STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO: H-02	BOARD MEETING: February 27, 2018	PROJECT NO: 17-044	PROJECT COST: Original:$22,162,276
FACILITY NAME: Smith Crossing		CITY: Orland Park	
TYPE OF PROJECT: Non-Substantive			HSA: IX

PROJECT DESCRIPTION: The applicants (The Washington and Jane Smith Home and Washington and Jane Smith Community-Orland Park) are proposing a 46-bed expansion project at an existing 46-bed bed long term care facility, located on the campus of Smith Crossing, an Illinois Non-for-Profit Retirement Community, in Orland Park. The cost of the project is $22,162,276. The project completion date is December 31, 2020.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The applicants (The Washington and Jane Smith Home and Washington and Jane Smith Community-Orland Park) are proposing to expand an existing 46-bed Long Term Care (LTC) unit, located on the campus of Smith Crossing Retirement Community. The project as proposed will essentially double the size of the Long Term Care facility, from 46 beds to 92 beds. The anticipated cost of the project is $22,162,276. The expected completion date is December 31, 2020. Smith Crossing is an Illinois Not-for-Profit Retirement Community, located at 10501 Emilie Lane, Orland Park. The facility consists of:
    - 46 Skilled Nursing Beds.
    - 62 Assisted Living Units
    - 173 Independent Living Units

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- The applicants are proposing the expansion of an existing health care facility as defined by the Illinois Health Facilities Planning Act that exceeds the capital expenditure minimum of $7,444,502.

PURPOSE OF THE PROJECT

- The purpose of the proposed project is to expand its Long Term Care (LTC) service, in an effort to meet the need for additional beds in the Long Term Care Planning area, and at the nursing facility.

PUBLIC HEARING/COMMENT:

A public hearing was requested for the proposed project, and one was held on October 27, 2017, at the Orland Park Civic Center, 14750 South Ravina Avenue, Orland Park. The hearing was from 11:00am to 2:00pm. Representing the State Board were Richard Sewell, Board Member, Courtney Avery, Board Administrator, Jeannie Mitchell, Board Counsel, and Ann Guild, Compliance Manager. Twenty-six individuals were in attendance. One individual registered in support for the project, while two registered in opposition. Twenty individuals provided testimony in support of the project, and three spoke in opposition. Support and Opposition Comments are included at the end of this report. [The transcript from that public hearing is at the conclusion of this report in a separate attachment]

CONCLUSIONS:

- The State Board Staff reviewed the application for permit and additional information submitted during the review period and note the following:
- The State Board has no jurisdiction over shelter care or assisted living care units/beds, assisted living memory care beds/units or independent living units. [20 ILCS 3960/3] The Illinois Department of Public Health licenses both assisted living and shelter care beds.
- The expansion of this long term care facility will not disrupt services in the existing 46-bed facility. The new, two-story structure will be established in close proximity, and connected to the existing facility via an enclosed corridor.
- The extent (i.e. the number of LTC beds justified) of the expansion/modernization is dependent on the historical utilization of the current nursing home beds. The State Board's calculated bed need or excess is not considered nor is the utilization of the existing facilities in the forty-five minute (45) service area. Currently, there is a need for (274) long term care beds in HSA-09/Will County Planning Area.
- The applicants addressed a total of sixteen (16) criteria and failed to meet the following.

State Board Standards Not Met	
Criteria	**Reasons for Non-Compliance**
Criterion 1125. 550 – Service Demand-Expansion of General Long Term Care	The applicants supplied two referral letters that did not contain any projected referral data.
77 ILAC 1125.800 – Availability of Funds	The Applicants did not provide a letter from a bank that confirmed that the loan has been approved. The bank letter stated that "***this letter is a preliminary and tentative proposal***. By rule the Applicants are to provide sufficient evidence that the resources are available to fund this project.
77 ILAC 1125.800-Financial Viability	Smith Crossing does not meet the net margin percentage and the long term debt to capitalization ratio for all years presented. Additionally, the Applicants do not meet the current ratio for FY 2014 and 2015 and the cushion ratio for FY 2014, 2015 and 2016.
Criterion 1125.800 – Reasonableness of Project Costs	The applicants exceeded the State Board standards for the following project costs: 1) Site Preparation 2) New Construction & Proportionate Contingencies 3) Moveable Equipment

STATE BOARD STAFF REPORT
Project #17-044
Smith Crossing

APPLICATION/CHRONOLOGY/SUMMARY	
Applicants(s)	Washington and Jane Smith Community-Orland Park d/b/a Smith Crossing The Washington and Jane Smith Home d/b/a Smith Senior Living
Facility Name	Smith Crossing
Location	10501 Emilie Lane, Orland Park
Permit Holder	Washington and Jane Smith Community-Orland Park d/b/a Smith Crossing The Washington and Jane Smith Home d/b/a Smith Senior Living
Operating Entity	Washington and Jane Smith Community-Orland Park d/b/a Smith Crossing
Owner of Site	Washington and Jane Smith Community-Orland Park d/b/a Smith Crossing
Description	Expansion of existing 46-bed skilled nursing unit, to 92 beds (46 bed addition)
Total GSF	43,596 GSF (two story)
Project Costs	$22,162,276
Application Received	August 29, 2017
Application Deemed Complete	August 29, 2017
Review Period Ends	December 27, 2017
Financial Commitment Date	February 27, 2020
Project Completion Date	December 31, 2020
Review Period Extended by the State Board Staff?	Yes
Can the applicants request a deferral?	No

I. Project Description

The applicants (Washington and Jane Smith Community-Orland Park and Washington and Jane Smith Home) are proposing the expansion of Smith Crossing, a forty six (46) bed long term care facility, located on the campus of Smith Crossing Retirement Community. The project involves new construction, and the number of long term care beds will be increased to ninety two (92) long term care beds. The cost of the project is $22,162,276. The completion date is December 31, 2020.

II. Summary of Findings

A. The State Board Staff finds the proposed project **is not** in conformance with the provisions of 77 ILAC 1125 (Part 1125), Subpart D.

B. The State Board Staff finds the proposed project **is not** to be in conformance with the provisions of 77 ILAC 1125 (Part 1125), Subpart F.

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III. General Information

Washington and Jane Smith Community-Orland Park d/b/a Smith Crossing is the owner/operator for the existing community, and owner/operator of its sister entity, The Washington and Jane Smith Community-Beverly d/b/a Smith Village, Chicago. Smith Village is identical to the applicant facility in that each are campus settings with a skilled nursing unit.

Washington and Jane Smith Community-Orland Park d/b/a Smith Crossing was established via Project #02-036, Smith Crossing. Smith Crossing was initially established as a Continuing Care Retirement Community (CCRC), with restricted admission policies to those residents who occupied the independent/assisted living units. The facility initially contained 100 Independent Living Units, 48 Assisted Living/Sheltered Care Units, and 30 skilled nursing (LTC) beds. The chronology of projects related to Smith Crossing are as follows:

1) **#02-036, Smith Crossing:** Establish a 30-Bed LTC nursing unit, under the CCRC variance. The LTC unit will complement the proposed 100 independent living units (18 apartments, 16 cottages), 48 assisted living/sheltered care units located on the 32-acre campus, in Orland Park. Project cost: $4,003,050.
2) **#09-072, Smith Crossing:** Removes the Continuum of Care (CCRC) variance on the 30-bed skilled nursing unit, and establish 16 additional LTC beds, for a 46-bed complement. Application Withdrawn By Applicants**.**
3) **#10-005, Smith Crossing:** Resubmission of Application, Removes the Continuum of Care (CCRC) variance on the 30-bed skilled nursing unit, and establish a 16 additional LTC beds, for a 46-bed complement. At the time of approval there was a calculated need for 261 LTC beds. Project cost: $5,846,587.

The number of independent living units, sheltered care beds and skilled care beds is shown below:

TABLE ONE
Smith Crossing CCRC
Number of Independent Living Apts., Duplexes, Shelter Care, Assisted Living, and Skilled Care Beds

	Existing	Renovation	New	Future
Independent Living Apts.	173	0	0	173
Independent Living Duplexes	0	0	0	0
Sheltered Care Beds	0	0	0	0
Assisted Living Apts.	62	0	0	62
Memory Support Asst. Living	0	0	0	0
Skilled Nursing Beds	46	0	46	92
	281	0	46	327

Smith Crossing is a Retirement Community, located in Orland Park, Health Service Area IX and the Will County Long Term Care Health Planning Area. HSA IX consists of Grundy, Kankakee, Kendall, and Will Counties. The specific bed/unit complement is listed above in Table One. The proposed expansion is considered non-substantive, and is subject to a Part 1110 and Part 1120 review. Financial Commitment will occur after permit issuance.

IV. Project Details

The proposed project will double the size of its Long Term Care bed complement from 46 to 92. The existing LTC unit is located in a single story nursing unit, comprised of 46 all-private nursing care beds, encompassing 33,609 GSF of space. The applicants propose to add 46 more all-private nursing care beds, by constructing a 43,596 GSF, two-story addition, connected to the original LTC unit by an enclosed corridor. The expanded space will include physical/occupational therapy rooms, a therapy gym, and new administrative space. The total project costs are anticipated to total $22,162,276.

V. Project Uses and Sources of Funds

The applicants are funding this project with a combination of cash/securities totaling $2,216,228, and a mortgage totaling $19,946,048. The reviewable portion of this project includes the skilled nursing care space only. The non-reviewable portion includes the cost of the assisted living portion of the project. The State Board does not have jurisdiction of the assisted living portion.

TABLE TWO Project Costs and Sources of Funds	Reviewable	Non Reviewable	Total
Preplanning Costs	$143,344	$128,656	$272,000
Site Preparation	$708,316	$635,737	$1,344,053
New Construction Contracts	$6,596,903	$5,920,940	$12,517,843
Modernization Contracts	$48,281	$1,250,423	$1,298,704
Contingencies	$538,884	$483,667	$1,022,551
Architectural/Engineering Fees	$530,126	$475,805	$1,005,931
Consulting and other Fees	$614,372	$551,420	$1,165,792
Movable or Other Equipment	$815,229	$731,695	$1,546,924
Bond Issuance Expense	$250,063	$224,439	$474,502
Net Interest Expense During Construction	$338,589	$303,894	$642,483
Other Costs To Be Capitalized	$459,277	$412,216	$871,493
Total Uses of Funds	**$11,043,384**	**$11,118,892**	**$22,162,276**
Source of Funds	**Reviewable**	**Non Reviewable**	**Total**
Cash & Securities	$1,104,339	$1,111,889	$2,216,228
Mortgages	$9,939,045	$10,007,003	$19,946,048
Total Sources of Funds	**$11,043,384**	**$11,118,892**	**$22,162,276**

VI. Costs Space Requirements

The applicants are proposing a total of 43,596 BGSF. The nursing care (clinical) portion of the project will be 22,973 BGSF. The remaining BGSF will be for the new assisted living apartments and assisted living memory care apartments.

Reviewer Note: The State Board has no jurisdiction over assisted living or sheltered care units/beds or assisted living memory care units/beds. However, the State Board annually collects patient day information for sheltered care units/beds as part of the Annual Long Term Care Survey. *"Assisted living – a home, building, residence, or any other place where sleeping accommodations are provided for at least three unrelated adults, at least 80% of whom are 55 years of age or older and provided consistent with the* purposes *of the Act."* [77 IAC 295.200] *"Sheltered Care – a home, institution, building, residence or any other place which provides maintenance and personal care* [i.e room and board] *for three (3) or more unrelated persons"* (210 ILCS 45/1-113)

For new construction, the standards are based on the inclusion of all building components and are expressed in building gross square feet (BGSF). For modernization projects, the standards are based upon interior build-out only and are expressed in departmental gross square feet (DGSF). Spaces to be included in the applicant's determination of square footage shall include all functional areas minimally required for the applicable service areas, by the appropriate rules, required for IDPH licensure and/or federal certification and any additional spaces required by the applicant's operational program.

TABLE THREE
Cost Space Requirements
Smith Crossing

	Cost	Existing	Proposed	New Const	Modern	As Is
		Clinical/Reviewable				
Nursing	$7,863,407	17,629	32,973	15,495	0	17,478
Living/Dining/Activity	$1,832,869	4,937	8,218	3,281	296	4,641
Kitchen/Food Service	$297,970	595	1,336	741	0	595
PT/OT	$493,791	2,133	2,214	2,214	0	0
Laundry	$14,943	67	67	0	0	67
Janitor Closets	$74,492	152	334	182	0	152
Clean/Soiled Utility	$416,176	806	1,866	1,060	0	806
Beauty/Barber	$49,736	223	223	0	0	223
Total Reviewable	**$11,043,384**	**26,542**	**47,231**	**22,973**	**296**	**23,962**
		Non-Clinical/Non-Reviewable				
Office/Administration	$1,036,809	499	2,795	2,296	0	499
Employee	$217,006	0	585	585	0	0
Lounge/Locker/Training						
Mechanical/Electrical	$672,535	188	1,813	1,625	0	188
Lobby	$666,228	56	1,796	1,740	0	56
Storage/Maintenance	$988,585	942	2,665	1,016	707	942
Corridor/Public Toilets	$6,248,303	5,382	16,844	10,683	6,161	0
Stair/Elevator	$583,506	0	1,573	1,573	0	0
PT/OT AL/IL Res. Use	$409,901	0	1,105	1,105	0	0
Beauty/Barber AL/IL Res Use	$296,019	0	798	0	798	0
Total Non-Clinical	**$11,118,892**	**7,067**	**29,974**	**20,623**	**7,666**	**1,685**
TOTAL	**$22,162,276**	**33,609**	**77,205**	**43,596**	**7,962**	**25,647**

Application, pg. 27

VII. General Long Term Care

A) Criterion 1125.320 - Purpose of the Project

To demonstrate compliance with this criterion, the applicants must document that the project will provide health services that

1. **improves the long-term nursing care or well-being of the market area population to be served;**
2. **defines the planning area or market area;**
3. **for projects involving modernization, the applicant shall describe the conditions being upgraded.**

The purpose of the project is to address an outstanding need for beds and services from both within the continuum of care of the existing health care provider, and the market area population. The applicant facility has recently redacted its continuum of care (CCRC) variance, in an effort to improve healthcare and well being for its market-area population. The applicants note having admitted 346 patients to its skilled nursing complement, in a 24-month period, ending June 2017. During this period, the applicants note having to turn away 2,494 (86.6%) of its total 2,878 referrals from within this time period. In addition, the applicants note having to keep a minimum of 3 beds available to accommodate its existing campus residents, when the need for skilled nursing presents itself. This, combined with the need for an additional 274 LTC beds in the Will County Planning Area (November 2017), results in an imminent need for more Long Term Care beds. The applicants are confident in their ability to populate the additional beds in accordance with State standards, with a patient base originating from zip codes within a 30-minute market area. The applicants also attest to taking a more diverse approach to long-term nursing care, one that is less about short term rehabilitative modalities, and more about the habilitation and rehabilitation of the more acute care patients normally cared for in a hospital setting. This departure will result in more patient days per resident/patient. Lastly the applicants note the entirety of the additional beds will be dual-certified (Medicare/Medicaid), in an effort to increases eligibility requirements for the incoming market population. Table Four lists the zip code origin for 327 of the 346 (94.5%) patient admitted to Smith Crossing in the period 1/1/16 to 6/30/17

TABLE FOUR Historical Referrals by Zip Code*		
Zip Code	**City**	**Referrals**
60403	Crest Hill	1
60421	Elwood	1
60422	Flossmoor	2
60423	Frankfort	15
60428	Markham	1
60429	Hazel Crest	1
60430	Homewood	2
60441	Lockport	5
60442	Manhattan	1
60443	Matteson	1
60445	Midlothian	2
60446	Romeoville	1
60448	Mokena	12
60449	Monee	3
60451	New Lenox	11
60452	Oak Forest	10
60453	Oak Lawn	5
60461	Olympia Fields	3
60462	Orland Park	32
60463	Palos Heights	4
60464	Palos Park	3
60465	Palos Hills	2
60466	Park Forest	1
60467	Orland Park	167
60468	Peotone	1
60473	South Holland	2
60477	Tinley Park	23
60480	Willow Springs	1
60487	Tinley Park	11
60527	Willowbrook	2
60643	Beverly	1
Total		327

According to the applicants the projected bed need in HSA-09, the historical referral data, and the transition to open admissions for Long Term Care services are positive indicators that the expanded LTC facility will achieve the State Occupancy standard by the second year after project completion.

B) Criterion 1125.330 – Alternatives to the Proposed Project
To demonstrate compliance with this criterion, the applicants must

1. Identify all alternatives;
2. Provide 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;
3. For every alternative considered the total project costs and the reason for the rejection must be provided; and,
4. For the selected alternative the reasons for the selection must be provided

The applicants considered the following three alternatives

1) Projects of Lesser Scope

The applicants considered the option of expansion projects on a smaller scale. The options of a 20-bed expansion and a 42 bed expansion were each considered, but ultimately rejected. While a 20-bed expansion would have proven more cost-effective, it would have resulted in a single-story building, difficulties with the establishment of PT/OT/Administration areas, and not fully address the current bed need in the service area, and the expected number of patient referrals upon project completion. The 42-bed expansion would have better addressed the bed need and anticipated patient referrals, but came a cost of $21,612,276, which practically mirrors the cost of the 46-bed addition. The applicants chose the 46 bed expansion option, based on its ability to meet anticipated patient referral volume, greater use of clinical treatment space, and over all economies of scale.

2) Pursue Joint Venture/Utilize Other Health Care Resources

According to the applicants the alternative chosen satisfies these options by providing sufficient bed space and access to resources for Smith Village to greatly reduce the number of referrals that are denied services from Smith Crossing.

C) Criterion 1125.520 –Background of the Applicants
To demonstrate compliance with this criterion the applicants must

1. **Document that no adverse action has been taken against the applicants, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed healthcare facility, or against any health care facility owned or operated by the applicants, directly or indirectly, within three years preceding the filing of the application and;.**
2. **Provide Authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.**
3. **Adverse action *means a disciplinary action taken by IDPH, CMMS, or any other State or federal agency against a person or entity that owns or operates or owns and operates a licensed or Medicare or Medicaid certified healthcare facility in the State of Illinois.***

1) The applicants provided a letter attesting that no adverse actions have been taken against the applicants in the past three years from the date of filing of this application for permit,

a listing of all facilities owned by the applicants and their Medicare certification number and authorization permitting IDPH and the State Board access to any documents necessary to verify the information submitted in the application for permit (application pgs. 102-112).

2) The project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard. [Application for Permit pages 55-57].

3) The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420) to review state funded, permitted or licensed undertakings for their effect on cultural resources. The Historic Preservation Agency *"has determined, based on the available information, that no significant historic architectural or archaeological resources are located within the proposed project area."*

4) All required reports of the State Board and the Illinois Department of Public Health have been provided. Additionally the applicants have submitted all of the required reports to IDPH in compliance with the Life Care Facilities Act (210 ILCS 40/1).

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION BACKGROUND OF THE APPLICANTS (77 IAC 1125.520)

B) Criterion 1125.530(b) – Planning Area Need/Service to Planning Area Residents
Applicants proposing to add beds to an existing general LTC service shall provide resident/patient origin information for all admissions for the last 12-month period, verifying that at least 50% of admissions were residents of the area. For all other projects, applicants shall document that at least 50% of the projected resident volume will be from residents of the area.

1) The November 2017 Long Term Care Inventory Update shows a need for 274 additional Long Term Care beds in the Will County planning area, in HSA-09

2) Using historical admissions data from a period January 2016 through June 2017 (application, pgs. 116-118), the applicants have determined that approximately 95% of its resident admissions originated from within a 30-minute market contour area. This area includes both Will and Cook counties, due to Orland Park's proximity to the Cook County line. The applicants attest that their referral base is a 50%/50% split between these two counties.

3) The applicants provided patient referral data (See Table Four), attesting to the referral origin of 327 patients, to include zip codes and cities of origin. It appears the applicants have met the requirements of this criterion.

4) The applicants supplied a letter of support from Palos Hospital, attesting to its historical referral volume, and the need for additional LTC beds at the facility (application, pg. 121).

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION PLANNING AREA NEED (77 IAC 1125.530 (b))

E) Criterion 1125.550(a)(b) – Service Demand-Expansion of General Long Term Care

The number of beds to be added at an existing facility is necessary to reduce the facility's experienced high occupancy and to meet a projected demand for service. The applicant shall document subsection (a) and either subsection (b) or (c)

The applicants provided data to support its annual occupancy for the last two years, which is illustrated in Table Five below. From the data supplied, it appears the applicants have met the requirements of this criterion by having an average occupancy in excess of the 90th percentile. The applicants also supplied a listing of referrals by referral source to Smith Crossing, to include the number of approved and denied referrals. The listing (application, pg. 169), illustrates that of the 2,427 referrals made to Smith Crossing in a 24-month period (1/2016 to 6/2017), 339 (13.9%), were approved for admission. The applicants attest the majority of the denied referrals were based on lack of available capacity.

Table Five
Historical Occupancy Data Smith Crossing

CY	Patient Days	% Utilization
2015	15,013	89%
2016	15,365	92%
Total/Average	30,378	90.5%

Pages 170-175 of the application contain referral letters from Silver Cross Hospital, New Lenox, and Palos Hospital, Palos Heights, two hospitals within the defined service area, attesting to the historical referral and admission data, which is contained in Table Six. While other reasons for denial of admission exist, the applicants attribute the low admission percentages to available bed space. This section also contains a listing of historical resident admissions to Smith Crossing, with zip code origins, affirming their residence in the immediate service area. However, the referral letters contain no projected referral data, and a negative finding results.

Table Six
Historical Referral/Admission Data
Smith Crossing

Hospital	Historical Referrals*	Actual Admissions	% Admitted
Silver Cross, New Lenox	839	170	20.2%
Palos Hospital	500	70	14%

*Period between January 1, 2016 to June 30, 2017

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN NOT IN CONFORMANCE WITH CRITERION EXPANSION OF GENERAL LONG TERM CARE (77 IAC 1125.550(a)&(b))

F) Criterion 1125.590 – Staffing

The applicant shall document that relevant clinical and professional staffing needs for the proposed project were considered and that staffing requirements of licensure, certification and applicable accrediting agencies can be met.

The applicants supplied a staffing matrix for the existing 46-bed facility (application, pgs. 179-180), and a proposed staffing matrix, once the additional 46 beds become operational (application, p. 181). The applicants intend to recruit additional staff from their website and other job search media.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH STAFFING CRITERION OF GENERAL LONG TERM CARE (77 IAC 1125.590)

G) Criterion 125.600 - Bed Capacity

The maximum bed capacity of a general LTC facility is two hundred fifty (250) long term care beds.

The applicants are proposing to add 46 long term care beds to an existing 46-bed long term care facility, and are complaint with this criterion. [See Application, page 182].

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH BED CAPACITY CRITERION OF GENERAL LONG TERM CARE (77 IAC 1125.600(a)(b))

H) Criterion 1125.610 - Community Related Functions

To demonstrate compliance with this criterion, the applicants must document cooperation with and the receipt of the endorsement of community groups in the town or municipality where the facility is located.

Three letters were provided from the following individuals:

- Manada Mauceri, Director, Evergreen Terrace
- James G. Moustis, Supervisor, Frankfort Township
- Ming-Yeng Tang, M.D., and J&M Tang, MDS and Associates, SC
- Mary Therese Galka, RN, BSN, Assistant Professor/Program Coordinator, Moraine Valley Community College
- Dr. Tim Harlow, Senior Pastor, Parkview Church
- Keith Pekau, Village President, Village of Orland Park
- Reverend Dindo Billote, Pastor, St. Mary's Catholic Church
- Edward G. Joy, M.D. Integrity Orthopedics
- D. Matthew Jordan, Social Science Teacher, Lincoln-Way East High School

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION COMMUNITY RELATED FUNCTIONS

H) Criterion 1125.620 - Project Size

The applicant shall document that the amount of physical space proposed for the project is necessary and not excessive.

The applicants propose to add 46 skilled nursing beds to an existing 46-bed facility, resulting in a 92-bed facility in 47,231 GSF of space (513.4 GSF/Bed). The State Board Standard is 435-713 GSF per bed or 65,596 GSF.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION PROJECT SIZE (77 IAC 1125.620)

I) Criterion 1125.630 - Zoning

To demonstrate compliance with this criterion, the applicants must document one of the following:

a) The property to be utilized has been zoned for the type of facility to be developed;
b) Zoning approval has been received; or
c) A variance in zoning for the project is to be sought.

The proposed expansion project will be constructed on the same parcel of the land as the existing long term care facility. The property is currently zoned for the type of facility being modernized. [Application for permit 197]

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION MODERNIZATION–ZONING (77 IAC 1125.630)

J) Criterion 1125.640 - Assurances

The applicant representative who signs the CON application shall submit a signed and dated statement (application p. 199) attesting to the applicant's understanding that, by the second year of operation after the project completion, the applicant will achieve and maintain the occupancy standards specified in Section 1125.210(c) for each category of service involved in the proposal.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION ASSURANCES (77 IAC 1125.640)

K) Criterion 1125.650 Modernization

Projects involving the replacement or modernization of a category of service or facility shall meet or exceed the occupancy standards for the categories of service, as specified in Section 1125.210(c).

The applicants attest to having an average occupancy of 90% in the two years preceding application submittal for this project (See Table Five). The modernization is to allow for a connection of the expanded nursing unit to the existing nursing unit, allowing residents and staff to ambulate between nursing units, and allowing access to the new gym/therapy areas. The existing nursing unit was built in 2005, and aside from some aesthetic enhancements to blend the new and old units, no modernization will occur in the existing patient unit.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION MODERNIZATION (77 IAC 1125.650)

VIII. FINANCIAL VIABILITY

A) Criterion 1125.800 - Availability of Funds

To demonstrate compliance with this criterion the applicants must document that funds are available.

The applicants are funding this project with cash and securities totaling $2,216,228, and Mortgages totaling $19,946,048. The application contains Audited Financial Statements for years 2014, 2015, and 2016 (application pgs. 208-259), and Board resolution from Smith Crossing/Smith Senior Living, authorizing the use of its cash and securities to fund the equity portion of the project costs (application pgs. 204-207). The applicants also supplied a proposal for financing the mortgage portion of the project (application pgs. 260-264) from First Midwest Bank. The proposal does not constitute an agreement to lend; it does express interest on the lenders behalf to make the loan. Based upon the information provided in the application for permit, Board Staff is unable to make a positive finding on this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS NOT IN CONFORMANCE WITH CRITERION AVAILABILITY OF FUNDS (77 IAC 1125.800)

TABLE SEVEN Washington and Jane Smith Community-Orland Park d/b/a Smith Crossing Audited Financial Information December 31, (in thousands)			
	2014	**2015**	**2016**
Current Assets	$2,129,301	$2,770,920	$3,320,538
Property & Equipment, Net	$70,993,285	$68,141,647	$65,824,872
Other Assets	$9,257,165	$9,738,094	$8,953,978
Total Assets	$80,531,019	$82,527,134	$81,592,019
Current Liabilities	$3,543,881	$4,897,707	$4,313,733
Total Liabilities	$86,582,499	$88,534,102	$88,311,326
Total Liabilities and Net Deficit	$81,592,019	$82,527,134	$80,531,019
Total Revenue, Gains, Other Support	$15,159,300	$16,378,032	$16,797,479
Total Expenses	$16,889,866	$17,050,390	$17,264,192
Operating Loss Before Other Income	($1,730,566)	($672,358)	($466,173)
Information taken from Audited Financials for 2014, 2015, and 2016			

B) Criterion 1125.800 – Financial Viability

To demonstrate compliance with this criterion the applicants must document the project the applicants are financially viable.

The financial ratio analysis assesses the financial position of an applicant, both historically and prospectively. The financial ratios analyzed are 1) current assets to current liabilities; 2) net margin % 3) long term debt to equity; 4) projected debt service 5) days cash on hand and 6) cushion ratio. If an Applicants' ratios meet the State Board Standard the Applicant can be expected to be financially viable. Additionally, Board Staff reviews a project's projected statement of operations to evaluate the Applicant's immediate ability to finance the service and long term ability to sustain the service. Appendix II outlines the financial viability ratios for Smith Crossing for years 2014, 2015, and 2016. Smith Crossing does not meet the current ratio for 2014 and 2015 or the net margin percentage and long term debt to capitalization for all years presented. The Applicants did not meet the cushion ratio for 2014, 2015, and 2016.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS <u>NOT</u> IN CONFORMANCE WITH CRITERION FINANCIAL VIABILITY (77 IAC 1125.800)

IX. <u>ECONOMIC FEASIBILITY</u>

A) Criterion 1125.800 - Reasonableness of Financing Arrangements

B) Criterion 1125.800 - Terms of Debt Financing

To demonstrate compliance with these two criteria, the applicants must document that the financing arrangements are reasonable based on the stated terms of the debt financing.

The applicants are funding this project with cash and securities totaling $2,216,228, and Mortgages totaling $19,946,048. The application contains Audited Financial Statements for years 2014, 2015, and 2016 (application pgs. 208-259), a Board resolution from Smith Crossing/Smith Senior Living, authorizing the use of its cash and securities to fund the equity portion of the project costs (application pgs. 204-207), and a proposal for financing the mortgage portion of the project (application pgs. 260-264) from First Midwest Bank. While the proposal letter does not constitute an agreement to lend, it does express interest on the lenders behalf, and it appears that the applicants have sufficient funds to fund this modernization project. The applicants supplied a certified Reasonableness of Financing statement (application, p. 279), and a Conditions of Debt Financing Statement (application, p. 280). The applicants have met the requirements of this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERIA REASONABLENESS OF FINANCING ARRANGEMENTS AND TERMS OF DEBT FINANCING (77 IAC 1125.800)

C) Criterion 1125.800 – Reasonableness of Project Costs
To determine compliance with this criterion, the applicants must document that the project costs meets the requirements of Part 1125.Appendix B.

The applicants met all of the below project costs standards established in 1125 Part B.

- Preplanning costs are 1.8% of modernization, including contingencies and moveable equipment.
- Site Survey, Soil Investigation and Site Preparation costs are five percent (5%) of modernization and contingency costs.
- Modernization and Contingencies is RS Means 2017 Construction Standard inflated by 3% to the midpoint of construction.
- Architectural and Engineering Fees are a percentage of modernization and contingency costs as published in Centralized Fee Negotiation Professional Services and Fees Handbook by Capital Development Board.
- Movable Equipment Costs are the 2008 standard published at Part 1125.Appendix B and inflated by 3% to the midpoint of construction.

All costs identified in this criterion are classified as clinical (Reviewable).

Preplanning Costs – These costs total $143,344 and are 1.7% of new construction, modernization, contingencies and movable equipment. These costs appear reasonable when compared to the State Board Standard of 1.8%.

Site Preparation – These costs total $708,316, and are 9.8% of modernization, construction and contingency costs. This is **not** in compliance when compared to the State standard of 5%.

New Construction and Proportionate Contingencies – These costs total $7,132,015 or $310.45/GSF. ($7,132,015/22,973=$310.45). This appears **high** when compared to the State Board Standard of $284.10/GSF [2019 mid-point of construction].

Modernization and Proportionate Contingencies – These costs total $52,053, or $175.85/GSF ($52,053/296=$175.85). This appears reasonable when compared to the State Board Standard of $180.56/GSF [2019 mid-point of construction].

Proportionate Contingencies/New Construction – These costs total $535,112 and are 8.1% of new construction costs ($6,596,903). This appears reasonable when compared to the State Board Standard of 10%.

Proportionate Contingencies/Modernization – These costs total $3,772 and are 7.8% of modernization costs ($48,281). This appears reasonable when compared to the State Board Standard of 10%-15%.

Architectural and Engineering Fees/New Construction – These costs total $526,415 and are 7.4% of new construction and contingencies. These costs appear reasonable when compared to the State Board Standard of 5.94% - 8.92%.

Architectural and Engineering Fees/Modernization – These costs total $3,711 and are 7.1% of modernization and contingencies. These costs appear reasonable when compared to the State Board Standard of 10.76%-16.16%.

Consulting and Other Fees – These costs are $614,372. The State Board does not have a standard for these costs.

Movable Equipment – These costs total $815,229 and are $17,722.37 per bed ($815,229/46=$17,722.37). This appears **high** when compared to the State Board Standard of $8,958.06 (2019 mid-point).

Bond Issuance Expense – These costs total $250,063. The State Board does not have a standard for these costs.

Net Interest Expense During Construction – These costs total $338,589. The State Board does not have a standard for these costs.

Other Costs to be Capitalized – These costs total $459,277. The State Board does not have a standard for these costs.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION REASONABLENESS OF PROJECT COSTS (77 IAC 1125.800)

D) Criterion 1125.800 –Direct Operating Costs
To determine compliance with this criterion, the applicants must document the direct operating costs for the first year at target utilization but no more than two years after project completion.

The applicants state that their cost per equivalent patient day in 2022 (second year after project completion), is $373.85.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION DIRECT OPERATING COSTS (77 IAC 1125.800)

E) Criterion 1125.800 – Effect of the Project on Capital Costs
To determine compliance with this criterion, the applicants must document the direct operating costs for the first year at target utilization but no more than two years after project completion.

The applicants state the total operating cost per equivalent patient day in 2022 (second year after project completion), is $69.94.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION EFFECT OF THE PROJECT ON CAPITAL COSTS (77 IAC 1125.800)

Nursing Home Compare

The Nursing Home Compare quality rating system gives each nursing home a rating of between 1 and 5 stars. Nursing homes with 5 stars are considered to have quality much above average and nursing homes with 1 star are considered to have quality much below average. There is one Overall 5-star rating for each nursing home, and a separate rating for each of the following three sources of information:

- **Health Inspections** – The health inspection rating contains information from the last 3 years of onsite inspections, including both standard surveys and any complaint surveys. This information is gathered by trained, objective inspectors who go onsite to the nursing home and follow a specific process to determine the extent to which a nursing home has met Medicaid and Medicare's minimum quality requirements. The most recent survey findings are weighted more than the prior two years. More than 180,000 onsite reviews are used in the health inspection scoring nationally.
- **Staffing** – The staffing rating has information about the number of hours of care provided on average to each resident each day by nursing staff. This rating considers differences in the levels of residents' care need in each nursing home. For example, a nursing home with residents who had more severe needs would be expected to have more nursing staff than a nursing home where the resident needs were not as high.
- **Quality Measures (QMs)** – The quality measure rating has information on 11 different physical and clinical measures for nursing home residents. The rating now includes information about nursing homes' use of antipsychotic medications in both long-stay and short-stay residents. This information is collected by the nursing home for all residents. The QMs offer information about how well nursing homes are caring for their residents' physical and clinical needs. More than 12 million assessments of the conditions of nursing home residents are used in the Five-Star rating system. https://www.cms.gov/medicare/provider-enrollment-and-certification/certificationandcomplianc/fsqrs.html

Appendix I
Support and Opposition Comments

Frank Guajardo, Executive Director Smith Crossing I started working in the senior living field after I completed my certification as a CNA. This background has given me a unique perspective for many decisions relating to all levels of care at Smith Crossing. And, I know first- hand the importance of proper training for future generations of healthcare professionals and heartedly endorse the clinical practicums we share with Moraine Valley Community College and other schools. We are proud of Smith Crossing's 5-star CMS rating, which fortifies our status as a preferred provider for the bundled care program at both Silver Cross and Palos Health Hospitals. We strive to deliver great clinical outcomes by providing excellent quality of care and education to family and resident to ease their transition back to their home environment. Smith Crossing once again proves itself as a quality organization by offering exceptional stability for staffing with some of the key management positions. The DON MaryAnn Doyle has been in her role for 10.5 years; Resident Services Director for 11 years; Dining Services Director for 14 years was actually working before we opened our doors. I can also add myself to this group as I recently celebrated my 10 year anniversary at Smith Crossing. Still, Smith Crossing recognizes the industry-wide challenges of attracting and retaining. We address these significant hurdles by serving as a training site for college students and by offering benefits and other perquisites to keep employees engaged and advancing in their careers. Our alliance with Aegis gives Smith Crossing great confidence in expanding its ability to help more older adults needing short-term stay

Kevin Smith CEO and President Smith Senior Living Now celebrating 19 years with Smith Life plan communities, including my role as first executive director of Smith Crossing when it opened in November of 2003-14 years ago next month. Smith Senior Living is proud to sponsor Smith Crossing in offering quality services to the community as Smith Crossing is rated as a 5 Star nursing home through CMS. With the population growth in Will County, and as evident on the bed need of 274 established by the State, Smith Crossing wishes to expand rehab services into this market. On behalf of Smith Crossing, we are applying to add 46 rehab beds to our existing 16 beds. This increase will fulfill 17 percent of the need documented for Will County. We are here today to share with you why Smith Senior Living and Smith Crossing are prepared to invest in the third expansion of our community since we first began construction in August of 2003 in Orland Park. As a not-for-profit organization established in 1924, our communities have served older adults- always striving to provide the finest residences and most engaging lifestyle responsive to the expectations of current residents and the next generation of senior citizens. Today, we're preparing ourselves to provide exceptional care for Baby Boomers- expecting them to have the same effect on senior living and rehab resources they had on our school systems starting in the 1950s. Thanks to the stewardship of our Trustees and leadership team for more than 90 years, we are able and ready to further invest to help more older adults return to independence by providing the finest short-term stay rehabilitation programs.

Juan Morado, Jr. with Benesch, Friedlander, Coplan & Aronoff LLP stated in part:
"Much has been made about over bedding in the HSA 7-E, despite the facility having always been in HSA 9. The division of the state into individual HSAs provides the HFSRB with a valuable framework to evaluate need in the state. However, we firmly believe, and so do those opposing this project, that the HFSRB should make a comprehensive assessment of an application and the planning area. In an effort to provide the HFSRB with a full snapshot of long-term care services in the area we would ask them to consider the work of their own Long-Term Care Advisory Sub-Committee ("LTC Subcommittee"). During the January 24, 2017 HFSRB meeting, the LTC Subcommittee gave testimony regarding their continued study of a buy/sell program for long-term care skilled nursing beds. The LTC Subcommittee undertook this task because of a legislative mandate to address the well-known fact that some HSAs in Illinois are over-bedded with long term care skilled nursing beds. Therefore, when this Board is presented with a figure that there is an excess of over two thousand beds in the neighboring HSA, we would ask that the HFSRB consider what is causing this excess of beds. There are a myriad of issues that could affect facility utilization including, a facility's age, size, neighborhood, star ratings or the excess could be due to existing providers hoarding "ghost beds." What is clear from the Board's inventory and the actual and documented experience of Smith Crossing; is that there is a need for beds in HSA 9 and more specifically in Will County where this facility is located. This project builds on a strong foundation of success and service to the residents of the Smith Crossing community and those living in HSA 9. This project meets all criteria dealing with need, and this modernization proposal strategically seeks to add 46 beds so that no maldistribution will result from approval of this project. Most importantly, approval of this project will increase access for those who need it most and cannot normally afford this level of care. We look forward to your consideration of this project and are confident that our application and

track record will lead to you supporting increased access for those patients in need of skilled care in Will County."

Wendy Janulis stated in part "I am the Regional Director of Operations for Extended Care and we are the Consultant Company for **Lemont Center.** Lemont Center has a 158 certified beds in the contiguous HSA and Smith Crossing, however, it should be noted that Lemont Center is only 12 miles distance from Smith Crossing. In 2017 we will end the year at an average monthly census of approximately 84% of capacity. Our Medicare average, the people Smith Crossing are particularly hoping to attract with this proposed project will average 32 for 2017. Smith Crossings proposal includes statements of need *"This project is addressing the unmet bed need and the corresponding deflected referrals that Smith Crossing cannot accept due to existing utilization,"* the application reads. That statement is not true for the community-at-large and within the HSA 9 and the continuous HSAs. Not only do we believe this proposal is unnecessary to serve this community from a patient perspective but we also contend that this area has an incredible staff shortage of nurses and Certified Nursing Assistants. We believe the area to be saturated or over bedded if you will and request the Health Facilities Planning Board deny this request."

BRIA Health Services contends that the application itself enumerates repeatedly the grounds by which the application should be denied. As a point of clarification, Smith Crossings SNF was never approved through a CON. Rather, it was established through a waiver granted to allow for the continuum of its own resident community transferring from its own AL and IL. As stated in the original application for the first 30 skilled beds, the original 30 bed unit was established under a continuum of care variance. In defining the facilities within the 30 mile driving area, Applicant originally stated that only another CCRC can be considered comparable. Furthermore, Applicant contended that there were only 2 CCRC's within the area comprising only 242 beds, thereby ignoring the other 4,017 beds within the remaining 20 facilities in the area, all of which have had available short-term and long-term beds 365 days per year.

The current application discloses that Applicant never built the original beds to serve it's own community and it is clear that Applicant no longer operates the skilled unit as a continuum of care to serve it's own community. In the application filed in August 2017 for an additional 46 SNF beds, applicant claims that it has turned away 2,494 referrals over an 18 month period (Current Application, page 62). Clearly those referrals were not of patients within Applicants own community. In fact, Applicant admits that it only holds 3 beds open for its existing campus residents (Current Application, page 62). Applicant further states that it desires additional beds to meet the needs of the Will County Planning area (Current Application, page 63). It is clearly evident that Applicants original submission was a sham intended to attract Medicare patients from the community that was already over served rather than to keep those beds available for the 100% private pay patients existing in its current community as was pointed out numerous times in the original application. Moreover, by Applicants own admission, CCRC's are not the only comparable facilities and that the other 20 area facilities must be considered. As other providers have suggested, BRIA maintains that there are more than adequate beds available in the area. BRIA currently operates a brand new short term rehab facility in Palos Hills with a bed capacity of 63, all private, state of the art spacious rooms. Current census is 34 or 54%. BRIA has never had to turn away a referral for lack of available beds.

While Applicant originally applied for SNF beds under a variance for continuum of care for its existing resident community comprised of 100% private pay residents, it is now changing the model and states that the 46 beds applied for will be Medicare and Medicaid certified in order to serve the general public (Current Application, page 64). There is no need to add another 46 Medicare/Medicaid beds to already oversaturated market where the majority of area providers are struggling with census, staffing and profitability.

Applicant failed to address how the project will increase accessibility to the medically underserved and indigent, since Smith Crossing was originally approved to open a SNF unit that is 100% private pay and charges an entrance fee to all its residents. (Original Application, Pages 93 and 95). Moreover, Applicant originally stated that its SNF services are only ancillary, and therefore secondary to the AL and IL and that the intent is to provide services ONLY to those residents within its continuum of care. (Original Application, Page 94). In fact, Applicant stated throughout its original application that it represented an exclusive, affluent clientele and that it is not an inclusive facility to better serve the indigent, the general public nor is it designed

to provide the financial ability of the public to obtain necessary health services and clearly does not reduce the financial burden to patients. It was based on the foregoing representations that the original variance was approved. Applicant then built the SNF unit and disregarded the representations made in the original application and instead opened its doors to the public that it so vigorously argued was not comparable with the 20 other area facilities. In the current application, Applicant flipped its story and stated that it is not operating under the original variance and that is no longer applicable since it is catering to the general public. (Current Application, page 198).

Finally, in the original application, Applicant stated its objective was is to allow residents to "age in place" and therefore did not provide any empirical evidence that would verify improved quality of care. Applicant dismissed the need to provide evidence of outcomes by arguing that the project was not based on improved quality of care, but rather on the need of its existing operation. (Original Application, pages 104-105). In the current Application, Applicant argues the opposite by stating that the project is NOT based on the needs of its existing operation, as further evidenced by the fact that it only holds 3 beds open for its existing residents, but rather on the needs of the community and improved quality of care. In total, this amounts to the same Applicant appearing before the board to play both sides of the fence. In order to obtain the variance in Phase I they·played the exclusive community card and now in Phase II they are playing the needs of the public card. Applicant should not be permitted to have it both ways."

Appendix II
Financial Ratios

Ratios	Formula	State Standard	Historical 2014	2015	2016	Projected 2022
Current Ratio	Current Assets ÷ Current Liabilities	1.5	0.78	0.95	1.62	1.66
Net Margin	Net Income ÷ Net Patient Revenue	2.50%	-24.10%	-6.12%	-10.57%	1.87%
Long Term Debt to Capitalization	Long Term Debt ÷ LTD +Net Assets	< 80%	114.48%	119.38%	129.57%	110.87%
Debt Service Coverage	Net Income plus (Depreciation plus Interest plus Amortization)/Principal Payments plus Interest Expense for the Year of Maximum Debt Service after Project Completion	>1.5	1.96	2.21	1.66	1.97
Days Cash on Hand	Days Cash on Hand = (Cash plus Investments plus Board Designated Funds)/(Operating Expense less Depreciation Expense)/365 days	> 45 Days	196	286	295	375
Cushion Ratio	(Cash plus Investments plus Board Designated Funds)/(Principal Payments plus Interest Expense) for the year of maximum debt service after project completion	3	1.8	2.72	2.87	6.9

Current Ratio means that the entity expects to collect cash from the entities that owe it money and pay to the ones that they owe money to on time. If the current ratio is 1.5:1, then for every $1 dollar that the firm owes its creditors, it is owed $1.5 by its debtors.

Net Margin shows how much of each dollar collected by a company as revenue that is translated into profit expressed as a percentage. For every $1 of net revenue the entity can expect 2.5 cents in profits.

LTD to Capitalization: The debt ratio tells the Board the amount of funds that have been contributed by creditors instead of from net assets or equity. The State Board is asking that LTD constitute less than 80% of the capital structure.

Debt Service Coverage shows how much cash the entity has per dollar of principle and interest that they owe to their creditors. Thus if the ratio is 1.5, then the firm has $1.50 in cash for every $1.00 in principle and interest.

Days Cash on Hand indicates the amount of cash the entity has to meet operating expenses per day if no revenue is received. The State Board asks that there be sufficient cash to meet operating expenses for 45 days or approximately 1.5 months.

Cushion Ratio indicates the amount of cash the entity has to pay principle and interest. For every $1 dollar in debt the State Board is asking that the entity have $3 in cash at the conclusion of the project.

SMITH CROSSING
10501 EMILIE LANE
ORLAND PARK, IL. 60467

Reference Numbers

Facility ID	6016059	
Health Service Area	009	
Planning Service Area	197	Will
County	197	Will County

Administrator
Frank Guajardo

Contact Person and Telephone
Frank Guajardo
7083262326

Registered Agent Information
CT Corporation System
208 South LaSalle Street, Ste. 814

Date Questionnaire Completed 3/27/2017

Continuing Care Retirement Community
Life Care Facility

ADMISSION RESTRICTIONS

Aggressive/Anti-Social	1
Chronic Alcoholism	1
Developmentally Disabled	1
Drug Addiction	1
Medicaid Recipient	0
Medicare Recipient	0
Mental Illness	0
Non-Ambulatory	0
Non-Mobile	0
Public Aid Recipient	0
Under 65 Years Old	0
Unable to Self-Medicate	0
Ventilator Dependent	1
Infectious Disease w/ Isolation	0
Other Restrictions	0
No Restrictions	0

Note: Reported restictions denoted by '1'

ADMISSIONS AND DISCHARGES - 2016

Residents on 1/1/2016	40
Total Admissions 2016	300
Total Discharges 2016	302
Residents on 12/31/2016	38

RESIDENTS BY PRIMARY DIAGNOSIS

DIAGNOSIS	
Neoplasms	0
Endocrine/Metabolic	2
Blood Disorders	1
*Nervous System Non Alzheimer	2
Alzheimer Disease	2
Mental Illness	7
Developmental Disability	0
Circulatory System	10
Respiratory System	3
Digestive System	2
Genitourinary System Disorders	3
Skin Disorders	0
Musculo-skeletal Disorders	3
Injuries and Poisonings	3
Other Medical Conditions	0
Non-Medical Conditions	0
TOTALS	38

Total Residents Diagnosed as Mentally Ill 7

Total Residents Reported as Identified Offenders 0

LICENSED BEDS, BEDS IN USE, MEDICARE/MEDICAID CERTIFIED BEDS

LEVEL OF CARE	LICENSED BEDS	PEAK BEDS SET-UP	PEAK BEDS USED	BEDS SET-UP	BEDS IN USE	AVAILABLE BEDS	MEDICARE CERTIFIED BEDS	MEDICAID CERTIFIED BEDS
Nursing Care	46	46	46	46	38	8	46	30
Skilled Under 22	0	0	0	0	0	0		0
Intermediate DD	0	0	0	0	0	0		0
Sheltered Care	0	0	0	0	0	0		
TOTAL BEDS	46	46	46	46	38	8	46	30

FACILITY UTILIZATION - 2016

PATIENT DAYS AND OCCUPANCY RATES BY LEVEL OF CARE PROVIDED AND PATIENT PAYMENT SOURCE

LEVEL OF CARE	Medicare Pat. days	Medicare Occ. Pct.	Medicaid Pat. days	Medicaid Occ. Pct.	Other Public Pat. days	Private Insurance Pat. days	Private Pay Pat. days	Charity Care Pat. days	TOTAL Pat. days	Licensed Beds Occ. Pct.	Peak Beds Set Up Occ. Pct.
Nursing Care	4845	28.8%	1530	13.9%	0	498	8492	0	15365	91.3%	91.3%
Skilled Under 22			0	0.0%	0	0	0	0	0	0.0%	0.0%
Intermediate DD			0	0.0%	0	0	0	0	0	0.0%	0.0%
Sheltered Care					0	0	0	0	0	0.0%	0.0%
TOTALS	4845	28.8%	1530	13.9%	0	498	8492	0	15365	91.3%	91.3%

RESIDENTS BY AGE GROUP, SEX AND LEVEL OF CARE - DECEMBER 31, 2016

AGE GROUPS	NURSING CARE Male	NURSING CARE Female	SKL UNDER 22 Male	SKL UNDER 22 Female	INTERMED. DD Male	INTERMED. DD Female	SHELTERED Male	SHELTERED Female	TOTAL Male	TOTAL Female	GRAND TOTAL
Under 18	0	0	0	0	0	0	0	0	0	0	0
18 to 44	0	0	0	0	0	0	0	0	0	0	0
45 to 59	0	0	0	0	0	0	0	0	0	0	0
60 to 64	0	0	0	0	0	0	0	0	0	0	0
65 to 74	0	0	0	0	0	0	0	0	0	0	0
75 to 84	1	5	0	0	0	0	0	0	1	5	6
85+	7	25	0	0	0	0	0	0	7	25	32
TOTALS	8	30	0	0	0	0	0	0	8	30	38

SMITH CROSSING
10501 EMILIE LANE
ORLAND PARK, IL. 60467

Classification Numbers

Facility ID	6016059	
Health Service Area	009	
Planning Service Area	197	Will
County	197	Will County

RESIDENTS BY PAYMENT SOURCE AND LEVEL OF CARE

LEVEL OF CARE	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	TOTALS
Nursing Care	9	4	0	0	25	0	38
Skilled Under 22	0	0	0	0	0	0	0
Intermediate D		0	0	0	0	0	0
Sheltered Care			0	0	0	0	0
TOTALS	9	4	0	0	25	0	38

AVERAGE DAILY PAYMENT RATES

LEVEL OF CARE	SINGLE	DOUBLE
Nursing Care	366	289
Skilled Under 22	0	0
Intermediate DD	0	0
Sheltered Care	0	0

RESIDENTS BY RACIAL/ETHNICITY GROUPING

RACE	Nursing Care	Skilled Under 22	Intermediate DD	Sheltered Care	Totals
Asian	0	0	0	0	0
American Indian	0	0	0	0	0
Black	0	0	0	0	0
Hawaiian/Pacific Isl.	0	0	0	0	0
White	38	0	0	0	38
Race Unknown	0	0	0	0	0
Total	38	0	0	0	38

ETHNICITY	Nursing Care	Skilled Under 22	Intermediate DD	Sheltered Care	Totals
Hispanic	0	0	0	0	0
Non-Hispanic	38	0	0	0	38
Ethnicity Unknown	0	0	0	0	0
Total	38	0	0	0	38

FACILITY STAFFING

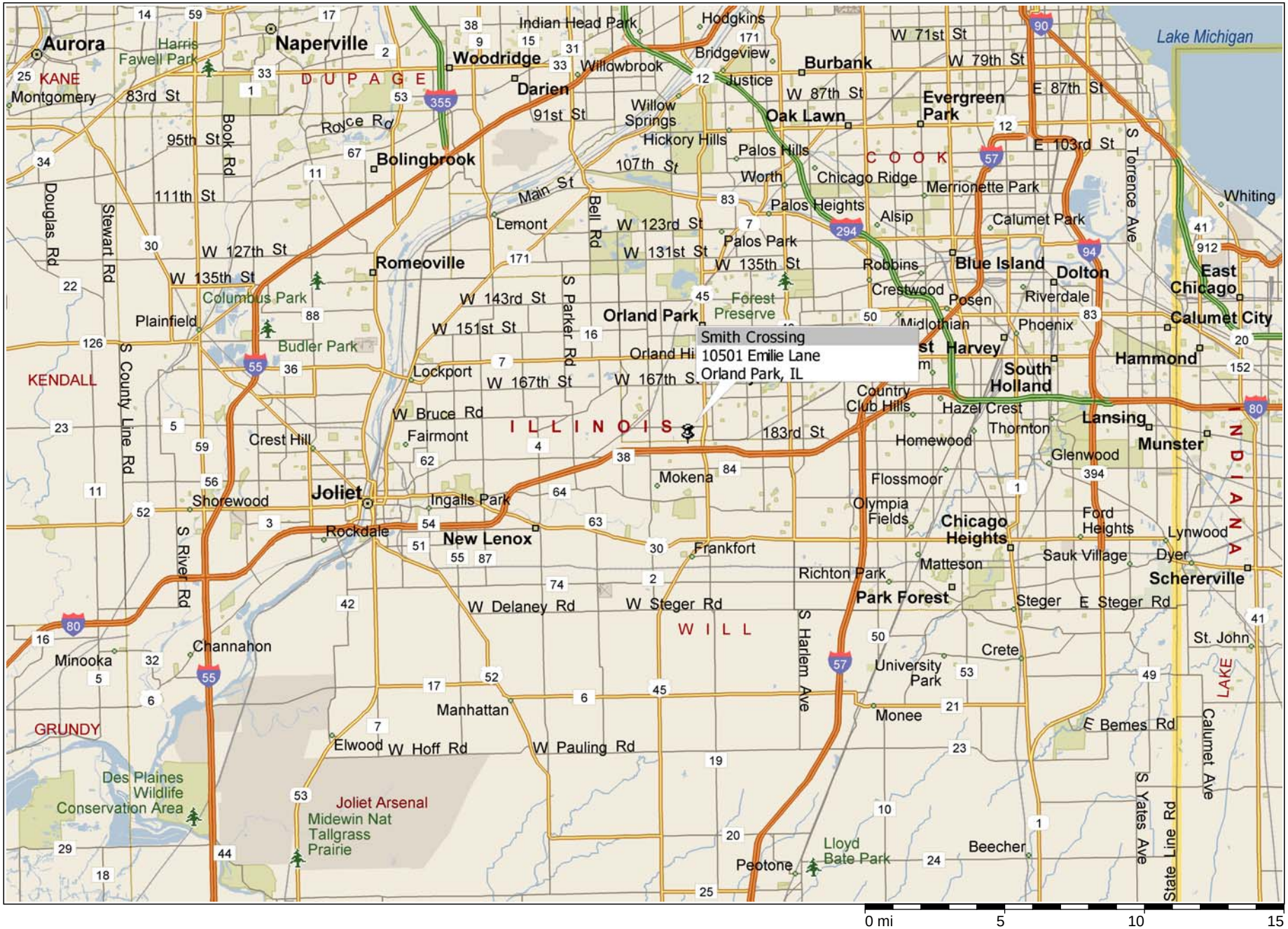
Employment Category	Full-Time Equivalent
Administrators	1.00
Physicians	0.00
Director of Nursing	1.00
Registered Nurses	10.50
LPN's	2.00
Certified Aides	20.00
Other Health Staff	0.00
Non-Health Staff	92.00
Totals	126.50

NET REVENUE BY PAYOR SOURCE (Fiscal Year Data)

Medicare	Medicaid	Other Public	Private Insurance	Private Pay	TOTALS	Charity Care Expense*	Charity Care Expense as % of Total Net Revenue
37.6%	10.4%	0.0%	0.7%	51.2%	100.0%		
2,065,538	569,652	0	40,832	2,811,799	5,487,821	170,000	3.1%

*Charity Care Expense does not include expenses which may be considered a community benefit.

17-044 Smith Crossing - Orland Park



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