STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD
525 WEST JEFFERSON ST, SPRINGFIELD, ILLINOIS 62761 •(217) 782-3516 FAX: (217) 785-4111

March 12, 2026

TRANSMITTED ELECTRONICALLY AND VIA CERTIFIED MAIL

Jacob M. Axel, President
Axel & Associates, Inc.
348 Chicory Lane
Buffalo Grove, IL. 60089

jocobmaxel@msn.com

Illinois Corporate Service Company
Registered Agent
801 Adlai Stevenson Drive
Springfield, IL 62703-4261

Re: APPROVAL AND ISSUANCE OF CERTIFICATE OF NEED PERMIT
Project Number: #25-035
Facility Name: The Rehabilitation Institute of Southern Illinois
Facility Address: 2351 Frank Scott Parkway East, Shiloh, Illinois
Permit Holders: BJC Health Syatem d/b/a BJC HealthCare, Encompass Health Corporation, and
The Rehabilitation Institute of Southern Illinois, LLC
Project Description: Add Twenty (20) Comprehensive Rehabilitation Beds to a 40-Bed Rehabilitation Hospital
Permit Amount: $13,836,440
Permit Conditions: None
Financial Commitment Date: March 2, 2027
Project Completion Date: November 1, 2029
Annual Progress Report Due Date: March 2, 2027

Dear Mr. Axel:

At its duly noticed public meeting held on March 10, 2026, the Illinois Health Facilities and Services Review Board ("HFSRB") approved the permit application for the above-referenced project. This approval was based on substantial conformance with the applicable standards and criteria outlined in the Illinois Health Facilities Planning Act ("Planning Act") [20 ILCS 3960] and 77 Ill. Adm. Code 1110, 1120, and 1130 ("Code").

After reviewing the record, including the application, the staff report and findings, public hearing testimony, public comments (oral and written), testimony presented before the HFSRB, and all materials submitted in accordance with the applicable statutory and regulatory requirements, HFSRB approved the above application and issued this Certificate of Need ("CON") permit. HFSRB permit approval is subject to the terms and conditions set forth in the applicable administrative rules, as well as to all representations made by the applicant and its authorized agents in the application and at the public meeting. This permit is **not transferable or assignable**, except as outlined in the Planning Act.

This permit approval shall be effective as of the date of the public meeting at which HFSRB considered it and will remain valid until the approved project is completed, unless extended or revoked in accordance with HFSRB administrative rules.

The project should be implemented as approved, with the total project cost not to exceed the amount referenced above. Should the approved terms and conditions of the project scope change, a timely alteration request must be submitted in accordance with the regulatory provisions in 77 Ill. Adm. Code 1130.750 must be submitted to HFSRB staff.

The Permit Holder must comply with all applicable requirements outlined in 77 Ill. Adm. Code 1130 includes, without limitation, the following criteria to maintain a valid permit.

1. FINANCIAL COMMITMENT - 77 Ill. Adm. Code 1130.720

   The project must be obligated by the above-referenced **Financial Commitment Date** unless the permit holder obtains an "Extension of the Financial Commitment Period" as provided in 77 Ill. Adm. Code 1130.730. The Financial Commitment must be reported in the first annual progress report for permits that require a financial commitment, within twelve (12) months after issuance. For major construction projects requiring financial commitment within twenty-four (24) months of permit issuance, such commitment must be reported in the second annual progress report. If project completion is required before the annual progress report referenced above, the project obligation must be reported in the notice of project completion. The reporting of financial commitment must reference a specific date by which at least 33% of total funds assigned to project costs were expended or committed to be expended by signed contracts or other legal means.

2. ANNUAL PROGRESS REPORT- 77 Ill. Adm. Code 1130.760

   Each permit holder shall submit annual progress reports to HFSRB staff every 12 months from the date of permit issuance until the project is completed. *A permit holder must submit annual progress reports no earlier than 30 days before and no later than 30 days after each anniversary date of the Board's approval of the permit until the project is completed.*

3. PROJECT COMPLETION REQUIREMENTS- 77 Ill. Adm. Code 1130.770

   The requirements for a compliant Final Realized Costs Report are defined in the State Board's regulations under 77 Ill. Adm. Code 1130.770. This letter serves as notice of the permit holder's obligation to comply with all post-permitting requirements, including, but not limited to, the project completion notification and the final costs realized report.

Failure to comply with the requirements may result in, without limitation, the invalidation of the permit, the filing of a new permit application and fee, as well as sanctions, fines, and/or HFSRB action to revoke the permit.

STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD
525 WEST JEFFERSON ST, SPRINGFIELD, ILLINOIS 62761 •(217) 782-3516 FAX: (217) 785-4111

Nothing in this permit relieves the Permit Holder(s) of the obligation to obtain all necessary federal and state requirements, including licensure from the Illinois Department of Public Health. The Illinois Department of Public Health will not license the facility until all permit requirements outlined in the applicable sections of Title 77 of the Illinois Administrative Code have been fulfilled.

HFSRB appreciates your cooperation throughout the CON process and anticipates continued compliance with all applicable requirements governing the implementation of the approved project.

If you have any questions, contact HFSRB staff at (217) 782-3516 or via email at DPH.HFSRB@illinois.gov.

Sincerely,

Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board

STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD
525 WEST JEFFERSON ST, SPRINGFIELD, ILLINOIS 62761 •(217) 782-3516 FAX: (217) 785-4111

CERTIFICATE OF SERVICE

Sharie Ryan, HFSRB Office Coordinator, under penalties as provided by law pursuant to §1-109 of the Code of Civil Procedure (735 ILCS 5/1-109), certifies that the statements outlined in this certificate of service are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that they verily believe the same to be true and that they have served a copy of the above-mentioned documents from the foregoing Illinois Health Facilities & Services Review Board on March 12, 2026 to the below-referenced Applicant(s), by electronic mail and U.S. Post Office Certified Mail to the following:

Jacob M. Axel, President
Axel & Associates, Inc.
348 Chicory Lane
Buffalo Grove, IL. 60089

jocobmaxel@msn.com

Illinois Corporate Service Company
Registered Agent
801 Adlai Stevenson Drive
Springfield, IL 62703-4261

By: s/ Sharie Ryan
HFSRB Office Coordinator