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HEALTH FACILITIES &
SERVICES REVIEW BOARD

November 25, 2015

Jason T. Lundy
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Via Email & U.S. Mail

Juan Morado Jr.
General Counsel
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

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

Dear Mr. Morado:

Our office represents ManorCare Health Services, LLC, HCR Healthcare LLC, and HCR ManorCare Inc. (collectively, "ManorCare"). In that capacity, we are writing to clarify the status of the ManorCare Health Services of Crystal Lake project (Proj. No. 12-039). As you are aware, on November 13, 2015, the Circuit Court of McHenry County reversed the Illinois Health Facilities and Services Review Board ("State Board") decision denying ManorCare's application for a certificate of need ("CON") permit to establish and operate a 130-bed skilled nursing facility to be located in McHenry County (the "Project") and remanded the matter back to the State Board to issue a CON permit for the Project.

In anticipation of your issuance of the CON permit for the Project, please allow us to refer you to Section 1130.710(a)(2) of the State Board's rules which requires the State Board to extend the permit's obligation and completion dates for projects in situations of administrative review based on the passage of time during administrative review. The extension shall be equal to the number of days from the date a summons was received until the date of final disposition of the suit. ManorCare requested a hearing on the project on January 17, 2013, and the case was decided by the Circuit Court on November 13, 2015. Accordingly, ManorCare requests the State Board issue the CON permit to reflect the extension of the Project obligation date and the Project completion date by the amount of time that elapsed from the request for hearing to the final disposition.

Also in connection with the issuance of the CON permit for the Project, please confirm that pursuant to Section 1130.620(d)(3) the State Board will adjust the HFSRB Inventory of Health Care Facilities and Need Determination ("Inventory") to reflect removal of the 130 skilled nursing facility beds approved for this Project from the Inventory of needed beds in HSA8, McHenry County. The most recent Inventory data for HSA8, McHenry County showed a



Juan Morado Jr.
November 25, 2015
Page 2

need for 127 skilled nursing beds, so the approval of this Project will adjust the need to zero. As the Inventory is updated on the 15th of each month consistent with the requirements of Section 12(4) of the Illinois Health Facilities Planning Act, this change should be reflected in the December 15, 2015 Inventory update.

Thank you for your consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jason T. Lundy".

Jason T. Lundy

cc: Vy'Shaey Mitchell (*via e-mail and U.S. Mail*)