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

June 30, 2011

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Dan Colby, Vice President Mercy Health System Corporation 1000 Mineral Point Avenue Janesville, WI 53548

RE: Notice of Intent to Deny

Illinois Health Facilities Planning Act

Project # 10-089 - Mercy Crystal Lake Hospital and Medical Center

APPLICANTS: Mercy Crystal Lake Hospital and Medical Center and Mercy

Alliance

Dear Mr. Colby:

On June 28, 2010, the Illinois Health Facilities Planning Board issued an Intent-to-Deny for the above referenced application for permit. Section 1130 of the Illinois Health Facilities Planning Act provides you an opportunity for a hearing before the State Board to appeal this decision. If you decide to appeal the State Board's action you must adhere to the requirements of 77 IAC 1130.670 (b), (c), and (d), effective September 1, 2006 as follows:

- b) The applicant shall notify HFPB in writing and within 14 calendar days after issuance of the Notice of Intent-to-Deny, whether it intends to: 1) appear before the State Board; and/or 2) submit supplemental information. It is the responsibility of the applicant to assure that the HFPB is in receipt of the response within the 14 day prescribed time frame.
 - c) 1 If the applicant waives the right to appear before HFPB or if a written response is not received within 14 calendar days after issuance of an Intent to Deny, then the application shall be considered withdrawn.
 - c) 2 If the applicant indicates that no supplemental information will be submitted, the HFPB shall take action on the application at its next meeting.
 - c) 3 If the applicant indicates that additional documentation shall be submitted, the applicant shall be afforded a period of 30 days from the issuance of the Notice of Intent-to-Deny to submit the material. Upon receipt of the supplemental information, IDPH shall commence a review and submit it findings to HFPB in accordance with the provisions of this Subpart.

Intent to Deny Page 2 of 2

IDPH shall be allowed up to 60 days following the receipt of all material to review the material and issue a supplemental report.

- c) 4 Written comments submitted to IDPH from persons other that the applicant regarding a proposed project that has received an Intent to Deny are ex parte and prohibited and shall not be considered. This provision does not apply to public hearing testimony or comments that are received pursuant to a provision in Subpart I (Public Hearing and Comment Procedures) or to comments or testimony that has been submitted in response to requests by HFPB for information to assist in consideration of the application subsequent to the Intent to Deny.
- d) A project that has received a Notice of Intent-to-Deny and has been scheduled for HFPB consideration can be deferred by the applicant. A notice of deferral may be provided in writing prior to the scheduled HFPB meeting or be provided verbally at the HFPB meeting. An applicant may not defer HFPB consideration beyond a HFPB meeting date that is more than six months from the date the applicant received an intent-to-deny.

Should you have any questions or need additional information, please call our office at (217) 782-3516 (TDD # 800-547-0466 for hearing impaired only).

Sincerely,

Courtney Avery, Administrator

Illinois Health Facilities and Services Review Board

cc: Dale Galassie, Chairman