



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

BOARD MEETING: July 21, 2026	PROJECT NUMBER: NA
BUSINESS ITEM: Declaratory Ruling Request	
FACILITY: Louis A. Weiss Memorial Hospital	
SUBJECT: Extension of Hospital Temporary Suspension	

STATE BOARD STAFF REPORT DECLARATORY RULING REQUEST

I. Request for Declaratory Ruling

Resilience Healthcare – Weiss Memorial Hospital, LLC, is requesting a declaratory ruling to extend the suspension of services at Louis A. Weiss Memorial Hospital. **Louis A. Weiss Memorial Hospital is requesting a six-month extension of the suspension.**

Should the State Board approve the six-month extension, it would begin upon the expiration of the 12-month temporary suspension period. Since Weiss Memorial Hospital suspended its emergency and inpatient operations on August 8, 2025, its initial 12-month temporary suspension period runs through August 8, 2026. A six-month extension would begin on August 9, 2026, extending the temporary suspension status through February 8, 2027.

II. Background Information

Resilience Healthcare – Weiss Memorial Hospital, LLC is the legal entity established by Resilience Healthcare to own and operate Louis A. Weiss Memorial Hospital, a 236-bed hospital located at 4646 N. Marine Drive, Chicago, Illinois. In December 2022, Resilience Healthcare, a for-profit healthcare company led by President and CEO Manoj Prasad, MD, acquired both Weiss Memorial Hospital and West Suburban Medical Center in Oak Park from Pipeline Health's bankruptcy proceedings. (E-027-22 and E-028-22)

Following an HVAC failure on June 18, 2025, the hospital was forced to evacuate all inpatient units. Effective August 9, 2025, the Centers for Medicare & Medicaid Services (CMS) formally terminated the hospital's Medicare provider agreement. This was driven by a history of unresolved state survey deficiencies (including severe EMTALA violations, patient rights violations, and physical environment issues dating back to 2024) and independent grounds for ceasing all patient care operations. While limited outpatient services continued, the hospital terminated all remaining outpatient operations on November 26, 2025. As of today, the Hospital remains closed. Its operator, Resilience Healthcare, has been involved in legal disputes with its landlord (Ramco Healthcare Holdings) regarding financial challenges.

On October 1, 2025, the Illinois Department of Healthcare and Family Services (IDHFS) notified the hospital that it breached a prior payment agreement. The hospital faces a

liability of \$27,185,995 (including over \$2.4 million in penalties) for unpaid state provider bed taxes that have accrued since August 2022. The hospital has appealed, and an administrative hearing is pending for late September or October.

III. Temporary Suspension of Facility or Category of Service

A facility that ceases operations or ceases to provide a category of service due to unanticipated or unforeseen circumstances (such as the loss of appropriate staff or a natural or unnatural disaster) shall file notice with the HFSRB of a temporary suspension of service anticipated to exceed 30 days. The notice shall be filed no later than 30 days after the suspension of service. It shall include a detailed explanation of the reasons for the suspension, the efforts being made to correct the circumstances, and a timetable for reopening the service. Reports documenting the progress of corrections must be filed every 30 days thereafter until services resume. Temporary suspensions shall not exceed one year unless otherwise approved by HFSRB. (77 Ill. Adm. 1130.240 (d))

IV. Staff Analysis

A hospital may temporarily suspend services without board approval, provided it formally notifies the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health. Under the Illinois Health Facilities Planning Act and Illinois Administrative Code (77 IAC 1130.240(d)), a health facility may temporarily suspend operations or a category of service for up to one year without board approval due to unanticipated circumstances (such as the loss of funding, staffing shortages, or major facility failures). **Louis A Weiss Memorial Hospital has complied with this requirement.**

When evaluating a declaratory ruling request for an extension of a suspension, the State Board has several options:

1. Approve the Extension of the Temporary Suspension

If the hospital demonstrates that it is actively working to correct the underlying issues (e.g., resolving litigation, repairing physical plant failures, or regaining federal CMS compliance) but requires more time, the Board can vote to approve the extension. **The exact length of the approved extension is at the State Board's discretion.** This allows the hospital to maintain its position without having to apply for a brand-new Certificate of Need (CON) permit to re-establish services later.

2. Grant the Approval with Specific Conditions

The Board can grant the extension but attach conditions to ensure accountability. Conditions could include requiring the hospital to submit formal progress reports at fixed intervals (every 30 days) to update the Board on remediation efforts, legal settlements, or recruitment.

3. Deny the Extension Request

The State Board may deny continuation of temporary status if it determines that the facility lacks a definitive plan to restore emergency or inpatient services. The suspension does not meet the standard of a correctable temporary emergency. The facility is utilizing successive temporary suspensions as a loophole to bypass the regular regulatory approval process for a permanent closure.

4. Rule the Change Permanent and Require a Certificate of Need to Discontinue

If the State Board decides not to renew the temporary suspension or concludes that the facility's closure has effectively become permanent, the hospital can no longer remain in limbo. The Board will require the hospital to apply for a Certificate of Need for the facility. This would initiate a formal regulatory review process regarding the permanent closure, including an evaluation of the safety-net impact on the surrounding community.

V. Timeline

December 2022: Louis A. Weiss Memorial Hospital was purchased by Resilience Healthcare.

November 2024 – July 2025: The Illinois Department of Public Health (IDPH) conducts a series of site inspections in response to growing complaints. Investigators note a pattern of non-compliance, including inadequate nurse staffing and severe issues with the physical environment.

June 18, 2025: Weiss Hospital suffers a HVAC/air conditioning failure during a severe citywide heatwave. The infrastructure failure forces management to immediately evacuate all inpatients and transfer them to other regional facilities.

Late July 2025: Following an investigation into the evacuation and facility conditions, the U.S. Department of Health and Human Services and the Centers for Medicare & Medicaid Services (CMS) issue a public warning. They determine that Weiss violates critical Conditions of Participation regarding nursing services, emergency services, and the physical environment.

August 8, 2025: Weiss Memorial Hospital officially halts its primary operations. The hospital locks its front doors, permanently terminates all remaining inpatient care, and closes its Emergency Department. The **Illinois Department of Public Health** issued a

provisional license dated August 8, 2025, for a term of August 8, 2025, to August 8, 2026. (Attached at the end of this request)

August 9, 2025: CMS officially revokes the hospital's Medicare and Medicaid reimbursement agreement, cutting off its vital federal funding lifelines.

October 2025: A newspaper investigation reveals the extent of the financial crisis, reporting that Resilience Healthcare owes the state of Illinois more than \$69 million in unpaid taxes and fees, with \$27.7 million allocated directly to the Weiss facility.

November 26, 2025: After temporarily keeping select ancillary departments (such as radiology and cardiology clinics) running, Weiss terminates all remaining outpatient services, thereby finalizing the closure of the historic 236-bed community safety-net hospital.

VI. Applicable Statute and Rules

77 Illinois Administrative Code 1130.810 Declaratory Rulings

HFSRB shall render determinations on various matters relating to permits and the applicability of the statute and regulations. Requests for determination shall be made in writing. Pursuant to Section 5-150 of the Illinois Administrative Procedure Act, such determinations are declaratory rulings and are not subject to appeal. The following matters shall be subject to declaratory rulings by HFSRB, including, but not limited to:

- a) whether a proposed project requires a permit or exemption
- b) corrections to the facility inventories utilized by HFSRB
- c) recognition that a particular service was in existence before permit requirements.
- d) amount of fees required
- e) project classification as substantive or non-substantive; and
- f) **applicability of rules.**

BOARD NOTE: Declaratory-ruling requests regarding an application for a permit or exemption during the review period may be submitted only by the applicant and by IDPH.

Appended to this report is a copy of the request for a declaratory ruling.

VII. Louis A. Weiss Memorial Hospital Financial and Utilization Data

TABLE ONE Louis A. Weiss Memorial Hospital Financial Information Medicare Cost Report ⁽¹⁾			
Year	2022	2023	2024
Total Patient Revenue	\$530,549,005	\$485,698,521	\$370,486,819
Contractual Allowances	\$444,303,619	\$399,246,654	\$300,299,397
Net Rev. from Patient Services	\$86,245,386	\$86,451,867	\$70,187,422
Operating Expenses	\$124,532,641	\$119,538,915	\$102,250,218
Net Income from Patient Services	(\$38,287,255)	(\$33,087,058)	(\$32,062,796)
Other Income	\$13,223,529	\$2,631,296	\$4,125,431
Other Expense	\$0	\$1,735,069	\$0
Net Income	(\$25,063,726)	(\$32,190,831)	(\$27,937,365)
Operating Margin ⁽²⁾	-44.39%	-38.27%	-45.68%
Net Margin ⁽³⁾	-29.06%	-37.24%	-39.80%
1. Information from the Medicare Cost Report 2. Operating Margin = Net Income from Patient Services ÷ Net Patient Revenue from Patient Services 3. Net Margin = Net Income ÷ Net Patient Revenue from Patient Services			

TABLE TWO Louis A. Weiss Memorial Hospital Financial Information Hospital Utilization ⁽¹⁾ 2024								
	Approved Beds	Staff Beds	Admit	Days	ALOS	ADC	Approved Occ	Staff Occ
Medical Surgical	184	168	2,719	14,405	5.30	39.47	21.45%	23.49%
Intensive Care	16	16	375	2,127	5.67	5.83	36.42%	36.42%
AMI	10	10	158	2,365	14.97	6.48	64.79%	64.79%
Rehabilitation	26	16	114	1,714	15.04	4.70	18.06%	29.35%
Total	236	210	3,366	20,611	6.12	56.47	23.93%	26.89%
1. Information from 2024 Hospital Profiles								

TABLE THREE
Louis A. Weiss Memorial Hospital Financial Information
Hospital Utilization ⁽¹⁾
2023

	Approved	Staff						Approved	Staff
	Beds	Beds	Admit	Days	ALOS	ADC		Occ	Occ
Medical Surgical	184	184	3,237	15,838	4.9	43.4		23.60%	23.60%
Intensive Care	16	16	491	1,589	3.2	4.4		27.20%	27.20%
AMI	10	10	177	2,343	13.2	6.4		64.20%	64.20%
Rehabilitation	26	26	144	1,882	13.1	5.2		19.80%	19.80%
Total	236	236	4,049	21,652	5.3	59.7		25.30%	25.30%

1. Information from 2023 Hospital Profiles

TABLE FOUR
Louis A. Weiss Memorial Hospital Financial Information
Hospital Utilization ⁽¹⁾
2022

	Approved	Staff						Approved	Staff
	Beds	Beds	Admit	Days	ALOS	ADC		Occ	Occ
Medical Surgical	184	184	3,271	14,572	4.5	39.9		21.68%	21.68%
Intensive Care	16	16	511	4,282	8.4	11.7		73.13%	73.13%
AMI	10	10	184	2,513	13.7	6.9		69.00%	69.00%
Rehabilitation	26	26	166	2,128	12.8	5.8		22.31%	22.31%
Total	236	236	4,132	23,495	5.69	64.4		27.28%	27.28%

1. Information from 2022 Hospital Profiles



115 South La Salle Street, Suite 700 • Chicago, Illinois 60603-3815 • www.dph.illinois.gov

August 7, 2025

VIA ELECTRONIC MAIL

Dr. Manoj Prasad
Weiss Memorial Hospital
mkp@westsubmc.com

RE: Notice of Provisional License

Dear Dr. Prasad:

Thank you for meeting with us on August 6, 2025. As we discussed, the Illinois Department of Public Health (IDPH) does not make the decision regarding whether to terminate a provider from the Medicare program. Per the notification of termination letter from CMS dated July 24, 2025, the decision was made based not only on the determination of immediate jeopardy in relation to the hospital's failure to comply with 42 CFR §482.55 - Emergency Services, but also the hospital's extensive history of noncompliance with the Medicare Conditions of Participation as well as its ongoing failure to comply with 42 CFR §482.23 - Nursing Services and 42 CFR §482.41 - Physical Environment, which were first cited in February 2025.

We would also like to reiterate that IDPH's role as the State survey agency for Centers for Medicare & Medicaid Services (CMS) is separate from IDPH's enforcement of State licensure regulations.

Per your email from August 7, 2025, Weiss Memorial Hospital will be ceasing all operations effective August 8, 2025, at 7:00 a.m., and intends to file an appeal relating to the Medicare termination and ultimately reopen and reinstate all services. As discussed, Weiss is currently not in compliance with the Hospital Licensing Act (210 ILCS 85) and Hospital License Requirements (77 Ill. Admin. 77) ("Rules"). At this time, the Department is issuing the hospital a Provisional License, effective August 8, 2025, through August 8, 2026. Per Section 250.120(l), the hospital must meet the following conditions prior to reinstating operations:

- 1) The hospital shall submit monthly updates to the Department outlining the steps the hospital has taken toward reinstating operations.
- 2) The hospital shall notify the Department of its scheduled reopening date and submit an updated license application between 60-90 days prior to the planned reopening date, in accordance with Section 250.120(d) of the Rules.

3) The hospital shall undergo a survey to ensure the hospital is in compliance with all licensing requirements and to confirm the reason for the suspension of operations no longer exists.

4) If the Department determines the hospital is in compliance with all licensing requirements after the first survey, the Department will maintain the provisional license.

5) The Department will conduct a second survey within four months after the exit date of the first survey to determine if the hospital has maintained compliance with licensing requirements.

6) After the second survey, if the Department determines that the hospital is in compliance with all licensing requirements, it will issue the hospital an unrestricted license.

7) If the hospital is not in compliance with the licensing requirements after either the first or second survey, the Department may either extend the provisional licensure period or deny the request to reinstate operations. If the Department denies the request for reinstatement, it will follow the provisions in Section 250.140, including, but not limited to, providing notice of the denial and an opportunity for hearing.

8) If the hospital fails to maintain a permit in accordance with the Health Facilities & Services Review Board (HFSRB) requirements, the Department will take adverse licensure action in accordance with Section 250.140 of the Rules.

Upon receipt of this letter, please provide a copy to the Department of the hospital's policies for preservation of patient medical records and medical staff credentialing files in accordance with Section 250.1510(d)(2) and Section 250.310(b)(16), including the address (i.e., physical location) of all medical records and medical staff credentialing files and a contact name, phone number, and email address for the keeper of the medical records.

Please free to reach out should you have any questions regarding the process for reinstatement of operations.

Sincerely,

Sheila A Driver

Sheila A, Driver, JD, MBA, RN
Deputy Director
Office of Health Care Regulation

cc: Ashley Thoele, Chief Operating Officer (IDPH)
Karen Senger, Division Chief, Health Care Facilities and Programs (IDPH)
Rukhaya AliKhan, General Counsel (IDPH)
John Kniery, Administrator (HFSRB)

**Before the
ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
Springfield, Illinois 62761**

In the Matter of)
)
Resilience Healthcare – Weiss Memorial)
Hospital, LLC)
)
Extension Request – Temporary)
Suspension of Services)
)

HFSRB Docket No. B-01

PETITION FOR DECLARATORY RULING

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July 8, 2026

EXECUTIVE SUMMARY

Resilience Healthcare – Weiss Memorial Hospital, LLC, an Illinois limited liability company (“Hospital”), requests that the Illinois Health Facilities and Services Review Board (“State Board”) issue a declaratory ruling allowing Hospital to continue its temporary suspension of services beyond the one (1) year period allowed under State Board rule Ill. Adm. Code tit. 77, § 1130.240(d), which provides that “[t]emporary suspensions [of a health care facility] shall not exceed one year unless otherwise approved by the [State Board].” Granting this request will allow the Hospital to continue to work through two separate and ongoing regulatory appeals processes, neither of which has been resolved as of the date of this declaratory ruling request (i.e., July 6, 2026) but are likely to be concluded before the end of the year. The first regulatory appeal, filed by the Hospital, is challenging the decision by the federal Centers for Medicare and Medicaid Services (“CMS”) to terminate the Hospital’s enrollment in the Medicare program. The second regulatory appeal, filed against the Hospital by the Illinois Department of Healthcare and Family Services (“IDHFS”), is seeking recoupment for unpaid hospital assessment taxes and associated penalties. The IDHFS appeal had a status hearing before an Administrative Law Judge (“ALJ”) on July 8, 2026 with a continuance to August 4, 2026, but will likely extend beyond this date as additional hearings on the matter will likely be necessary. Both of these pending decisions will have a significant impact on the Hospital’s ability to operate in the future and must be resolved before the Hospital can make a final decision on the future viability of this health care facility.

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I. BACKGROUND AND APPLICABLE LAW

A. BACKGROUND

(1) CMS Survey Findings and Termination of the Hospital's CMS Provider Agreement.

Resilience Healthcare – Weiss Memorial Hospital, LLC, an Illinois limited liability company doing business as Louis A. Weiss Memorial Hospital, located at 4646 North Marine Drive, Chicago, Illinois (“Hospital”), was evacuated on June 18, 2025 following a catastrophic breakdown of the health care facility’s HVAC system. Hospital leadership reported that the HVAC system, specifically the air conditioning (“AC”) units, had not been properly maintained by the previous owner – Pipeline Health, which had filed for bankruptcy and opened up the opportunity for Resilience Healthcare to step in and purchase the Hospital’s operating company. When the Hospital attempted to turn on the AC system at that time, it was discovered that three out of four AC units were not in working condition and the temperature inside the hospital buildings rose to unsafe levels.

To ensure the safety of the 45 patients at the Hospital, the patients were either discharged, moved to a nearby hospital, or transferred to Resilience Healthcare’s other hospital, West Suburban Medical Center in Oak Park, Illinois (“WSMC”). Most of the Hospital’s staff were also transferred to WSMC. The remaining Hospital staff continued to operate certain outpatient areas and the emergency room for walk-in patients. However, for all other cases, the Hospital began to redirect ambulances to emergency rooms at other nearby hospitals.

Technicians continued to work on repairing the broken AC units. The Hospital determined that repair costs could reach \$250,000, a significant amount for a financially struggling hospital. Nevertheless, repairs on the unit moved forward. One unit was fixed quickly but, even with the other operational AC unit, the building remained unable to reopen with two of the four AC units

in operation. The other two non-functioning AC units required parts that needed to be ordered. At that time, the Hospital believed that the parts would be delivered and the two remaining inoperable AC units could be repaired in approximately two weeks.

The Hospital was unable to fully repair the AC system in a timely manner and was forced to make a very difficult decision. On August 8, 2025, the Hospital ceased most operations, including the closure of the emergency department and the termination of all remaining inpatient services, but continued to offer select outpatient services. The Hospital terminated all remaining outpatient services on November 26, 2025.

Despite these efforts, and the limited operations through November 26, the Centers for Medicare & Medicaid Services (“CMS”) formally terminated the Hospital’s participation in the Medicare program, effective August 9, 2025. CMS cited unresolved findings of substantial noncompliance with the Medicare Conditions of Participation (“CoPs”) and the Emergency Medical Treatment and Labor Act (“EMTALA”) as the primary reasons for termination.

Before the termination, the Hospital had been discussing conditions at the facility with officials from the Illinois Department of Public Health (“IDPH”) going back to a state survey conducted on November 26, 2024. That initial survey identified deficiencies in the Hospital's Quality Assessment and Performance Improvement Program and Emergency Services. The survey also found a number of EMTALA violations, including failures to provide timely emergency treatment, restrict patient transfers until stabilization, obtain appropriate transfer documentation, and post required EMTALA notices.

While the Hospital worked to remedy the deficiencies, subsequent follow-up surveys demonstrated continued noncompliance. A comprehensive revisit conducted on February 26, 2025 found additional deficiencies involving Patient Rights, Nursing Services, Food and Dietary

Services, and the Physical Environment. A second revisit on May 15, 2025 determined that deficiencies in Nursing Services and the Physical Environment remained unresolved and identified continuing EMTALA violations. A complaint investigation conducted on July 12, 2025 found the hospital also out of compliance with the Emergency Services CoP.

The Hospital continued working diligently to resolve the compliance issues. Despite these efforts, on June 4, 2025, IDPH issued a notice of intent to terminate the Hospital's participation in Medicare and Medicaid unless the remaining identified conditions were remedied promptly.

The Hospital continued to communicate with IDPH officials concerning the prior survey findings as well as the conditions which caused the temporary closure of the hospital. Even at this stage of the review process, Hospital leadership believed that progress was being made with such officials, that the unresolved compliance matters would be remedied, and that the Hospital would eventually reopen before the end of 2025.

In its termination notice letter, CMS concluded that the cumulative deficiencies constituted an immediate threat to patient health and safety. In addition, CMS held that the hospital ceased all patient care operations as of August 8, 2025. Under federal regulations, cessation of operations independently constitutes grounds for termination of a provider's Medicare participation. As a result, CMS terminated the hospital's Medicare provider agreement effective August 9, 2025.

(2) CON Notice.

On August 7, 2025, Hospital leadership notified the State Board that the Hospital would temporarily close at 7:00 a.m. on August 8, 2025 due to a series of events out of the control of the Hospital, specifically, the breakdown of the health care facility's HVAC system (i.e., three of four AC units) and the subsequent termination of its provider status by federal CMS. The Hospital

submitted additional reports on the closure since that initial notice as required by the State Board's regulations, with the most recent update being submitted on June 4, 2026.

(3) Recoupment of Hospital Assessment Tax.

The State of Illinois requires hospitals to pay a provider (per bed) tax, which is an annual assessment on licensed hospitals and its proceeds are used to secure federal Medicaid matching funds. The provider tax includes two parts: (1) an inpatient assessment and (2) an outpatient assessment. The inpatient component requires payment of a tax of \$362 per bed, which is multiplied by the difference between a hospital's occupied bed days and its Medicare bed days. The outpatient component is a tax of 3.273% (0.03273), multiplied by the hospital's total outpatient gross revenue. These assessment rates are adjusted periodically through state legislation and require federal approval to implement targeted provider payment increases.

On October 1, 2025, the Illinois Department of Healthcare and Family Services ("IDHFS") notified the Hospital that it had a total tax liability of \$24,745,559, with an additional \$2,440,436 in accrued penalties, for a total of \$27,185,995 that was currently due and owed to IDHFS for unpaid provider taxes accruing on and after August 25, 2022. IDHFS further stated that the Hospital was in breach of an agreement between the agency and the Hospital – the Advanced Payment Plan and Tax Payment Agreement ("IDHFS Agreement") entered into between the Hospital and IDHFS on April 29, 2025.

Thereafter, the Hospital, being unable to make payments under the Agreement due to significant financial constraints, was informed by IDHFS of the Hospital's breach of the Agreement. IDHFS initiated a collection action against the Hospital, and on October 1, 2025, the agency notified the Hospital of its intent to recoup \$8.1 million to recover unpaid bed tax assessments and penalties. The notice letter informed the Hospital of the opportunity to request

administrative review on the collection matter. The Hospital appealed and its case is now pending before an Administrative Law Judge (Case No. 25 MVH 228). This matter, at the earliest, will come to a hearing in late September or October of this year.

B. APPLICABLE LAW

(1) Section 1130.240 – Reporting and Notification Requirements.

The State Board requires health care facilities to provide periodic reports, data, and information as needed to carry out the purposes and provisions of the Health Facilities Planning Act [20 ILCS 3960/13]. Information required to be submitted to the State Board includes, but is not limited to, notices of hospital reductions in services and any temporary suspension of service.

Pursuant to Section 1130.240(d) of the State Board's rules, concerning the temporary suspension of a health care facility or a category of service, a health care facility that ceased operation or that ceased to provide a category of service due to an unanticipated or unforeseen circumstance (such as the loss of appropriate staff or a natural disaster) shall file notice to the State Board of a temporary suspension of service that is anticipated to exceed 30 days. The notice shall be filed no later than 30 days after the suspension of service and shall include a detailed explanation of the reasons for the suspension, as well as the efforts being made to correct the circumstance and a timetable to reopen the service. Reports documenting the progress or corrections must be filed every 30 days thereafter until the services resume. Temporary suspensions shall not exceed one year unless otherwise approved by the State Board.

The State Board shall render determinations on various matters relating to permits and the applicability of the statute and regulations. Requests for determination shall be made in writing. Pursuant to Section 5-150 of the Illinois Administrative Procedure Act, these determinations are

declaratory rulings and are not subject to appeal. The following matters shall be subject to declaratory rulings by the State Board, including, but are not limited to:

- (a) Whether a proposed project requires a permit or exemption;
- (b) Corrections to the facility inventories utilized by the State Board;
- (c) Recognition that a particular service was in existence prior to permit requirements;
- (d) Amount of fees required;
- (e) Project classification as substantive or non-substantive; and
- (f) Applicability of rules.

II. DISCUSSION

THE STATE BOARD SHOULD APPROVE THE HOSPITAL'S REQUEST FOR A DECLARATORY RULING AND ALLOW THE HOSPITAL TO CONTINUE ITS TEMPORARY SUSPENSION OF SERVICES FOR SIX (6) ADDITIONAL MONTHS

The Illinois Health Facilities and Services Review Board (“State Board”) should grant a declaratory ruling allowing Resilience Healthcare—Weiss Memorial Hospital, LLC (“Hospital”) to continue its temporary suspension of services beyond the one (1) year period allowed under State Board rule Ill. Adm. Code tit. 77, § 1130.240(d), giving the Hospital an additional six (6) months to work through two separate and ongoing regulatory appeals processes which have not yet been resolved, will not be resolved by the 12-month limitation in the State Board’s rules, but should be resolved during the additional six (6) month period.

The first regulatory appeal, challenging the decision by the federal Centers for Medicare and Medicaid Services (“CMS”) to terminate the Hospital’s enrollment in the Medicare program, is nearing completion. An initial appeal, filed by the Hospital on September 23, 2025, was dismissed by an Administrative Law Judge (“ALJ”) on June 17, 2026. The ALJ held that “[b]ecause the initial termination in this case has been superseded by a revised determination (42 C.F.R. § 498.30, 498.32(a), the request for a hearing in the present matter is subject to dismissal because it is now moot.” The hospital is now weighing its remaining options in this case; however, even if the Hospital chose to accept the termination, a final resolution of the matter would extend beyond the 12-month temporary closure timeline of August 8, 2026. If the Hospital’s appeal can be revived, then the appellate process will likely extend into early 2027.

The second regulatory appeal, filed by the Illinois Department of Healthcare and Family Services (“IDHFS”), is seeking recoupment for unpaid hospital assessment taxes and penalties, and is set for a status hearing on August 4, 2026. At this hearing, the Hospital and the IDHFS

attorney will set a date for a hearing on the pending matter, which will likely be scheduled in October or November of this year. A complete resolution on this matter could extend into the early months of 2027.

III. CONCLUSION

Based on the two pending appeals filed by the Hospital in this matter, one federal action and one state hearing, both nearing a final determination but not before the Hospital's 12-month temporary closure period allowed in the State Board's rules, the State Board should grant the Hospital to continue its temporary suspension of services beyond the one (1) year period allowed under State Board rule Ill. Adm. Code tit. 77, § 1130.240(d), giving the Hospital an additional six (6) months to work through the two separate and ongoing regulatory appeals processes which have not yet been resolved, will not be resolved by the 12-month limitation in the State Board's rules, but should be resolved during the additional six (6) month period.