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October 26, 2017

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Ms. Kathryn J. Olson, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd floor
Springfield, Illinois 62671

Re: Permit Renewal Request, Permit #16-011
Northbrook Behavioral Hospital

Dear Chairwoman Olson,

On June 21, 2016 the Illinois Health Facilities and Services Review Board ("HFSRB") approved Project #16-011, the permit for Northbrook Behavioral Hospital ("NBH") to establish a 100-bed Acute Mental Illness ("AMI") hospital at 4201 Lake Cook Road, Northbrook, IL with a total project cost of \$31,319,709. This letter is submitted, in accordance with 77 Ill. Admin. Code 1130.740(c), seeking a permit renewal for the above listed project.

1. **Requested Completion Date**

The project completion date, as established by the Permit Letter, is currently identified as December 31, 2017 (attached as Exhibit A). NBH would request a new project completion date of July 1, 2019. This should provide sufficient time to address and resolve all outstanding issues and allow for timely completion of this project.

2. **Status Report**

As reflected in our April 7, 2017 update to the Board (attached as Exhibit B) and our June 21, 2017 Annual Progress Report (attached as Exhibit C), the design of the project is complete. The delay has been a result of an unpredicted hesitancy of local government to support the zoning change necessary to facilitate the establishment of an AMI hospital on this site. As this Board is aware, the applicants are fully dedicated to meeting the commitment made to provide these services. To that end, applicants have evaluated alternative projects that would allow for the provision of these services, bypass any other zoning concerns, and fully meet the community needs. Project #17-048, Lake Behavioral Hospital, is the product of that commitment. Because every CON granted is site specific and any change in the identified location of the facility would require a new CON, that project has been filed and remains pending for Board consideration.

We continue to have discussions with local government, local law enforcement, and have retained a local consultant specializing in zoning issues to assist with these efforts.



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To date, applicants have still spent under 1% of the total project costs, as the majority of the efforts have been that of existing employees of the parent company, dedicated to this project's completion. The ongoing efforts are reflective of applicant's unwavering effort to identify how best to meet the mental health needs of this community, but to continue to do so in a responsible manner that avoids the unnecessary spending or waste of healthcare dollars. As evidenced throughout, the applicant has maintained open communication with the HFSRB about these circumstance and continues to explore every means available of providing care to these patients.

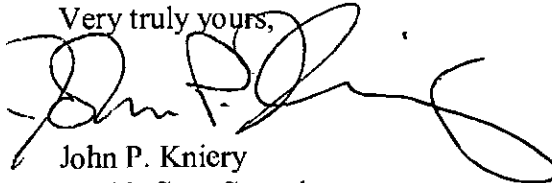
3. **Reasons Project Has Not Been Completed**

But for the zoning challenges, this project would be complete. The scope and commitment to the project remain in effect and wherewithal to complete the project is present. The hesitance, which is rooted in the continued misunderstanding people have of what it means to have a behavioral health treatment facility within a community, is sadly still commonplace. Despite the positive relationships maintained with the communities in which the applicant already provides care, there is an inherent bias and reticence to having a "psych-hospital" in the community. The means of overcoming these concerns are continued communication, continued education, and the identification of the proper strategic partners. As consistently communicated to your staff, we continue to explore every and all means of overcoming this hurdle.

4. **Verification**

This correspondence is intended to act as verification that the scope and cost of the proposed NBH project comply with HFSRB regulations, as that project was presented and approved, and that the financial resources committed to this project remain available for the completion of this project.

Very truly yours,

A handwritten signature in black ink, appearing to read "John P. Kniery", with a large, sweeping flourish extending to the right.

John P. Kniery
Health Care Consultant