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

December 17, 2012

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Don Reppy
Director of Health Planning
HCR Manor Care, Inc.
7361 Calhoun Place, Suite 300
Rockville, Maryland 20855

**Re: Denial**
**PROJECT NUMBER: 12-039**
**FACILITY NAME: ManorCare Health Services of Crystal Lake**
**APPLICANTS: ManorCare Health Services, LLC, HCR Healthcare LLC, HCR Manor Care Inc.**

Dear Mr. Reppy:

On December 10, 2012, the Illinois Health Facilities Planning Board issued its denial of the application for permit for the above-referenced project. The State Board rendered its decision following consideration of the application, the State Board Staff Report and the testimony of the applicant. The State Board's decision is based upon the applicant's failure to document that a project of the nature and scope as that proposed is appropriate for the reasons stated in the following allegations of non-compliance:

**Allegations of Non-Compliance**

The applicants did not document conformance with the following review criteria:
□Criterion 1125.570 – Service Accessibility
□Criterion 1125.580 – Unnecessary Duplication/Maldistribution
□Criterion 1125.580 – Impact on Other Area Providers

Section 10 of the Illinois Health Facilities Planning Act (the "Act"), P.A. 78-1156 as amended, [20 ILCS 3960/10] affords you the opportunity for a hearing before a hearing officer appointed by the Chairman of HFSRB. Such hearing shall be conducted in accordance with the provisions specified in Section 10 of the Act and the implementing rules, 77 IAC Part 1130. If you decide to exercise your right to a hearing, you must submit a written notice of a request for such hearing to the Administrator of the State Board, postmarked within 30 days of receipt or delivery of this notice.

Notice to Administrator may be made by forwarding the written request to the following:

Illinois Health Facilities and Services Review Board
Attention: Courtney Avery, Administrator
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Notice to the Administrator constitutes notice to the State Board (77 IAC 1130.1020(b)). Failure to submit your request within this period constitutes a waiver of your right to a hearing.

If you decide to exercise your right to a hearing, the HFSRB Chairman, shall, within 30 days after the receipt of your request, appoint a hearing officer. The hearing will afford you the opportunity to demonstrate that the application is consistent with the criteria upon which the action of the State Board was based. Following its consideration of the report of the hearing, or upon default of the party to the hearing, the State Board shall make its final determination.

Sincerely,

Courtney Avery

Courtney Avery
Illinois Health Facilities and Services Review Board

cc: Dale Galassie