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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

April 29, 2016

BY FEDERAL EXPRESS

Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761
ATTN: Courtney R. Avery, Administrator

**Re: Comments in Response to Staff Report for Project No. 16-002,
Transitional Care of Fox Valley, Aurora**

Dear Ms. Avery:

We represent a group of existing long-term care facilities (the "Facilities"), all of which provide services in Health Planning Area 7-C, which have joined together **to oppose** Project No. 16-002, Transitional Care of Lisle's ("Applicant") proposal to establish a 68-bed long-term care facility in Aurora, Illinois ("Project #16-002" or the "Project"). The Facilities have identified what they believe to be inadvertent errors in the staff report warranting being brought to the attention of the Health Facilities and Services Review Board ("HFSRB" or "Board") and its members.

The staff report misstates what took place at the public hearing for Project #16-002. It is simply not accurate that "there were thirty eight (38) individuals in attendance" at the public hearing. As a matter of fact, less than ten people, in total, appeared at the public hearing. It is also inaccurate to state that "twenty eight (28) individuals provided supporting testimony either orally, written or both." What actually occurred, similar to with its other project, is that the applicant dropped off a stack of what are believed to be form letters regarding the Project. The strategic delivery of self-serving form letters is not the purpose of the public hearing process.

It is worth noting that those form letters was never published on the Board's website. Thus, the Facilities were never able to evaluate, challenge, or comment on this "support" and it is

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certainly misleading to present this as “public comment” since the information has never been publicly disseminated.

It is true that representatives from 6 facilities did show up, in person, to offer testimony in opposition of the Project to the Board’s member and HFSRB staff present. The core of the testimony was the lack of need for this facility and how approval of the Project would adversely impact existing facilities, undermine the financial viability of the established healthcare delivery system, and do nothing to increase access to care. These are important issues, all reflected in the adverse findings of the staff report, of which the Board members need to be aware when considering this Project.

Regardless, a tactical decision by an applicant to withhold form letters to submit at a strategically opportune time should not be allowed to overshadow the fact that a public hearing was announced and the only people offering testimony regarding this project were doing so in opposition.

The staff report summary outlining “State Board Standards Not Met” does not clearly reflect that the proposed project is not in compliance with multiple of the Board’s criteria for:

- Unnecessary duplication of services;
- Maldistribution of services; and
- Adverse impact on existing facilities.

The staff report makes no mention of the fact that in the Purpose of the Project, the Applicant proposes to “annually serve 735 residents.” With 68 beds, assuming that the Project only intended to reach the Board’s 90% target utilization, this would yield an average length of stay in excess of 30 days. This is notably inconsistent with the description of shortening average lengths of stay and a facility designed to provide short-term rehabilitation care. Even if you presume a 15-day average length of stay, to meet the Board’s target utilization would require almost 1500 annual admissions. There is no documentation to support that those referrals exist and certainly not without having a notable adverse impact on existing facilities. The State Board Staff has only accepted five hundred fifty (550) of the projected referrals, thus raising the significant question of from where the additional patients will originate.

Nor does there appear to be any discussion of the fact that one of the entities that submitted a referral letter utilized to support this project also submitted a referral letter to support a virtually identical project servicing the exact same area and the exact same patient population. This would appear to be inconsistent with Board regulations prohibiting the utilization of referrals to support or justify multiple projects. Admittedly, the Board did refuse those referrals on other grounds.

The staff report does not contain any information regarding the information that representatives of the Applicant have begun soliciting existing employees of the Facilities, thus

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exacerbating the adverse impact approval of the Project would have on the existing facilities already serving this community. It is one thing to claim you will have sufficient staff – it is another to address how you will acquire those staff members. This is particularly relevant when the designed plan appears to be to further adversely impact existing facilities.

It is confusing how the project can be found to have met the conditions of debt financing criteria, requiring the applicant to provide attestation to the financing with the lowest cost available when the staff has already issued a negative finding regarding availability of funds due to the fact that there is no firm commitment that financing will be available.

The Facilities want to acknowledge that these comments to the staff report are almost identical to those submitted regarding an additional Project (15-056). The reasoning is simple: it is virtually the same project, proposing to meet a purported need for the same community, by the same applicants, with the same model, simply from the other side of town. The adverse impact approving either one of these facilities would have on healthcare delivery in this community is undeniable – the impact the approval both could have would be devastating.

On behalf of the Facilities, we respectfully present these comments in response to the staff report as the Facilities continue to maintain their **opposition** to Project #16-002, and request that the Board deny Transitional Care of Fox Valley's application to establish a new facility.

Respectfully submitted,



Mark J. Silberman