of the referral letters state the proposed facility is a Symphony facility, which is of serious concern.

Planning Area need and Service to Planning Area (1125.530 and 540)

On page 11 of the SBR, in addressing criterion 1125.530 there is a reference to the letters from Centegra Hospital – McHenry, Centegra Hospital – Woodstock and a number of doctors which together indicate the future referral of 2,440 patients. The SBR failed to note that the referral letters did not comply with applicable requirements. The requirements at issue are found at 1120.530 and 540 and state that applicants must: *"Provide letters from referral sources (hospitals, physicians, social services and others) that attest to total number of prospective residents (by zip code of residence) who have received care at existing LTC facilities located in the area during the 12 month period prior to submission of the application. Referral sources shall verify their projections and the methodology used, as described in 1125.540".* The applicants' referral letters DO NOT include patient zip code origin, nor do they state where the referrals were sent in the past 12 months, making it impossible to verify accuracy and to ascertain the negative impact the proposed facility will have on other area facilities. In addition, 1125.540 states applicants must: *"Document the number of referrals to other facilities, for each proposed category of service, for each of the latest two years. Documentation shall include the resident/patient origin by zip code, name and specialty of the referring physician or identification of another referral source and the name and location of the recipient LTC facility".* The referral letters contain NONE of this information.

The point of requiring referral letters to be specific as to patient origin by ZIP Code and where the patients were previously referred is necessary to assure that referrals are not gerrymandered and/or duplicative. In a disrespectful manner, the applicants completely fail to comply and/or to even attempt to comply with the criterion requirements. The applicants even note at page 120 of their application that they cannot be sure the referrals are not duplicative of one another. All other applicants provide this information and it is unclear why the State Board has not required

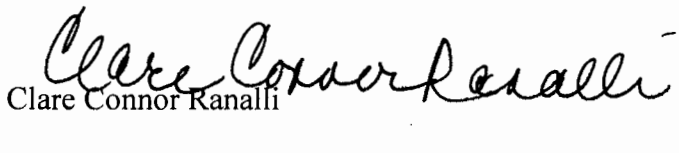
these applicants to provide it. This information is integral to the negative impact the proposed facility will have on other area providers that are underutilized.

SBR Referred to Huntley as a Specialty Facility Dedicated to 70% Alzheimer's patients

The SBR noted the recent approval of the Alden Huntley facility, but stated it was primarily dedicated (70%) to treatment of Alzheimer's patients. This is incorrect. Page 72 of the 2013 Alden Huntley application (attached) notes that only 60 of its total 170 beds will be dedicated to Alzheimer's patients. It also notes a majority of its beds will be dedicated to general long term care with a concentration on rehabilitative services. This facility is within 30 minutes of the five facilities opposing this current project. While they did not oppose Alden because they saw the need for that project, approving this project also would have a devastating negative impact on the area facilities within 30 minutes of both the yet to be opened Alden Huntley facility and the proposed facility in this project.

Thank you for your consideration.

Sincerely



Clare Connor Ranalli

cc: Mike Constantino
George Roate

e. Appended as **ATTACHMENT-10E** is an overview of Sun City Huntley by Dell Webb community.

5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.

The proposed facility, in reality, is the combination of two facilities: the first a 110 bed general long-term care with a concentration in rehabilitation; and the second, a 60 bed nursing facility dedicated to ADRD care in its three levels of the disease. The proposed project also addresses the immediate need for nursing beds in Huntley and the issue of accessibility as defined in the Inventory of Health Care Facilities and Services and Need Determinations which calculates an outstanding need for 428, 469 and 15 additional nursing care beds in Kane, McHenry and DeKalb Counties respectively for a total need of 912 beds.

Appended as **ATTACHMENT-10F** are twelve physician letters of support stating that it is their intent to provide referrals should openings be available. It should be noted that these letters provide that collectively in the most recent 12-months, 2,868 referrals have been made to area nursing facilities. Specifically, for the proposed project, these same physicians have indicated that they could make referrals of 78 patients per month for the general geriatric nursing beds and 28 monthly referrals to the specialized ADRD nursing unit. On an annual basis these referrals account for 936 and 336 referrals to the respective nursing units of the proposed Alden Estate and Courts of Huntley. These referrals numbers are high and more than the proposed facility will be able to accommodate even when consideration is given for the average length of stay within each unit. The important point is that accessibility, although not fully satisfied, will be greatly improved.

ATTACHMENT-10

TABLE ONE Long Term Care Facilities within 30 minutes						
Facility Name	**City**	**Skilled Care Beds**	**Adjusted Time**	**Utilization**	**Medicare Star Rating**	**Met 90% Standard**
Fair Oaks Health Care Center	Crystal Lake	46	14.95	84.60%	4	No
Addison Rehabilitation & Living Center [1]	Elgin	120	16.1	NA	NA	No
Florence Nursing Home	Marengo	56	18.4	83.10%	2	No
Crossroads Care Center Woodstock	Woodstock	115	18.4	76.70%	1	No
Crystal Pines Rehab & HCC	Crystal Lake	114	18.4	88.20%	2	No
Rosewood Care Center of Elgin	Elgin	139	19.55	76.80%	5	No
Apostolic Christian Resthaven	Elgin	50	19.55	96.10%	5	Yes
Memorial Medical Center	Woodstock	40	19.55	53.20%	5	No
Hearthstone Manor	Woodstock	75	19.55	75.30%	4	No
Sherman West Court	Elgin	120	23	72.20%	5	No
Maplewood Care	Elgin	203	24.15	91.10%	2	Yes
Asta Care Center Of Elgin	Elgin	102	24.15	85.50%	2	No
Manorcare of Elgin	Elgin	88	24.15	84.40%	4	No
Valley Hi Nursing Home	Woodstock	128	24.15	95.50%	3	Yes
The Springs at Crystal Lake	Crystal Lake	97	25.3	64.40%	5	No
Heritage Health - Elgin	Elgin	94	26.45	83.90%	5	No
Tower Hill Healthcare Center	South Elgin	206	28.75	91.10%	2	Yes
South Elgin Rehab & Hlthcare Ct	South Elgin	90	29.9	75.50%	3	No

1. Addison Rehabilitation & Living Center approved by the State Board in March 2010 not yet completed.

BACKGROUND/COMPLIANCE ISSUES:

- There are 33 Alden licensed long term care facilities in Illinois. As attested by the applicants since March of 2010 two of Alden facilities have received final level "A" violations; Alden Town Manor and Alden Gardens of Waterford. Final level "A" violation means that after a hearing process the A violations were upheld. "A" violations (210 ILCS 45/1-129) (from Ch. 111 1/2, par. 4151-129) Sec. 1-129. *Type "A" violation are defined as a violation of this Act or of the rules promulgated there under which creates a condition or occurrence relating to the operation and maintenance of a facility that (i) creates a substantial probability that the risk of death or serious mental or physical harm to a resident will result there from or (ii) has resulted in actual physical or mental harm to a resident.*

PUBLIC HEARING/COMMENT

- No public hearing was requested and no letters of opposition were received by the State Board Staff. Letters of support were received for this project.

Ersel C. Schuster (Mrs.) *As a member of our McHenry County Board and speaking from my personal perspective, I see a great need in our county for those specific services proposed by the Alden of Huntley application for Certification of Need. It is the broad range of services that are in short supply. Further, and from what I have been able to*