

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

REC

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

FEB 24 2017

This Section must be completed for all projects.

[ORIGINAL] HEALTH FACILITIES & SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name: Silver Oaks Hospital		
Street Address: Route 6 and Silver Cross Boulevard		
City and Zip Code: New Lenox, Illinois 60451		
County: Will	Health Service Area: 009	Health Planning Area: A-13

Applicant(s) [Provide for each co-applicant (refer to Part 1130.220)]

Exact Legal Name: Silver Cross Hospital and Medical Centers	
Street Address: 1900 Silver Cross Boulevard	
City and Zip Code: New Lenox, Illinois 60451	
Name of Registered Agent: Paul Pawlak	
Registered Agent Street Address: 1900 Silver Cross Boulevard	
Registered Agent City and Zip Code: New Lenox, Illinois 60451	
Name of Chief Executive Officer: Paul Pawlak	
CEO Street Address: 1900 Silver Cross Boulevard	
CEO City and Zip Code: New Lenox, Illinois 60451	
CEO Telephone Number: (815) 300-4965	

Type of Ownership of Applicants

☒ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship
☐ Other	
- Corporations and limited liability companies must provide an Illinois certificate of good standing. - Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.	

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact

[Person to receive all correspondence or inquiries during the review period]

Name: Edward J. Green, Esq.
Title: Attorney
Company Name: Foley & Lardner LLP
Address: 321 North Clark Street, Suite 2800, Chicago, Illinois 60654
Telephone Number: (312) 832-4375
E-mail Address: egreen@foley.com
Fax Number: (312) 832-4700

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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County: Will	Health Service Area: 009	Health Planning Area: A-13

Applicant(s) [Provide for each co-applicant (refer to Part 1130.220)]

Exact Legal Name: Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital		
Street Address: 32 East 57 th Street, 17 th Floor		
City and Zip Code: New York, New York 10022		
Name of Registered Agent: CT Corporation System		
Registered Agent Street Address: 208 South LaSalle Street, Suite 814		
Registered Agent City and Zip Code: Chicago, Illinois 60604		
Name of Chief Executive Officer: Dr. Richard Kresch		
CEO Street Address: 32 East 57 th Street, 17 th Floor		
CEO City and Zip Code: New York, New York 10022		
CEO Telephone Number: (212) 243-5565		

Type of Ownership of Applicants

☐ Non-profit Corporation	☐ Partnership	
☐ For-profit Corporation	☐ Governmental	
☒ Limited Liability Company	☐ Sole Proprietorship	☐ Other

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County: Will	Health Service Area: 009	Health Planning Area: A-13

Applicant(s) [Provide for each co-applicant (refer to Part 1130.220)]

Exact Legal Name: Silver Oaks Behavioral Realty LLC	
Street Address: 32 East 57 th Street, 17 th Floor	
City and Zip Code: New York, New York 10022	
Name of Registered Agent: CT Corporation System	
Registered Agent Street Address: 208 South LaSalle Street, Suite 814	
Registered Agent City and Zip Code: Chicago, Illinois 60604	
Name of Chief Executive Officer: Dr. Richard Kresch	
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County: Will	Health Service Area: 009	Health Planning Area: A-13

Applicant(s) [Provide for each co-applicant (refer to Part 1130.220)]

Exact Legal Name: New Lenox Behavioral Innovations LLC		
Street Address: 32 East 57 th Street, 17 th Floor		
City and Zip Code: New York, New York 10022		
Name of Registered Agent: CT Corporation System		
Registered Agent Street Address: 208 South LaSalle Street, Suite 814		
Registered Agent City and Zip Code: Chicago, Illinois 60604		
Name of Chief Executive Officer: Dr. Richard Kresch		
CEO Street Address: 32 East 57 th Street, 17 th Floor		
CEO City and Zip Code: New York, New York 10022		
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Exact Legal Name: New Lenox Behavioral Innovations Realty LLC	
Street Address: 32 East 57 th Street, 17 th Floor	
City and Zip Code: New York, New York 10022	
Name of Registered Agent: CT Corporation System	
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Applicant(s) [Provide for each co-applicant (refer to Part 1130.220)]

Exact Legal Name: US Healthvest LLC
Street Address: 32 East 57 th Street, 17 th Floor
City and Zip Code: New York, New York 10022
Name of Registered Agent: CT Corporation System
Registered Agent Street Address: 208 South LaSalle Street, Suite 814
Registered Agent City and Zip Code: Chicago, Illinois 60604
Name of Chief Executive Officer: Dr. Richard Kresch
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Additional Contact

[Person who is also authorized to discuss the application for permit]

Name: Ruth Colby
Title: Senior Vice President, Chief Strategy Officer
Company Name: Silver Cross Hospital & Medical Centers
Address: 1900 Silver Cross Boulevard, New Lenox, Illinois 60451
Telephone Number: (815) 300-7002
E-mail Address: rcolby@silvercross.org
Fax Number: (815) 300-7047

Additional Contact

[Person who is also authorized to discuss the application for permit]

Name: Mark J. Silberman
Title: Attorney
Company Name: Benesch, Friedlander, Coplan & Aronoff LLP
Address: 333 West Wacker Drive, Suite 1900, Chicago, Illinois 60606-2211
Telephone Number: (312) 212-4952
E-mail Address: msilberman@beneschlaw.com
Fax Number: (877) 357-4913

Post Permit Contact[Person to receive all correspondence subsequent to permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**]

Name: Martina Sze
Title: Executive Vice President
Company Name: US Healthvest LLC
Address: 32 East 57 th Street, 17 th Floor, New York, New York 10022
Telephone Number: (212) 243-5565
E-mail Address: msze@ushealthvest.com
Fax Number: (212) 243-1099

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Silver Oaks Behavioral Realty LLC
Address of Site Owner: 32 East 57 th Street, 17 th Floor, New York, New York 10022
Street Address or Legal Description of the Site: Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS <u>ATTACHMENT-2</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital

Address: 32 East 57th Street, 17th Floor, New York, New York 10022

☐ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☒ Limited Liability Company	☐ Sole Proprietorship
	☐ Other

- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- o **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**Organizational Relationships**

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**Flood Plain Requirements**

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS ATTACHMENT -5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**Historic Resources Preservation Act Requirements**

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS ATTACHMENT-6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**DESCRIPTION OF PROJECT****1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- | |
|---|
| ☒ Substantive |
| ☐ Non-substantive |

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital"), Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty"), New Lenox Behavioral Innovations LLC ("NLBI"), New Lenox Behavioral Innovations Realty LLC ("NLBI Realty"), US Healthvest LLC ("USHV"), and Silver Cross Hospital and Medical Centers ("Silver Cross Hospital," and collectively with Silver Oaks Hospital, Silver Oaks Realty, NLBI, NLBI Realty and USHV, the "Applicants") seek authority from the Illinois Health Facilities & Services Review (the "Board") to establish a new behavioral health hospital (the "Hospital") on the Silver Cross Hospital Campus (immediately west of Silver Cross Boulevard and south of Route 6) in New Lenox, Illinois (the "Project") to address the mental health crisis in Planning Area A-13.

The Hospital will occupy approximately 67,330 gross square feet and will have 100 acute mental illness ("AMI") beds. The Hospital will deliver a robust spectrum of in-patient and out-patient behavioral health services. More specifically, the Hospital will have secured nursing units with specialized programs. This setup will allow for targeted and extensive group therapies. In addition, the Hospital will have an intensive care unit and an ambulance drop off site. All necessary support and administrative services for the Hospital will also be on site.

Silver Oaks Hospital, a joint venture between Silver Cross Hospital and NLBI, will hold the Hospital license. Silver Oaks Realty, a joint venture between Silver Cross and NLBI Realty, will construct and own the building (the "Hospital Facility") that houses the Hospital. USHV is the sole member of both NLBI and NLBI Realty.

The Hospital will treat all patients, regardless of the ability to pay. Thus, the Hospital will treat Medicare, Medicaid and charity care patients.

The community support for this Project has been overwhelming. To date, the Applicants have obtained 30 referral letters from physicians and other providers; as well as 72 letters of support from community leaders. All 102 letters are attached to this Application.

Silver Cross Hospital will also be discontinuing its 20 AMI beds; thereby allowing all behavioral health services at Silver Cross Hospital to be consolidated at the Hospital. Those 20 AMI beds will be converted to 20 Med/Surgical beds. Silver Cross Hospital will be filing a separate Certificate of Exemption (Discontinuation) with the Board to effectuate this discontinuation.

The anticipated completion date of the Project is December 31, 2018.

Project Costs/Project Classification

The total cost of the Project will be \$24,299,928. Pursuant to Section 1110.40(b) of the Illinois Administrative Code, the Project is considered Substantive. The Project is subject to review under Section 1100 and Section 1120 of the Illinois Administrative Code.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation	510,000	90,000	600,000
Off Site Work			
New Construction Contracts	15,185,645	5,350,005	20,535,650
Modernization Contracts			
Contingencies	911,139	321,000	1,232,139
Architectural/Engineering Fees	911,139	321,000	1,232,139
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)	595,000	105,000	700,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	18,112,922	6,187,006	24,299,928
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	7,456,922	2,443,006	9,899,928
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages	10,656,000	3,744,000	14,400,000
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	18,112,922	6,187,006	24,299,928
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: \$ _____
Fair Market Value: \$ _____

The project involves the establishment of a new facility or a new category of service
☒ Yes ☐ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ 29,703,601.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☐ Preliminary
☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): December 31, 2018

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

- ☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☒ Financial commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable:

- ☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space. See attached for additional detail.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Clinical Portions			49,789 BGSF	49,789 BGSF			
NON REVIEWABLE							
Non-Clinical Portions			17,541 BGSF	17,541 BGSF			
TOTAL			67,330 BGSF	67,330 BGSF			
APPEND DOCUMENTATION AS <u>ATTACHMENT-9</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: Silver Cross Hospital		CITY: 1900 Silver Cross Blvd., New Lenox, Illinois			
REPORTING PERIOD DATES: From: 01/01/2015 to: 12/31/2015					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes**	Proposed Beds
Medical/Surgical	185	13,935	50,756	+20	205
Obstetrics	30	2,905	7,120	0	30
Pediatrics	8	242	515	0	8
Intensive Care	28	1,728	6,714	0	28
Comprehensive Physical Rehabilitation	25	962	5,864	0	25
Acute/Chronic Mental Illness	20	589	7,552	-20	0
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify))					
TOTALS:	296	20,361	78,521	0	296

**Silver Cross Hospital will be filing a separate Certificate of Exemption (Discontinuation) with the Board to effectuate this discontinuation/conversion.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

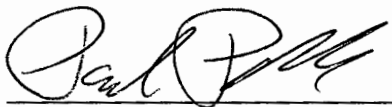
FACILITY NAME: Silver Oaks Hospital		CITY: Route 6 and Silver Cross Boulevard, New Lenox, IL			
REPORTING PERIOD DATES:		From:	N/A	to:	N/A
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness	0	0	0	+100	100
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:	0	0	0	+100	100

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Silver Cross Hospital and Medical Centers* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

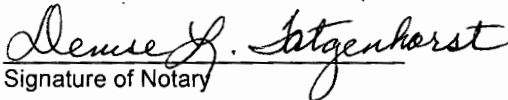


SIGNATURE

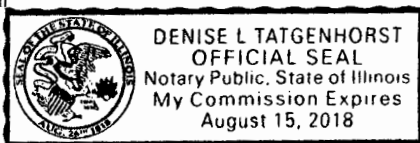
Paul Pawlak
PRINTED NAME

President & CEO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 13 day of February, 2017


Signature of Notary

Seal

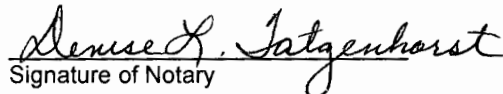


SIGNATURE

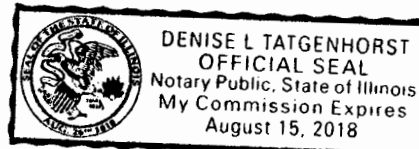
John Krepps
PRINTED NAME

Senior Vice President & CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 13 day of February, 2017


Signature of Notary

Seal



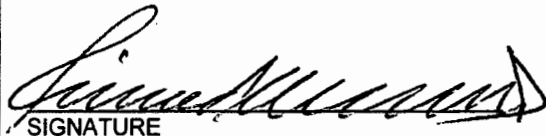
*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
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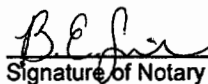
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SIGNATURE

Dr. Richard Kresch
PRINTED NAME

Sole Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of February, 2017


Signature of Notary

Seal



SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Seal

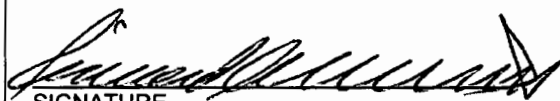
*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

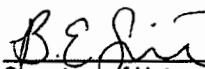
This Application for Permit is filed on the behalf of Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

Dr. Richard Kresch
PRINTED NAME

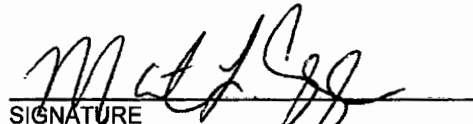
Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of February, 2017


Signature of Notary

Seal

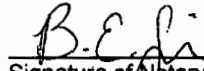



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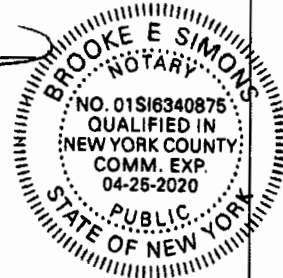
Martina Sze
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of February, 2017


Signature of Notary

Seal



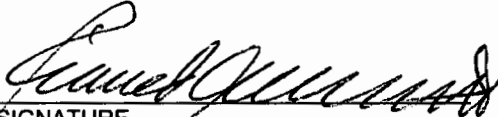
*Insert EXACT legal name of the applicant

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- in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of **Silver Oaks Behavioral Realty LLC*** in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

Dr. Richard Kresch
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of February, 2017


Signature of Notary

Seal

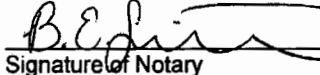



SIGNATURE

Martina Sze
PRINTED NAME

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PRINTED TITLE

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Signature of Notary

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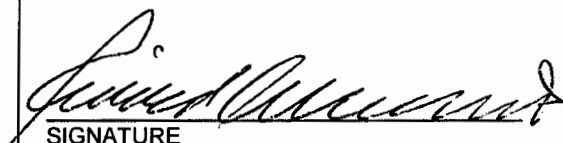
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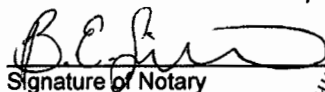
This Application for Permit is filed on the behalf of New Lenox Behavioral Innovations LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

Dr. Richard Kresch
PRINTED NAME

Sole Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of February, 2017


Signature of Notary

Seal



SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

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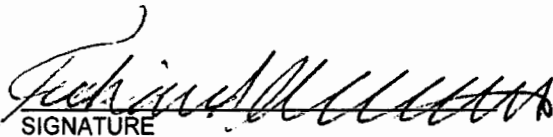
*Insert EXACT legal name of the applicant

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This Application for Permit is filed on the behalf of New Lenox Behavioral Innovations Realty LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

Dr. Richard Kresch
PRINTED NAME

SIGNATURE

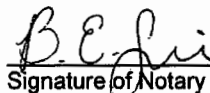
PRINTED NAME

Sole Manager
PRINTED TITLE

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of February, 2017

Notarization:
Subscribed and sworn to before me
this ____ day of _____


Signature of Notary

Seal

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

Background

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.230 – Purpose of the Project and Alternatives**PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Report.

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

C. Criterion 1110.730 - Acute Mental Illness and Chronic Mental Illness

1. Applicants proposing to establish, expand and/or modernize the Acute Mental Illness and Chronic Mental Illness categories of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
☒ Acute Mental Illness	0	100
☐ Chronic Mental Illness		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.730(c)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.730(c)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.730(c)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.730(c)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.730(c)(5) - Planning Area Need - Service Accessibility	X		
1110.730(d)(1) - Unnecessary Duplication of Services	X		
1110.730(d)(2) - Maldistribution	X		
1110.730(d)(3) - Impact of Project on Other Area Providers	X		
1110.730(e)(1),(2) and (3) - Deteriorated Facilities			X
1110.730(e)(4) - Occupancy			X
1110.730(f)(1) - Staffing Availability	X	X	
1110.730(g) - Performance Requirements	X	X	X
1110.730(h) - Assurances	X	X	X
APPEND DOCUMENTATION AS <u>ATTACHMENT-21</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VII. 1120.120 – AVAILABILITY OF FUNDS

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: [Indicate the dollar amount to be provided from the following sources]:

<u>\$9,899,928</u>	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>14,400,000</u>	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
<u>\$24,299,928</u>	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS ATTACHMENT-34 , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION VIII. 1120.130 – FINANCIAL VIABILITY

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-35, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			(Projected)
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. 1120.140 – ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									
* Include the percentage (%) of space for circulation									

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT -37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET STATEMENT

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for **ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:**

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 40.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION XI. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3). Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 41.

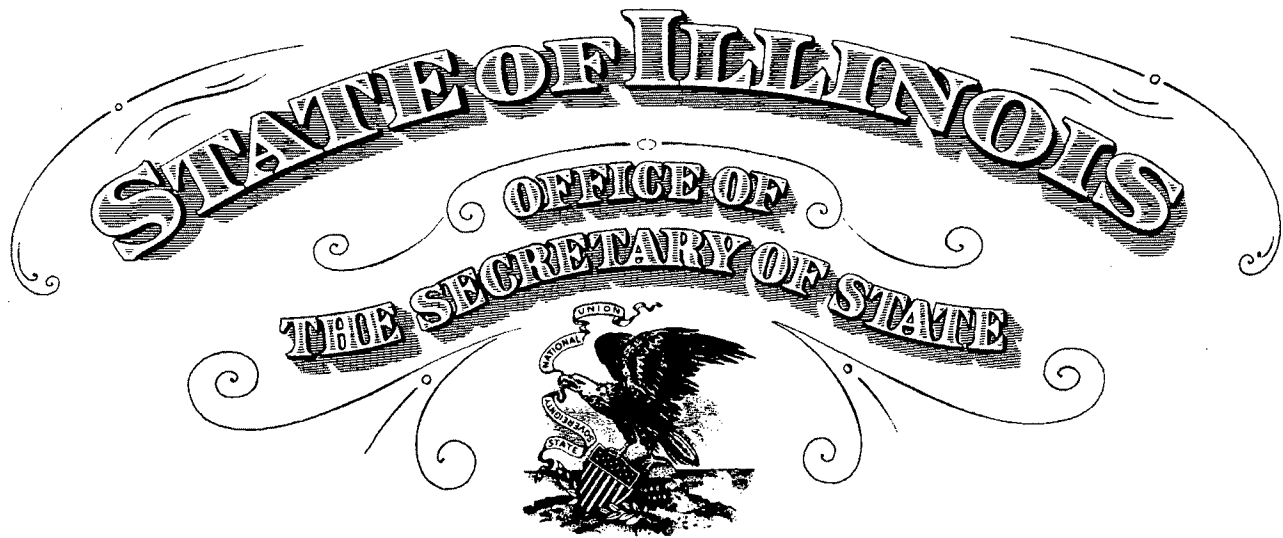
CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I
Attachment 1
Applicant Identification

The Certificates of Good Standing for Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital"), Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty"), New Lenox Behavioral Innovations LLC ("NLBI"), New Lenox Behavioral Innovations Realty LLC ("NLBI Realty"), US Healthvest LLC ("USHV"), and Silver Cross Hospital and Medical Centers ("Silver Cross Hospital," and collectively with Silver Oaks Hospital, Silver Oaks Realty, NLBI, NLBI Realty and USHV, the "Applicants") are attached at ATTACHMENT 1.

Silver Oaks Hospital, a joint venture between Silver Cross Hospital and NLBI, will hold the license for the proposed Hospital. Silver Oaks Realty, a joint venture between Silver Cross Hospital and NLBI Realty, will construct and own the building that houses the proposed Hospital. USHV is the sole member of both NLBI and NLBI Realty.



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

SILVER OAKS BEHAVIORAL, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON FEBRUARY 10, 2017, AND HAVING ADOPTED THE ASSUMED NAME OF SILVER OAKS HOSPITAL ON FEBRUARY 16, 2017, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 21ST
day of FEBRUARY A.D. 2017 .***

Jesse White

SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

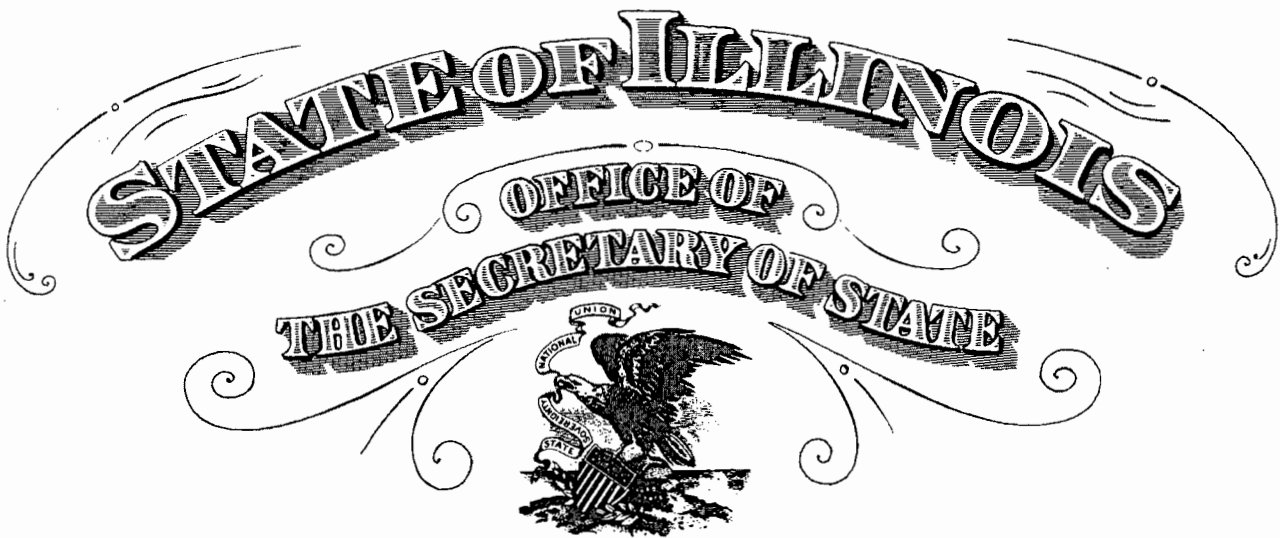
SILVER OAKS BEHAVIORAL REALTY, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON FEBRUARY 10, 2017, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 21ST
day of FEBRUARY A.D. 2017 .***

Jesse White

SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

U S HEALTHVEST, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON OCTOBER 06, 2014, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 21ST
day of FEBRUARY A.D. 2017 .***

Jesse White

SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

SILVER CROSS HOSPITAL AND MEDICAL CENTERS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 16, 1891, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 20TH day of FEBRUARY A.D. 2017 .

Jesse White

SECRETARY OF STATE

Section I
Attachment 2
Site Ownership

Silver Cross Hospital currently owns the site parcel (the "Site Parcel") upon which the proposed Hospital will sit. A Certification from John Krepps setting forth Silver Cross Hospital's current ownership in the Site Parcel and in support of this Criterion is attached at ATTACHMENT 2.

The legal description of the Site Parcel is as follows:

The East half of the Southeast quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois, excepting that part described as follows:

Beginning at the Southeast corner of said section; Thence North along the East Section Line of said Section 250 Feet, Thence Westerly along a line which is 250 Feet North of and parallel with the South Section line of said Section 796.21 Feet, Thence Southwesterly 353.02 Feet More or Less to a point in the South Section Line of said Section which is 1046.02 Feet West of the Point of Beginning; Thence East along the South Section Line of said Section to the Place of Beginning, and

Excepting the North Five Hundred and Fifty Feet (550) of the East Half of the Southeast Quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois.

The Project will not encompass all of the land referenced above.

Upon approval of the Project by the Review Board, Silver Cross Hospital and Silver Oaks Realty will enter into a Ground Lease for 4 acres of land on the Site Parcel, the material terms of which are set forth in that certain Silver Oaks Hospital Ground Lease Memorandum of Understanding, which is attached at ATTACHMENT 2.

Upon approval of the Project by the Illinois Health Facilities and Services Review Board (the "Board"), Silver Oaks Realty will construct a 67,330 gross square foot building to house the proposed Hospital (the "Facility").

Upon approval of the Project by the Board, Silver Oaks Realty and Silver Oaks Hospital will enter into a Space Lease for the Facility, the material terms of which are set forth in that certain Silver Oaks Hospital Space Lease Memorandum of Understanding, which is attached at ATTACHMENT 2.

February 13, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Certification of Corporate Ownership of Site Parcel

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, as follows:

1. Silver Cross Hospital and Medical Centers ("Silver Cross") owns the property located immediately west of Silver Cross Boulevard and south of Route 6 in New Lenox, Illinois (the "Site Parcel"), and legally described as follows:

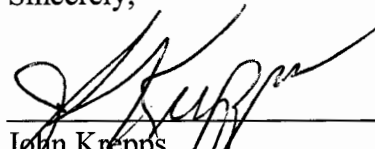
The East half of the Southeast quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois, excepting that part described as follows:

Beginning at the Southeast corner of said section; Thence North along the East Section Line of said Section 250 Feet, Thence Westerly along a line which is 250 Feet North of and parallel with the South Section line of said Section 796.21 Feet, Thence Southwesterly 353.02 Feet More or Less to a point in the South Section Line of said Section which is 1046.02 Feet West of the Point of Beginning; Thence East along the South Section Line of said Section to the Place of Beginning, and

Excepting the North Five Hundred and Fifty Feet (550) of the East Half of the Southeast Quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois.

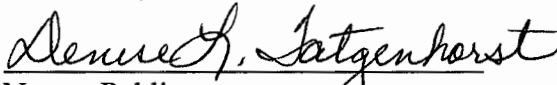
2. The proposed Silver Oaks Hospital in New Lenox, Illinois, will not encompass the entire Site Parcel referenced above.

Sincerely,

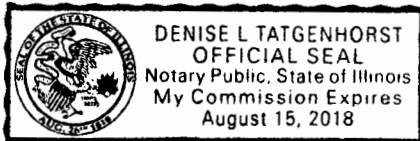


John Krepps
Senior Vice President/Finance
Chief Financial Officer

SUBSCRIBED AND SWORN
to before me this 13 day
of February, 2017.



Notary Public



February 1, 2017

EDWARD J. GREEN, M.B.A., J.D.

ATTORNEYS AT LAW

321 NORTH CLARK STREET, SUITE 2800
CHICAGO, IL 60654-5313
312.832.4500 TEL
312.832.4700 FAX
www.foley.com

WRITER'S DIRECT LINE
312.832.4375
egreen@foley.com EMAIL

CLIENT/MATTER NUMBER

Ms. Ruth Colby
Senior Vice President & Chief Strategy Officer
Silver Cross Hospital and Medical Centers
1900 Silver Cross Boulevard
New Lenox, Illinois 60451

Dr. Richard Kresch
Sole Manager
Silver Oaks Behavioral Realty, LLC
32 East 57th Street, 17th Floor
New York, New York 10022

Re: Silver Oaks Hospital Ground Lease Memorandum of Understanding

Dear Ms. Colby and Dr. Kresch:

This Memorandum of Understanding (this "MOU") sets forth the basic terms and understandings between Silver Cross Hospital and Medical Centers ("Silver Cross") and Silver Oaks Behavioral Realty, LLC ("Silver Oaks Realty," and collectively with Silver Cross, the "Parties") regarding a ground lease (the "Ground Lease") on the Silver Cross Campus in New Lenox, Illinois (the "Silver Cross Campus").

1. Transaction Overview. Silver Oaks Realty plans to develop and construct a two story facility to house a 100 bed behavioral health hospital (the "Hospital") on approximately four (4) acres of land on the Silver Cross Campus. Silver Oaks Behavioral, LLC ("Silver Oaks Behavioral"), an affiliate of Silver Oaks Realty, will lease the Hospital from Silver Oaks Realty. Silver Oaks Behavioral, which will do business as and operate under the trade name "Silver Oaks Hospital," will be the licensed operator of the Hospital. The Hospital will offer a full continuum of inpatient and outpatient psychiatric care.

2. Ground Lease. The Ground Lease will have the following basic terms and conditions:

a. Premises: Four (4) acres of land, generally described as those four (4) acres of land immediately west of Silver Cross Boulevard and south of Route 6 in New Lenox, Illinois.

b. Landlord: Silver Cross.

c. Tenant: Silver Oaks Realty.

d. Term: Forty (40) years.

e. Extension Rights. Two (2) consecutive options to extend the Term for successive periods of ten (10) years each.

f. Net Rent: One Hundred Thousand and 00/100 Dollars (\$100,000.00) per year, payable monthly in advance, in twelve (12) equal monthly installments on or before the first (1st) day of each month during the Term.

g. Annual Net Rent Adjustment: The Net Rent shall be increased by two percent (2%) each year and by four percent (4%) in every tenth year.

h. Additional Rent. The Rent shall be absolutely net to Silver Cross, such that all costs, charges, expenses, taxes, insurance premiums, cost of maintenance, repair and replacement to the Premises and all obligations of every kind and nature related to the Premises shall be paid by Silver Oaks Realty.

i. Pad Ready. Silver Cross will deliver the Premises to Silver Oaks Realty in a "pad ready condition" and the Premises will be able to accommodate a two story facility, 100 bed behavioral health hospital.

j. Ultimate Use. A licensed behavioral health hospital.

3. Conditions. The Parties acknowledge and agree that the effectiveness of the Ground Lease is subject to the Parties obtaining a Certificate of Need Permit from the Illinois Health Facilities and Services Review Board to develop and establish the Hospital on the Silver Cross Campus.

4. Counterparts. This MOU may be executed in one or more counterparts, and by the Parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

5. Governing Law. This MOU shall be governed by and construed in accordance with the laws of the State of Illinois without regard to the conflict of laws principles thereof.

If you agree that the basic terms and understandings set forth in this MOU are accurate, please indicate your acceptance by signing in the space provided below.

Very truly yours,

By: 

Edward J. Green
Counsel to Silver Cross Hospital and
Medical Centers

Agreed and accepted as of
the date first written above:

Silver Oaks Behavioral Realty, LLC

Richard A. Kresch

Richard A. Kresch
(Name)

MANAGER
(Title)

Silver Cross Hospital and Medical Centers

John Kresch

(Name)

SR VP & CFO
(Title)

February 14, 2017

EDWARD J. GREEN, M.B.A., J.D.

ATTORNEYS AT LAW

321 NORTH CLARK STREET, SUITE 2800
CHICAGO, IL 60654-5313
312.832.4500 TEL
312.832.4700 FAX
www.foley.com

WRITER'S DIRECT LINE
312.832.4375
egreen@foley.com EMAIL

CLIENT/MATTER NUMBER

Ms. Martina Sze
Executive Vice President
Silver Oaks Behavioral LLC d/b/a
Silver Oaks Hospital
32 East 57th Street, 17th Floor
New York, New York 10022

Dr. Richard Kresch
Manager
Silver Oaks Behavioral Realty, LLC
32 East 57th Street, 17th Floor
New York, New York 10022

Re: Silver Oaks Hospital Space Lease Memorandum of Understanding

Dear Ms. Sze and Dr. Kresch:

This Memorandum of Understanding (this "MOU") sets forth the basic terms and understandings between Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital") and Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty," and collectively with Silver Oaks Hospital, the "Parties") regarding a space lease (the "Space Lease").

1. Transaction Overview. Silver Oaks Realty plans to develop and construct a 67,330 gross square foot building to house a 100 bed behavioral health hospital (the "Facility") on approximately four (4) acres of land on the campus of Silver Cross Hospital and Medical Centers. Silver Oaks Hospital, an affiliate of Silver Oaks Realty, will lease the Facility from Silver Oaks Realty.

2. Space Lease. The Space Lease will have the following basic terms and conditions:

a. Premises: 67,330 gross square of feet of space in the Facility, comprising the entire Facility.

b. Landlord: Silver Oaks Realty.

c. Tenant: Silver Oaks Hospital.

d. Term: Forty (40) years.

e. Extension Rights. Two (2) consecutive options to extend the Term for successive periods of ten (10) years each.

f. Net Rent: \$807,960 per year, payable monthly in advance, in twelve (12) equal monthly installments on or before the first (1st) day of each month during the Term.

h. Additional Rent. The Rent shall be absolutely net to Silver Oaks Realty, such that all costs, charges, expenses, taxes, insurance premiums, cost of maintenance, and repair of the Premises and all obligations of every kind and nature related to the Premises shall be paid by Silver Oaks Hospital.

i. Use. A licensed behavioral health hospital.

3. Conditions. The Parties acknowledge and agree that the effectiveness of the Space Lease is subject to the Parties obtaining a Certificate of Need Permit from the Illinois Health Facilities and Services Review Board.

4. Counterparts. This MOU may be executed in one or more counterparts, and by the Parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

5. Governing Law. This MOU shall be governed by and construed in accordance with the laws of the State of Illinois without regard to the conflict of laws principles thereof.

If you agree that the basic terms and understandings set forth in this MOU are accurate, please indicate your acceptance by signing in the space provided below.

Very truly yours,

By: 
Edward J. Green
Counsel to Silver Cross Hospital and
Medical Centers

Agreed and accepted as of
the date first written above:

Silver Oaks Behavioral Realty LLC

Mat Sze
Matthia Sze
(Name)
EVP
(Title)

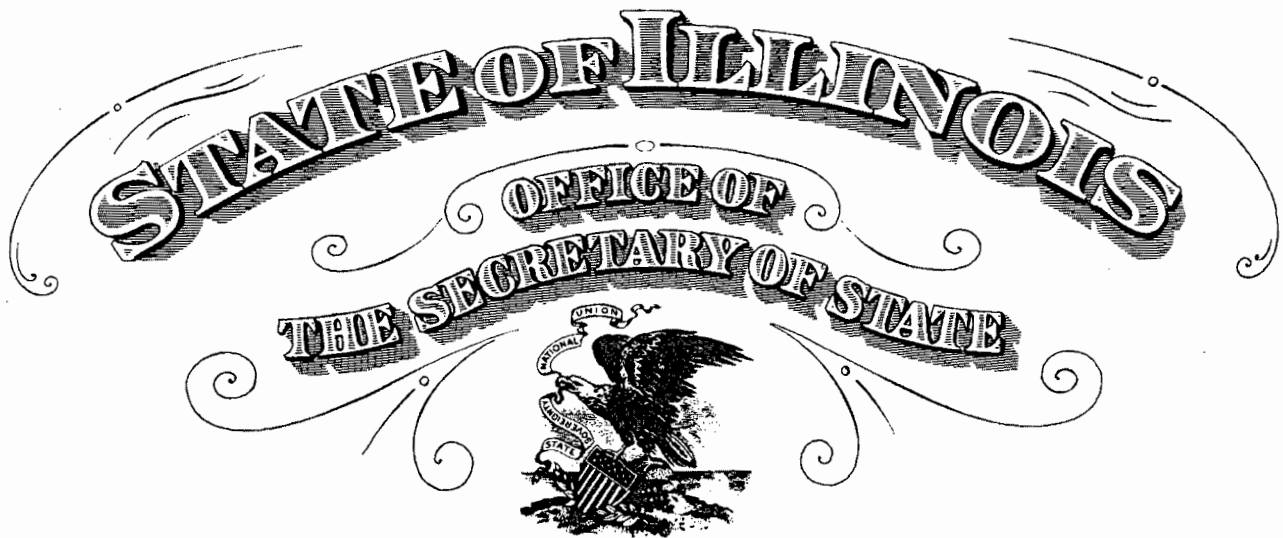
Silver Oaks Behavioral LLC d/b/a
Silver Oaks Hospital

Mat Sze
Matthia Sze
(Name)
EVP
(Title)

Section I
Attachment 3
Operating Entity/Licensee

Silver Oaks Hospital will hold the license for the proposed Hospital.

The Certificate of Good Standing for Silver Oaks Hospital is attached at ATTACHMENT 3.



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

SILVER OAKS BEHAVIORAL, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON FEBRUARY 10, 2017, AND HAVING ADOPTED THE ASSUMED NAME OF SILVER OAKS HOSPITAL ON FEBRUARY 16, 2017, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



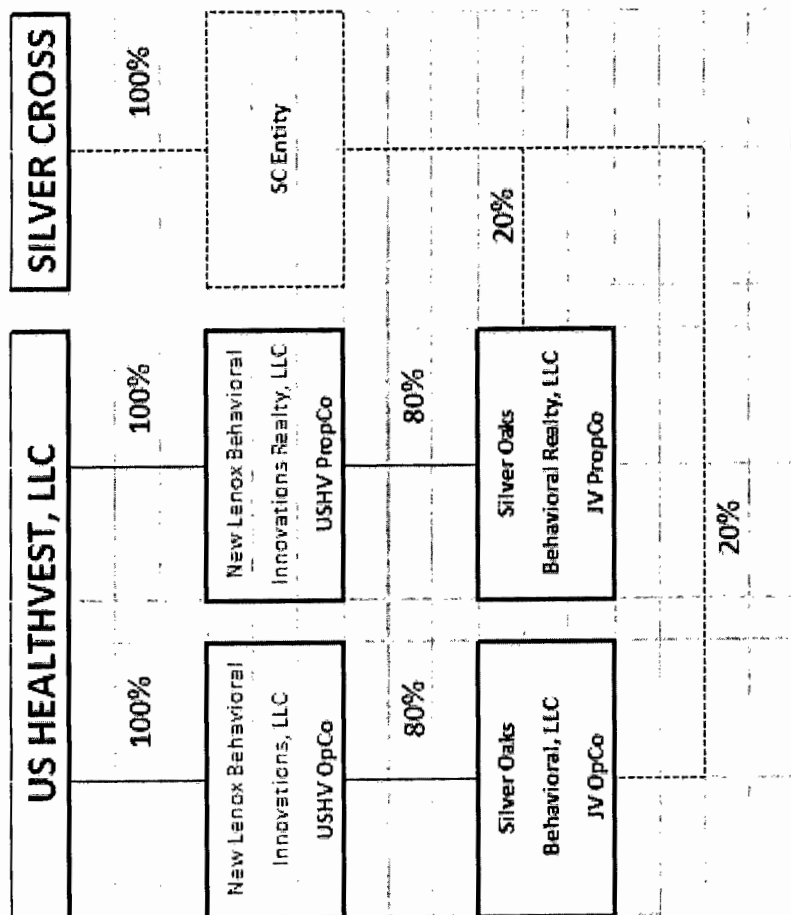
***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 21ST
day of FEBRUARY A.D. 2017 .***

Jesse White

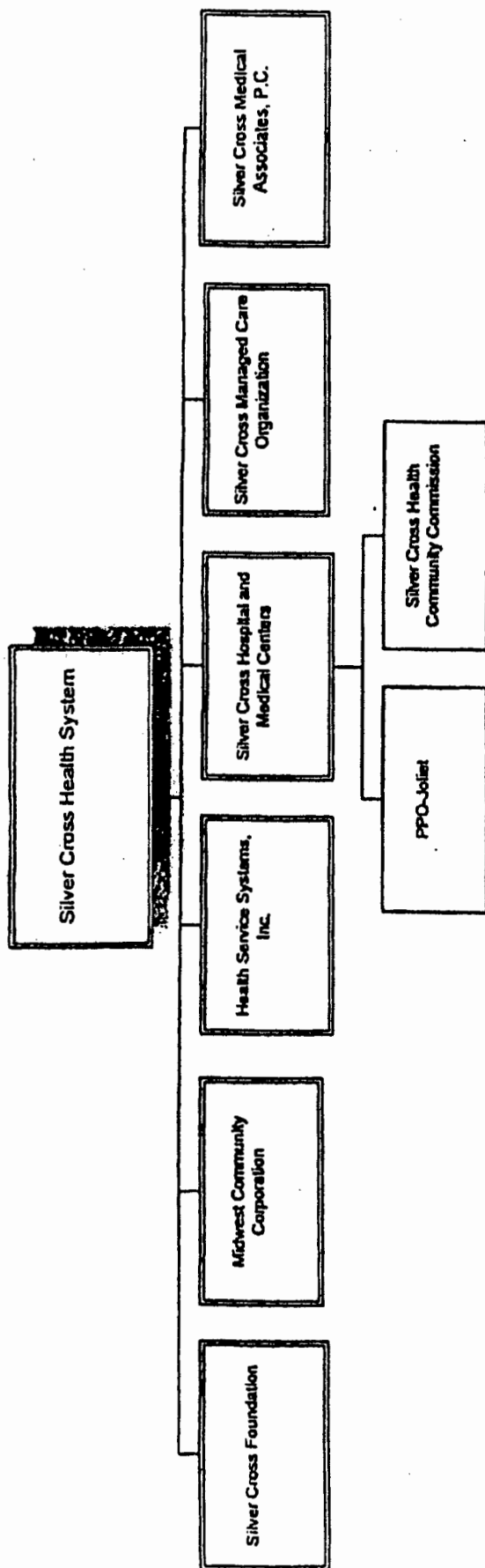
SECRETARY OF STATE

Section I
Attachment 4
Organizational Relationships

The organizational charts for the Applicants are attached at ATTACHMENT 4.

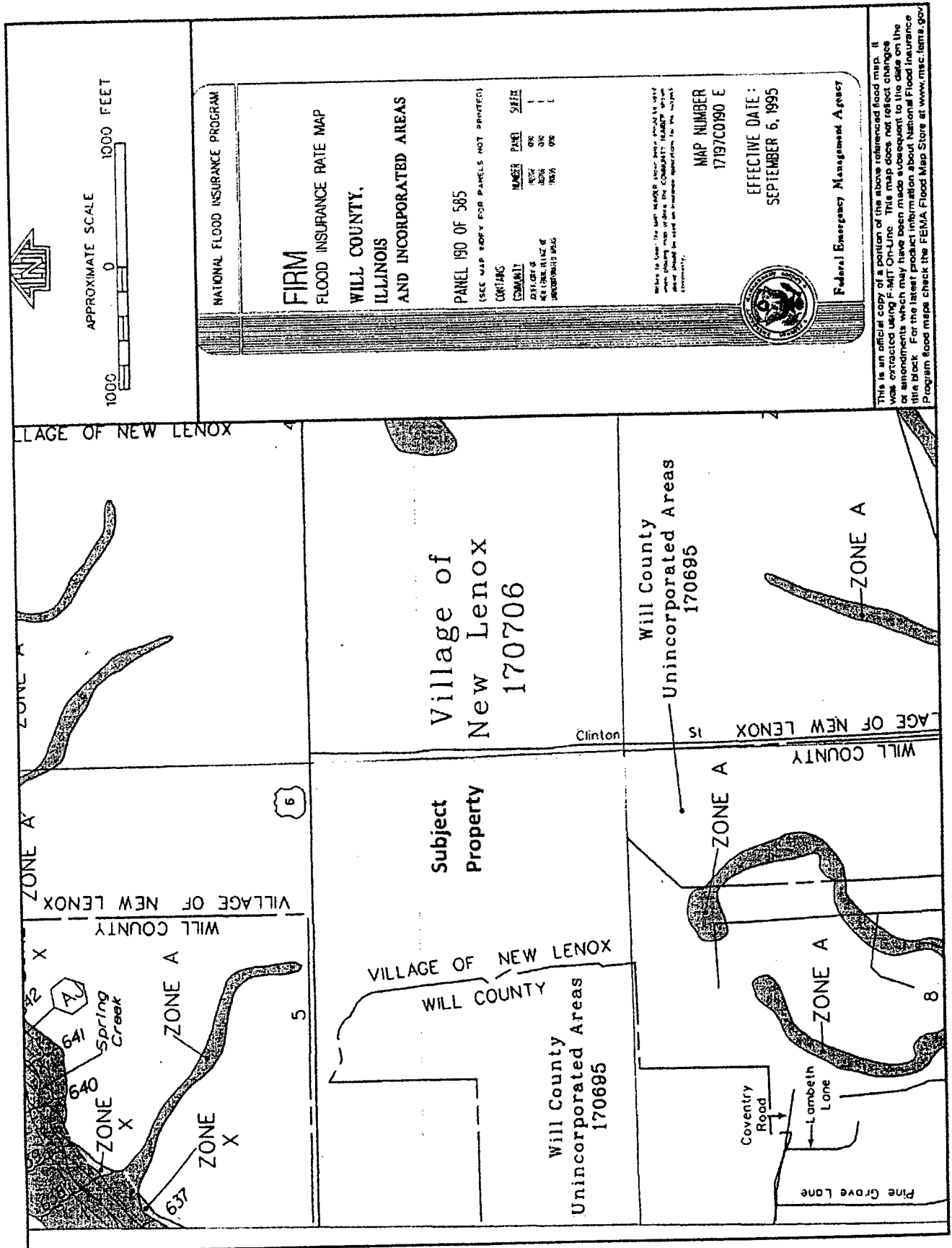


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Section I
Attachment 5
Flood Plain Requirements

As set forth in ATTACHMENT 5, the building site for the proposed Hospital is not in a designated flood plain. Affidavits from John Krepps, the Senior Vice President of Finance and Chief Financial Officer of Silver Cross Hospital, and Martina Sze, the Executive Vice President of Silver Oaks Realty, attesting to the fact that the Applicants will comply with Executive Order #5 (2006), to the extent Executive Order #5 (2006) is applicable, is also attached at ATTACHMENT 5.



This is an official copy of a portion of the above referenced flood map. It was created using FIRM On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.nfip.gov

February 13, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Certification Re: Compliance with Illinois Executive Order #5

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, as follows:

1. Silver Cross Hospital and Medical Centers ("Silver Cross Hospital") owns the property located immediately west of Silver Cross Boulevard and south of Route 6 in New Lenox, Illinois (the "Site Parcel"), and legally described as follows:

The East half of the Southeast quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois, excepting that part described as follows:

Beginning at the Southeast corner of said section; Thence North along the East Section Line of said Section 250 Feet, Thence Westerly along a line which is 250 Feet North of and parallel with the South Section line of said Section 796.21 Feet, Thence Southwesterly 353.02 Feet More or Less to a point in the South Section Line of said Section which is 1046.02 Feet West of the Point of Beginning; Thence East along the South Section Line of said Section to the Place of Beginning, and

Excepting the North Five Hundred and Fifty Feet (550) of the East Half of the Southeast Quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois.

2. Silver Cross Hospital and Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty") will enter into a ground lease for four (4) acres of land on the Site Parcel (the "Ground Lease").

Attachment

5

0048

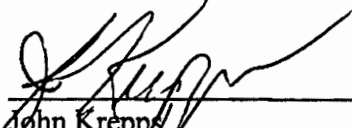
The way you *should* be treated.

Mr. Michael Constantino
Illinois Health Facilities & Services Review Board
February 13, 2017
Page 2

3. Silver Oaks Realty, a joint venture between Silver Cross Hospital and New Lenox Behavioral Innovations Realty LLC, will construct the building that will house Silver Oaks Hospital.

4. Silver Cross Hospital, as the owner of the Site Parcel, and in its role as the Ground Lease lessor to Silver Oaks Realty, and in its role as a joint venture partner in Silver Oaks Realty, has reviewed and will comply with the development requirements of Illinois Executive Order #5 (2006), to the extent Illinois Executive Order #5 (2006) is applicable.

Sincerely,

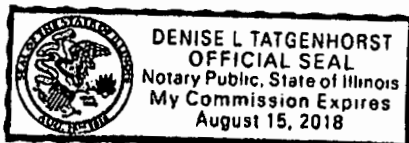


John Krepps
Senior Vice President/Finance
Chief Financial Officer

SUBSCRIBED AND SWORN
to before me this 13 day
of February, 2017.



Notary Public



US HealthVest

February 12, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Certification Re: Compliance with Illinois Executive Order #5

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, as follows:

1. Silver Cross Hospital and Medical Centers ("Silver Cross Hospital") has represented and warranted that it owns the property located immediately west of Silver Cross Boulevard and south of Route 6 in New Lenox, Illinois (the "Site Parcel"), and legally described as follows:

The East half of the Southeast quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois, excepting that part described as follows:

Beginning at the Southeast corner of said section; Thence North along the East Section Line of said Section 250 Feet, Thence Westerly along a line which is 250 Feet North of and parallel with the South Section line of said Section 796.21 Feet, Thence Southwesterly 353.02 Feet More or Less to a point in the South Section Line of said Section which is 1046.02 Feet West of the Point of Beginning; Thence East along the South Section Line of said Section to the Place of Beginning, and

Excepting the North Five Hundred and Fifty Feet (550) of the East Half of the Southeast Quarter of Section 5 in Township 35 North, Range 11, East of the Third Principal Meridian, in Will County, Illinois.

2. Silver Cross Hospital and Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty") will enter into a ground lease for four (4) acres of land on the Site Parcel (the "Ground Lease").

32 East 57th Street
17th Floor
New York, New York 10022
T 212.243.5565 · F 212.243.1099
www.ushealthvest.com

0050

Attachment

3. Silver Oaks Realty, a joint venture between Silver Cross Hospital and New Lenox Behavioral Innovations Realty LLC ("NBIR"), will construct the building that will house Silver Oaks Hospital.

4. US Healthvest LLC ("US Healthvest") is the sole member of NBIR.

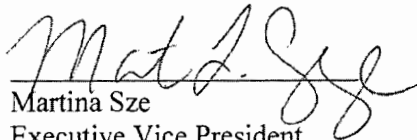
5. I am the sole Manager of Silver Oaks Realty, NBIR, and US Healthvest.

6. Silver Oaks Realty has reviewed and will comply with the development requirements of Illinois Executive Order #5 (2006), to the extent Illinois Executive Order #5 (2006) is applicable.

7. NBIR, in its role as a joint venture partner in Silver Oaks Realty, has reviewed and will comply with the development requirements of Illinois Executive Order #5 (2006), to the extent Illinois Executive Order #5 (2006) is applicable.

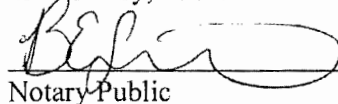
8. US Healthvest, as the sole member of NBIR, has reviewed and will comply with the development requirements of Illinois Executive Order #5 (2006), to the extent Illinois Executive Order #5 (2006) is applicable.

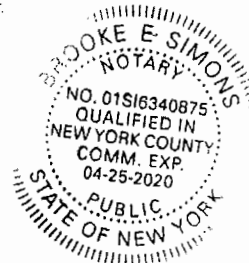
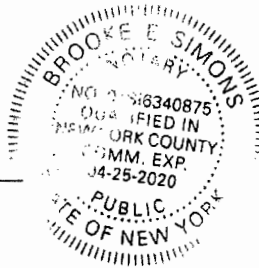
Sincerely,



Martina Sze
Executive Vice President
US Healthvest LLC
Silver Oaks Behavioral Realty LLC
New Lenox Behavioral Innovations Realty LLC

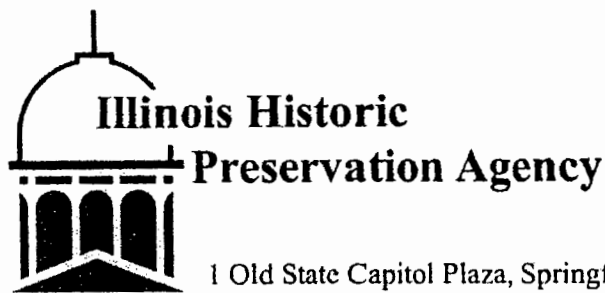
SUBSCRIBED AND SWORN
to before me this 21 day
of February, 2017.


Notary Public



Section I
Attachment 6
Historic Resources Preservation Act Requirements

Attached at ATTACHMENT 6 is documentation from the Illinois Historical Preservation Agency regarding compliance with the requirements of the Illinois Historic Resources Preservation Act.



Illinois Historic Preservation Agency

1 Old State Capitol Plaza, Springfield, IL 62701-1512

FAX 217/524-7525

www.illinoishistory.gov

Will County
New Lenox
SW of US Route 6 & Silver Cross Blvd.
Section:5-Township:35N-Range:11E
IIFSRB

PLEASE REFER TO: IHPA LOG #013033016

April 29, 2016

Ruth Colby
Silver Cross Hospital
1900 Silver Cross Blvd.
New Lenox, IL 60451

Dear Ms. Colby:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Rachel Leibowitz, Ph.D.
Deputy State Historic
Preservation Officer

Section I
Attachment 7
Project Costs & Sources of Funds

The below chart summarizes the equipment budget for the proposed Hospital.

Silver Oaks Hospital Equipment Listing	
Patient Room Furniture	112,000
Other Patient Furniture	200,000
Non Patient Furniture	100,000
Van	40,000
IT Equipment/System	248,000
Total	700,000

Section III
Attachment 11
Background of the Applicants

Silver Cross Hospital and Medical Centers ("Silver Cross Hospital")

1. Silver Cross Hospital, an Illinois not for profit corporation, is a fully licensed, Medicare-certified, Joint Commission accredited, general acute care hospital, located at 1900 Silver Cross Boulevard, New Lenox, Illinois 60451. Copies of the current license and Joint Commission accreditation for Silver Cross Hospital are attached at ATTACHMENT 11.
2. There have been no adverse actions taken against any facility owned or operated by Silver Cross Hospital during the three (3) years prior to the filing of this Application. A letter certifying the above information is attached at ATTACHMENT 11.
3. An authorization letter granting access to the Board and the Illinois Department of Public Health ("IDPH") to verify information about Silver Cross Hospital is attached at ATTACHMENT 11.
4. Silver Cross Hospital has one pending Certificate of Need project with the Board. Specifically, on May 17, 2016, Silver Cross Hospital and Silver Cross Ambulatory Surgery Center LLC ("SCASC") filed a Certificate of Need Application with Board to develop and establish an ambulatory surgery center on the Silver Cross Campus (Project No. 16-021). The Board approved Project No. 16-021 on September 13, 2016. Silver Cross Hospital and SCASC obligated Project No. 16-021 on January 12, 2017.

US Healthvest LLC ("USHV")

5. USHV is a Delaware limited liability company.
6. USHV is not a licensed healthcare facility operator in Illinois. However, USHV is the sole member of 2014 Health, LLC d/b/a Chicago Behavioral Hospital ("2014 Health"), which owns and operates Chicago Behavioral Hospital, 555 Wilson Lane, Des Plaines, Illinois 60016. Chicago Behavioral Hospital is a fully licensed, Medicare-certified, Joint Commission accredited, behavioral health hospital. Copies of the current license and Joint Commission accreditation for Chicago Behavioral Hospital are attached at ATTACHMENT 11. 2014 Health acquired Chicago Behavioral Hospital f/k/a Maryville Behavioral Health Hospital from Maryville Academy on November 3, 2014. The Board approved the Certificate of Exemption associated with that transaction on August 27, 2014. See Board Project No. E-016-14.
7. USHV is also the sole member of V Covington LLC d/b/a ("V Covington") and V Covington Realty LLC ("V Covington Realty"). USHV, V Covington, and V Covington Realty have one pending Certificate of Need project with the Board. Specifically, on February 23, 2016, USHV, V Covington, and V Covington Realty filed a Certificate of Need Application with Board to develop and establish a behavioral health hospital at 4201 Lake Cook Road, Northbrook, Illinois (Project No. 16-011). The Board approved Project No. 16-011 on June 21, 2016.
8. There have been no adverse actions taken against any facility owned or operated by USHV, 2014 Health, V Covington or V Covington Realty during the three (3) years prior to the

filing of this Application. A letter certifying the above information is attached at ATTACHMENT 11.

9. An authorization letter granting access to the Board and IDPH to verify information about USHV, 2014 Health, V Covington and V Covington Realty is attached at ATTACHMENT 11.

Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks")

11. Silver Oaks, a Delaware limited liability company, is a joint venture between Silver Cross Hospital and New Lenox Behavioral Innovations LLC ("NLBI"). NLBI, a Delaware limited liability company, was organized for the purpose of owning and operating the Hospital. Silver Cross Hospital owns 20% of Silver Oaks and NLBI owns 80% of Silver Oaks. USHV is the sole member of NLBI.

12. There have been no adverse actions taken against any facility owned or operated by Silver Oaks or NLBI during the three (3) years prior to the filing of this Application. A letter certifying the above information is attached at ATTACHMENT 11.

13. An authorization letter granting access to the Board and IDPH to verify information about Silver Oaks and NLBI is attached at ATTACHMENT 11.

Silver Oaks Behavioral Realty LLC d/b/a Silver Oaks Hospital ("Silver Oaks Realty")

14. Silver Oaks Realty, a Delaware limited liability company, is a joint venture between Silver Cross Hospital and New Lenox Behavioral Innovations Realty LLC ("NLBI Realty"). NLBI Realty, a Delaware limited liability company, was organized for the purpose of owning the building that will house the Hospital. Silver Cross Hospital owns 20% of Silver Oaks Realty and NLBI Realty owns 80% of Silver Oaks Realty. USHV is the sole member of NLBI Realty.

15. There have been no adverse actions taken against any facility owned or operated by Silver Oaks Realty or NLBI Realty during the three (3) years prior to the filing of this Application. A letter certifying the above information is attached at ATTACHMENT 11.

16. An authorization letter granting access to the Board and IDPH to verify information about Silver Oaks Realty and NLBI Realty is attached at ATTACHMENT 11.

DISPLAY THIS PART IN A
CONSPICUOUS PLACE



**Illinois Department of
PUBLIC HEALTH**

HF109950

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Nirav D. Shah, M.D., J.D.

Issued under the authority of
the Illinois Department of
Public Health

Director

EXPIRATION DATE	CATEGORY	LO NUMBER
2/25/2017	General Hospital	0005827

Effective: 02/26/2016

Silver Cross Hospital and Medical Centers
1900 Silver Cross Blvd
New Lenox, IL 60451

0057

Exp. Date 2/25/2017
Lic Number 0005827

Date Printed 1/5/2016

Silver Cross Hospital and Medical Cen
1900 Silver Cross Blvd
New Lenox, IL 60451

FEE RECEIPT NO.

No face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #4012320 10M 3/12

Attachment

Silver Cross Hospital

New Lenox, IL

has been Accredited by

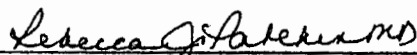


The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the
Hospital Accreditation Program

January 18, 2014

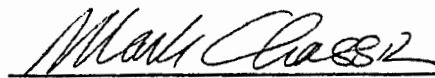
Accreditation is customarily valid for up to 36 months.



Rebecca J. Patchin, MD
Chair, Board of Commissioners

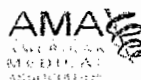
Organization ID #7365

Print/Reprint Date: 03/28/2014



Mark R. Chassin, MD, FACP, MPP, MPH
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.





January 20, 2017

Paul Pawlak
President and CEO
Silver Cross Hospital
1900 Silver Cross Blvd
New Lenox, Illinois 60451

HCO ID: # 7365

Dear Mr. Pawlak:

This letter is to confirm that your Hospital program accreditation has been extended until the upcoming triennial survey occurs and a new accreditation decision is rendered. The current accreditation decision was effective January 18, 2014.

Once your triennial survey occurs and all post survey activity is completed successfully, a new award letter will be posted to your secure Joint Commission Extranet site.

We do apologize for an inconvenience that this may have caused.

If I can be of further assistance I can be reached at (630) 792-5743.

Sincerely,

Kelley McCann

Kelley McCann
Lead Account Executive
Accreditation and Certification Operations



SILVER CROSS
HOSPITAL

1900 Silver Cross Blvd. • New Lenox, IL 60451
(815) 300-7124 • www.silvercross.org

February 12, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Criterion 1110.230, No Adverse Actions Certification (Silver Oaks Hospital Project)

Dear Mr. Constantino:

Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby certify that there have been no adverse actions taken against any facility owned or operated by Silver Cross Hospital and Medical Centers during the three (3) years prior to the filing of this application.

Sincerely,

Paul Pawlak
President & CEO
Silver Cross Hospital and Medical Centers

Subscribed and Sworn to before me
this 12th day of February, 2017.

Notary Public

Attachment
11

0060

The way you *should* be treated.



SILVER CROSS
HOSPITAL

1900 Silver Cross Blvd. • New Lenox, IL 60451
(815) 300-7124 • www.silvercross.org

February 12, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Criterion 1110.230, Authorization to Access Information (Silver Oaks Hospital Project)

Dear Mr. Constantino:

Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Silver Cross Hospital and Medical Centers with this application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this application.

Sincerely,

Paul Pawlak
President & CEO
Silver Cross Hospital and Medical Centers

Subscribed and Sworn to before me
this 12th day of February, 2017.

Notary Public

Attachment
11

0061

DISPLAY THIS PART IN A
CONSPICUOUS PLACE

HF111780

Illinois Department of
PUBLIC HEALTH



LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Nirav D. Shah, M.D., J.D.
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
11/2/2017	Psychiatric Hospital	0005934
Effective: 11/03/2016		

Chicago Behavioral Hospital
555 Wilson Lane
Des Plaines, IL 60016

Exp. Date 11/2/2017

Lic Number

0005934

Date Printed 9/22/2016

Chicago Behavioral Hospital

555 Wilson Lane
Des Plaines, IL 60016

FEE RECEIPT NO.

The face of this license has a colored background. Printed by Authority of the State of Illinois • PO. #4012320 10M 3/12

Chicago Behavioral Hospital

Des Plaines, IL

has been Accredited by

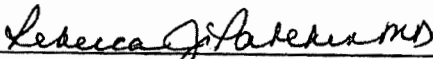


The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the
Hospital Accreditation Program

March 4, 2016

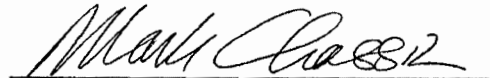
Accreditation is customarily valid for up to 36 months.



Rebecca J. Patchin, MD
Chair, Board of Commissioners

ID #307743

Print/Reprint Date: 04/05/2016



Mark R. Chassin, MD, FACP, MPP, MPH
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



AMA
AMERICAN
MEDICAL
ASSOCIATION

0063



Attachment



Dear Colleague:

Congratulations to you and your staff on achieving accreditation from The Joint Commission. Receiving The Joint Commission Gold Seal of Approval® for healthcare quality and safety demonstrates to your patients, staff and community that you are committed to providing the best care.

To help you publicize your organization's achievement, The Joint Commission provides an online publicity kit. The kit is available at www.jointcommission.org. Select "Accreditation," and then click on "Publicity Kit."

The online publicity kit includes:

- Suggestions and guidelines to publicize accreditation
- Guidelines to publicize compliance with National Patient Safety Goals and Hospital National Quality Improvement Goals
- Guidelines to use the Gold Seal of Approval®
- Downloadable images of the Gold Seal of Approval®
- Frequently Asked Questions
- Sample news releases for all accreditation programs, and the *Top Performer on Key Quality Measures®* program
- Fact sheets on The Joint Commission, benefits of accreditation, Quality Check® and Quality Reports®

In addition, enclosed please find two Gold Seal of Approval® decals, information on the Speak Up™ initiative and promotional examples of implementation.

If you have any questions about communicating your accreditation, please contact Denise Tucker, Department of Communications and Corporate Marketing, at (630)792-5633 or dtucker@jointcommission.org.

Thank you.
Sincerely,

Mark A. Crafton, MPA, MT(ASCP)
Executive Director
State and External Relations

US HealthVest

February 12, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Criterion 1110.230, No Adverse Actions Certification (Silver Oaks Hospital Project)

Dear Mr. Constantino:

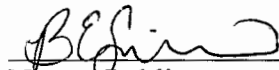
Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby certify that there have been no adverse actions taken against any facility owned or operated in Illinois by US Healthvest LLC, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital, Silver Oaks Behavioral Realty LLC, New Lenox Behavioral Innovations LLC, or New Lenox Behavioral Innovations Realty LLC, during the three (3) years prior to the filing of this application.

Sincerely,



Dr. Richard Kresch
Sole Manager, US Healthvest LLC
Manager, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital
Manager, Silver Oaks Behavioral Realty LLC
Sole Manager, New Lenox Behavioral Innovations LLC
Sole Manager, New Lenox Behavioral Innovations Realty LLC

Subscribed and Sworn to before me
this 14 day of February, 2017.



Notary Public



32 East 57th Street
17th Floor
New York, New York 10022

T2

0065

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Attachment

11

US HealthVest

February 12, 2017

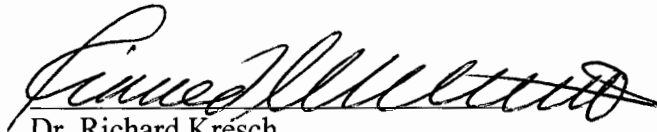
Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Criterion 1110.230, Authorization to Access Information (Silver Oaks Hospital Project)

Dear Mr. Constantino:

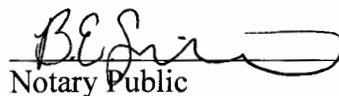
Pursuant to 77 Ill. Admin. Code § 1110.230, I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by US Healthvest LLC, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital, Silver Oaks Behavioral Realty LLC, New Lenox Behavioral Innovations LLC, and New Lenox Behavioral Innovations Realty LLC, with this application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this application.

Sincerely,



Dr. Richard Kresch
Sole Manager, US Healthvest LLC
Manager, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital
Manager, Silver Oaks Behavioral Realty LLC
Sole Manager, New Lenox Behavioral Innovations LLC
Sole Manager, New Lenox Behavioral Innovations Realty LLC

Subscribed and Sworn to before me
this 14 day of February, 2017.


Notary Public

32 East 57th Street
17th Floor

0066

Section III
Attachment 12
Purpose of Project

Purpose Statement

The Applicants are seeking permission from the Board to establish a new behavioral health hospital (the "Hospital") on the Silver Cross Hospital Campus (immediately west of Silver Cross Boulevard and south of Route 6) in New Lenox, Illinois (the "Project") to address the mental health crisis in Planning Area A-13.

Supporting Statements & Documentation

Background

1. The Hospital will occupy approximately 67,330 gross square feet and will have 100 acute mental illness ("AMI") beds. The Hospital will deliver a robust spectrum of in-patient and out-patient behavioral health services. More specifically, the Hospital will have secured nursing units and patients will be clustered by segment (e.g., female trauma victims, chemically dependent individuals, seniors, etc.); which will allow targeted and extensive group therapies. In addition, the Hospital will have an intensive care unit and an ambulance drop off site. All necessary support and administrative services for the Hospital will also be on site.

2. Silver Cross Hospital currently has 20 AMI beds. Silver Cross Hospital has been experiencing tremendous growth in the number of patients who need of in-patient and out-patient behavioral health services. Between 2014 and 2016, the number of patients admitted to Silver Cross Hospital's unit has increased by 30.6%. The below table summarizes Silver Cross Hospital's most recent AMI figures:

Silver Cross Hospital Behavioral Health Department AMI Statistics			
	2014	2015	2016
Admissions	730	907	974
Patient Days	4,573	5,430	6,213
Average Length of Stay	6.3	6.0	6.4
Average Daily Census	12.5	14.95	17.0
Peak Census	14	20	20
Licensed Beds	14*	20*	20
Occupancy	89%	75%	85%

3. To accommodate the increasing demand for behavioral health services at Silver Cross Hospital, Silver Cross Hospital increased the number of its licensed AMI beds from 14 to 20 in 2015, with notice and approval of the Board and IDPH.

4. If these growth trends continue, and Silver Cross Hospital is convinced that these trends will continue, Silver Cross Hospital will be running at 99% occupancy levels in its AMI unit in 2018, 102% in 2019, and 115% in 2020. The state standard occupancy for AMI units is 85%. The following table details the past growth and projected future growth of the Silver Cross Hospital AMI unit (assuming the Project does not proceed as planned):

Silver Cross Hospital AMI Projections (Assuming There is No Project)									
	2014	2015	2014-2015 Growth	2016	2015-2016 Growth	2017 (assuming 2015-2016 growth patterns)	2018	2019	2020
Admissions	730	907	24.2%	976	7.6%	1,050	1,130	1,216	1,308
Patient Days	4,573	5,430	18.7%	6,213	14.4%	6,720	7,232	7,782	8,371
Average Length of Stay	6.3	6.0		6.4		6.4	6.4	6.4	6.4
Average Daily Census	12.5		15	17		18.4	19.8	21.3	22.9
Peak Census	14*	20		20					
Licensed Beds	14	20		20		20	20	20	20
Occupancy	63%		75%	85%		92%	99%	102%	115%

5. Chicago Behavioral Hospital currently has 138 AMI beds. Since Chicago Behavioral Hospital acquired Maryville Behavioral Health Hospital from Maryville Academy on November 3, 2014, Chicago Behavioral Hospital has also been experiencing tremendous growth in the number of patients seeking in-patient and out-patient behavioral health services. Between 2014 and 2016, the number of patients admitted to Chicago Behavioral Hospital has increased by 1,137%. The below table summarizes Chicago Behavioral Hospital's most recent patient data:

	Chicago Behavioral Hospital		
	2014	2015	2016
Admissions	309	1,700	3,822
Patient Days	5,893	18,742	36,762
Average Length of Stay	19.1	11.0	9.6
Average Daily Census	16.1	51.3	100.4
Peak Census	49	77	115
Licensed Beds	125	125	138*
Occupancy	12.9%	41.0%	72.8%

6. To accommodate the increasing demand for behavioral health services at Chicago Behavioral Hospital, Chicago Behavioral Hospital increased the number of its licensed AMI beds from 125 to 138 in 2016, with notice and approval of the Board and IDPH.

7. The Applicants have received commitment letters for 2,856 annual, in-patient AMI referrals for 2019. The Applicants have received commitment letters for 5,700 annual, in-patient AMI referrals for 2020.

8. Using those referral letters as a starting point, the Applicants then applied the more conservative Silver Cross Hospital 6.4 average length of stay figure to the projected admissions. The below chart details and summarizes the projected occupancy for Silver Oaks Hospital.

Silver Oaks Hospital AMI Projections (Using Silver Cross Hospital Behavioral Health Department AMI ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	6.4	6.4
Patient Days	18,278	36,480
Average Daily Census	50.1	99.9
Licensed Beds	100	100
Occupancy	50%	100%
State Standard	85%	85%
Meets State Standard?	No	Yes

9. That said, the Applicants firmly believe the Chicago Behavioral Hospital 9.6 average length of stay figure is probably the better gauge of future performance because Silver Oaks Hospital will offer the same behavioral health services as are currently being offered by Chicago Behavioral Hospital (which are far more robust than the behavioral health services currently being offered in the Silver Cross Hospital Behavioral Health Department). The below chart shows the impact on the projected occupancy at Silver Oaks Hospital if the Chicago Behavioral Hospital 9.6 average length of stay figure is applied.

Silver Oaks Hospital AMI Projections (Using Chicago Behavioral Hospital ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	9.6	9.6
Patient Days	27,418	54,720
Average Daily Census	75.1	149.9
Licensed Beds	100	100
Occupancy	75%	150%
State Standard	85%	85%
Meets State Standard?	No	Yes

10. Indeed, given that Chicago Behavioral Health has experienced a growth rate of 1,137% in admissions over the past few years, the Applicants are convinced that Silver Oaks Hospital will also experience that sort of exceptional growth upon opening and that the proposed Hospital will easily hit the 85% occupancy standard.

11. Silver Cross Hospital will also be discontinuing its AMI Unit and converting those 20 AMI beds to medical/surgical ("Med/Surg") beds. Silver Cross Hospital's Med/Surg unit has been running over capacity, so an additional 20 Med/Surg beds are desperately needed by Silver Cross Hospital.

12. The following chart summarizes the current and projected Medical/Surgery data for Silver Cross Hospital.

Silver Cross Hospital Medical/Surgical Unit Data and Projections						
	2013	2014	2015	2016 (Est.)	2017 (Projected)	2018 (Projected)
Admissions	12,293	13,862	13,935	14,436	14,927	15,435
Patient Days	448,865	50,009	50,756	60,633	62,694	64,826
Average Length of Stay	4.5	4.1	4.2	4.2	4.2	4.2
Average Daily Census	150.1	155.4	160.7	166.1	171.8	177.6
Peak Census	185	185	185	185	185	185
Licensed Beds	185	185	185	185	185	185
Occupancy	81.1%	84.0%	86.8%	89.8%	92.8%	96.0%
State Standard	85%	85%	85%	85%	85%	85%

Define the Planning Area or Market Area

1. The Hospital will be located on the Silver Cross Hospital Campus, which is located in AMI Planning Area A-13. AMI Planning Area A-13 covers Will County and Gundy County. The primary service area for the Hospital will be the same as AMI Planning Area A-13.
2. AMI Planning Area A-13 currently shows a need for 16 additional AMI beds. See Board's Addendum to Inventory of Healthcare Facilities (January 25, 2017). However, as witnessed by the 30 referral letters from physicians and other providers and the 72 letters of support from community leaders received to date, there is a much greater demand for AMI services in Planning Area A-13.
3. In 2016, 738,684 residents lived in Will County and Grundy County (i.e., AMI Planning Area A-13).

Identify the Existing Problems or Issues that Need to be Addressed

1. The local, state and national behavioral health data demonstrates that this Project is desperately needed. According to the American Hospital Association, one in four Americans suffer from mental illness or substance abuse disorder each year, and the majority also have a comorbid physical condition. See Substance Abuse and Mental Health Services Administration Community, "Conversations about Mental Health," American Hospital Association. In addition, the entire nation is struggling with opiate addiction, heroin addiction and lack of services for individuals that are chemically dependent.
2. This mental health crisis is even more severe in Will County (the home of Silver Cross Hospital for the past 122 years), because Will County has seen explosive population growth in the past two decades and there are so few mental health providers relative to the number of residents. According to a report from the 2016 Robert Wood Johnson Foundation County Health Rankings, access to mental health services in Will County is among the worst in the country.
3. More specifically, the top large counties in the United States have 1 mental health provider for every 370 residents. In Illinois, the average large county has 1 mental health provider for every 560 residents. In comparison, Will County only has 1 mental health provider for every 1,063 residents. In other words, Will County only has 35% of the number of mental health providers that are needed.

4. Not only are mental health providers needed in Will County; but so are AMI beds. Experts in the field of behavioral health recommend a range of 40 to 50 AMI beds per 100,000 residents. For example, in an article recently published by the Pew Charitable Trusts ("Pew") in August, 2016, Pew suggested that at least 40 AMI beds were needed per 100,000 residents. And in an article published by Modern Healthcare in November, 2013, the Treatment Advocacy Center recommended a minimum of 50 AMI beds per 100,000 residents.

5. IDPH's own data demonstrates this same glaring need for AMI beds in Will County (which is Planning Area A-13). On average, in Illinois, there are 35 AMI beds per 100,000 residents. In Planning Area A-13, there are only 10.15 AMI beds per 100,000 residents. In other words, Planning Area A-13 only has 29% of the AMI beds that are needed.

6. And while the AMI bed to population ratio is bad in Will County, it is even worse in Grundy County. Grundy County (which, along with Will County, comprises Planning Area A-13), has **NO** AMI beds.

7. Will County and Grundy County have a significantly lower rate of mental health beds per 100,000 residents as compared to its neighboring counties. In Cook County, there are 40.52 AMI beds per 100,000 residents. In DuPage County, there are 30.89 AMI beds per 100,000 residents. In Kane County, there are 72.55 AMI beds per 100,000 residents.

8. In 2016, 738,684 residents lived in Will County and Grundy County (i.e., Planning Area A-13). Applying a ratio of 40 AMI beds per 100,000 residents, Planning Area A-13 should have 295 AMI beds. Applying a ratio of 45 AMI beds per 100,000 residents, Planning Area A-13 should have 332 AMI beds. Applying a ratio of 50 AMI beds per 100,000 residents, Planning Area A-13 should have 369 AMI beds.

9. But, in 2016, there were only 75 existing AMI beds in Planning Area A-13. Those 75 AMI beds were distributed as follows: Silver Cross Hospital: 20 AMI beds; Presence Saint Joseph's Hospital in Joliet ("Saint Joseph"): 31; and AMITA Health Adventist Medical Center-Bolingbrook ("Adventist Bolingbrook"): 24. And based on conversations with the team at Adventist Bolingbrook, Adventist Bolingbrook is primarily focused on meeting the behavioral health needs of a geriatric population.

10. Morris Hospital, located in Grundy County, and the only other hospital in Planning Area A-13 does not have any AMI beds.

11. Using the methodology recommended by mental health experts demonstrates that the 75 beds available in Will County is sub-standard and that Planning Area A-13 requires literally hundreds of AMI beds to meet the mental health needs of the residents in Planning Area A-13.

12. The lack of adequate AMI beds have required the residents of Planning A-13 to either go without treatment or leave the Planning Area for treatment. Accessing programs outside AMI Planning Area A-13 presents obstacles for coordination of care and long travel times for family and support.

13. In calendar year 2015, there were 7,260 AMI discharges associated with residents that live in Planning Area A-13. Of these, 61%, or 4,404 times, an individual was forced to leave to the Planning Area to receive inpatient AMI services. This poses an undue burden on family members and other supporters who must travel long distances to visit and support their loved

one. In addition, it complicates follow-up support services and adds to confusion and a disjointed approach to care. Having continuity of care for the patients with the same physicians and support staff are all important to bringing patients to stable status.

14. Years ago, Will County and the Will County Department of Public Health organized the Mobilizing for Action through Planning and Partnerships (the "MAPP Collaborative") to assess the healthcare needs of residents in Will County on an annual basis. According to the Behavioral Health Capacity Assessment Report conducted by the MAPP Collaborative in March of 2016, 58% of the respondents noted issues with behavioral health access, more specifically, expressing the great difficulty associated with accessing psychiatric services. Diagnostic, crisis care, inpatient, outpatient, residential and follow-up/after care were also services respondents mentioned as hard to access. See MAPP Behavioral Health Survey, March, 2016, page 3 (the "2016 MAPP Behavioral Health Survey").

15. Indeed, that same survey concluded that mental health services (as compared to any other health service) were the hardest to access in Will County (as measured by cost of needed services, wait for services and distance to services).

16. Because there has been a lack of inpatient AMI beds and adequate outpatient behavioral health services in Planning Area A-13, the Emergency Departments at the hospitals in Planning Area A-13 have been besieged with patients that have substance abuse or mental health issues.

17. In 2015, there were 8,437 emergency room visits from residents in need of behavioral health services who live in Planning Area A-13. 1,541 of those 8,437 (or 18%) patients presented in Silver Cross Hospital's Emergency Department with psychiatric or substance abuse diagnoses, distributed as follows: (a) 416 or 27.0% related to alcohol and drugs; (b) 423 or 27.4% related to affective mood disorder; (c) 512 or 33.2% related to anxiety and stress; and (d) 190 or 12.0% related to personality disorder, schizophrenia, mental disorder, behavioral/emotional.

18. In the 2016 MAPP Behavioral Health Survey, 70% of healthcare providers surveyed said they refer people to the hospital emergency room when they are unable to access appropriate community-based services. Across the country, many hospitals are seeing the same issues due to a critical shortage in psychiatric beds forcing mentally ill patients with severe symptoms to be held in emergency rooms, hospitals and jails while they wait for a bed, sometimes for weeks. See "Amid Shortage of Psychiatric Beds, Mentally Ill Face Long Waits for Treatment," The PEW Charitable Trusts, August 2, 2016.

19. Clearly, emergency departments are ill-equipped to deal with the overwhelming number of patients with mental illness diagnoses. A poll conducted by the American College of Emergency Physicians (ACEP) reported one in five ER doctors said they've had psychiatric patients who needed hospitalization who had to wait two to five days before being assigned an inpatient bed. Two accompanying studies back up the poll results, revealing that patients with a wide array of mental health problems are more likely to wind up boarded in an emergency department for more than 24 hours. See "U.S. Psychiatric Patients Face Long Waits in ER," Health Day Reporter, October 17, 2016.

20. In addition, due to the ongoing budget crisis in the State of the Illinois, the State of Illinois has not provided any Eligibility Disposition and Assessment Grant Program (the "EDA Program") funding since July of 2015. Under the EDA Program, hospital emergency

departments were reimbursed for performing psychiatric screenings to unfunded individuals. The EDA Program was very successful as it identified the unfunded and linked them to register for Medicaid expansion or other insurance. The EDA Program also guaranteed an inpatient placement for a psychiatric patient within 24 hours. Since 2015, hospital emergency departments have experienced an increase in the number of patients that remain in the emergency department awaiting placements. While emergency departments have added "sitter staff" to ensure patients' safety, an emergency department is not the proper setting for patients in behavioral healthcare.

21. Budget issues also led to the closure of the Tinley Park Mental Health Center ("TPMHC") in 2012, leaving a vast scarcity of mental health services in Will County, Grundy County and Cook County. TPMHC, a 75 bed inpatient AMI hospital, admitted and treated 2,000 behavioral health patients on an annual. In 2011, 24% of the patients that were admitted to TPMHC resided in Will County and Grundy County. See "At Risk: Closing Tinley Park Mental Health Center," Council 31 AFSCME, September 2011. The closure of TPMHC created more difficulty in accessing appropriate care and longer trips to remaining facilities which had a significant impact on family support.

22. In 2015 at Silver Cross Hospital, behavioral health patients who presented in the Silver Cross Emergency Department, and subsequently became an inpatient at Silver Cross Hospital, waited on average 380 minutes or 6.3 hours from arrival to departure with the longest wait time being 51.57 hours or 2+ days. See Cerner PowerInsights Report, Calendar Year 2015.

23. In 2015, the Silver Cross Hospital Emergency Department also transferred 390 in-patients to other healthcare facilities. See Cerner PowerInsights Report, Calendar Year 2015).

24. In addition, from July 1, 2015 to June 30, 2016, Morris Hospital treated 600 patients in its Emergency Department for mental health and substance abuse. Of the 600 AMI patients, 477 were from Planning Area A-13.

25. Furthermore, during 2015, 61% of acute mental illness care was provided to residents of Planning Area A-13 by hospitals outside of Planning Area A-13.

26. All of the above shortcomings led Will County and the Will County Health Department to organize a Behavioral Health Action Team to develop a plan to solve the mental health crisis in Will County. Silver Cross Hospital, Saint Joseph and Adventist Bolingbrook are members of the Behavioral Health Action Team. The Behavioral Health Action Team was tasked with: (a) enhancing access to behavioral health and substance abuse disorder services; (b) decreasing the number of emergency room visits in Will County due to mental illness or substance abuse disorders; and (3) decreasing the number of mentally "unhealthy days" for Will County residents afflicted by mental illness. See "Will County Health Department and Community Health Center," Will County Department of Public Health.

Detail how the Project will Address or Improve the Previously Referenced Issues as well as the Population's Health Status and Well-Being

1. The proposed Hospital addresses all of the above-referenced shortcomings in AMI Planning Area A-13. By creating a program of greater scale, psychiatric services can be expanded and enriched. Residents in AMI Planning Area A-13 can receive specialized in-patient and out-patient behavioral health services closer home.

2. Indeed, none of the hospitals in Planning Area A-13 provide specialized psychiatric care. There is no inpatient chemical dependency unit in Planning Area A-13. There are no dedicated units for chemically dependent patients, no units providing care to veterans suffering from post-traumatic stress disorders, and no units treating women that have been abused or traumatized in Planning Area A-13. The proposed Hospital will have the capacity to address these gaps in service and ensure that these marginalized populations will have the high quality care they deserve.

3. The Project will address the mental health crisis in AMI Planning Area A-13 by providing more psychiatric inpatient and outpatient services. In addition, care will be coordinated and specialized across the continuum of care. The proposed facility will integrate community health providers and ensure smooth transitions, appropriate placements, and less recidivism. The goal is to heal those suffering from mental health or chemical dependency disorders and provide the support necessary so they can continue to lead productive lives.

4. The Applicants envision offering programs for adult psychiatric, senior adult, adolescents, women only, veterans, and dual diagnosis patients. Each program will be separate from each other, keeping these populations apart. Segmenting services will allow the Applicants to provide the most effective care to the populations in need, based upon the needs of the AMI Planning Area A-13.

5. The Hospital will work closely with the local Emergency Medicine Services and the police so that patients receive appropriate timely placements and are brought to the Hospital that can best meet their needs. In addition, the Hospital will accept ambulances decreasing the burden in emergency departments in AMI Planning Area A-13. The proposed project will positively impact the emergency wait times and long emergency department boarding times that all the hospitals in AMI Planning Area A-13 are facing.

6. The Referral Letters that the Applicants have received to date demonstrate the need for at least 100 inpatient AMI beds. 85% occupancy will be achieved within two years of opening the Hospital.

7. In addition to the Referral Letters, this Project has received unprecedented community support from elected officials, judges, the Will County Health Department, Will County State's Attorney's office police departments, Emergency Medical Services, and other area hospitals.

8. The following articles, which are attached at ATTACHMENT 12, are cited as follows:

- Illinois State Compdata, July 1, 2015 – June 30, 2016.
- "ED Cycle Times and Performance Measures," Cerner PowerInsights Report (Calendar Year 2015).
- "ED Transfer Reports for Demographics 2.0," Cerner PowerInsights Report (Calendar Year 2015).
- "Increasing Access to State Psychiatric Hospital Beds: Exploring Supply-Side Solutions," La, Lich, etc.al.
- "Amid Shortage of Psychiatric Beds, Mentally Ill Face Long Waits for Treatment," Ollove, Michael, Pew Charitable Trusts/Research Analysis/Stateline (Aug. 2, 2016).
- "A Dearth of Psychiatric Beds," Torrey, E. Fuller M.D., Psychiatric Times (Feb. 25, 2016).

- "Bedding, Not Boarding: Psychiatric Patients Boarded in Hospital EDs Create Crisis for Patient Care and Hospital Finances," Kutscher, Beth, Modern Healthcare (Nov. 2013)
- "Conversations about Mental Health," American Hospital Association
- "U.S. Psychiatric Patients Face Long Waits in ERs," Thompson, Dennis, Healthday (Oct. 2016).
- Will County Community Health Status Assessment Report (2013)
- 2016 Will County MAPP Behavioral Health Services Capacity Assessment Report
- Will County Behavioral Health Action Team Plan
- Advisory Board Market Estimator – Inpatient and Outpatient

Provide Goals with Quantified and Measurable Objectives with Specific Timeframes that Relate to Achieving the Stated Goals

1. It is projected that 2,856 patients will be admitted to the Hospital in 2019 (i.e., the first year of operation for the proposed Hospital) and 5,700 patients will be admitted to the Hospital in 2020 (i.e., the second year of operation for the proposed Hospital).
2. The proposed Hospital is expected to reach a utilization level that exceeds the State required minimum of 85% in 2020.
3. The Applicants' construction schedule for the Hospital is as follows:

Goal	Percentage Completed	Expected Completion Date
Erect shell and core	50%	July 31, 2018
Frame interior rooms	75%	September 30, 2018
Complete Village and State inspections and obtain licenses to operate	100%	December 31, 2018

4. Letters of support for the Project are attached at ATTACHMENT 12.
5. See Criterion 1110.230(c) and the 1110.730(b)(3) Criteria for further support for this Criterion.



One in four Americans experiences a mental illness or substance abuse disorder each year, and the majority also has a comorbid physical health condition.

Hospitals and health systems provide essential behavioral health care services to millions of Americans every day. In recent years, the challenges and barriers to providing these behavioral health services have increased significantly. In response, hospitals and health care systems have redoubled their efforts to establish community partnerships and expanded approaches to providing effective treatment options, including better integration of behavioral health care services into the broader health care continuum.

The American Hospital Association has a long-standing commitment to support member efforts to deliver high-quality, accessible behavioral health services. Consistent with that commitment, this web page is designed to provide members with easy access to information and tools that will assist them in navigating the changing behavioral health care system and understanding national, state and local activities affecting behavioral health.

Featured AHA Resources

AHA Legislative Advisory: The 21st Century Cures Act (December 7, 2016)

7 Steps to Expand the Behavioral Health Capabilities of Your Workforce: A Guide to Help Move You Forward (October 2016)

AHA Quality Advisory: Ending the Opioid Epidemic: New Patient Education Tool and Other Resources for Hospitals (June 2016)

Triple Aim Strategies to Improve Behavioral Health Care (February 2016) | Infographic (September 2016)

Removing Barriers to Access

- » Latest Advocacy News
- » Federal Legislative Activities
- » Federal Regulatory Activities
- » Other Policy Issues
- » State Resources and Activities

Promoting and Supporting Field Leadership

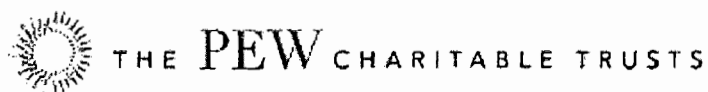
- » Integrating Physical and Behavioral Health
- » Community Collaborations
- » Addressing the Opioid Epidemic
- » Workforce Shortage, Training and Education
- » Behavioral Health in the News

Creating Greater Public Awareness

- » SAMHSA's Community Conversations about Mental Health
- » SAMHSA's Caring for Every Child's Mental Health

Additional AHA Resources and Information

- » AHA Constituency Section for Psychiatric and Substance Abuse Services
- » Value of AHA Membership for Psychiatric and Substance Abuse Providers



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Stateline / Amid Shortage of Psychiatric Beds, Mentally Ill
Face Long Waits for Treatment

STATELINE

Amid Shortage of Psychiatric Beds, Mentally Ill Face Long Waits for Treatment

August 02, 2016

By Michael Ollove



Corrections deputies prepare to enter a cell in the psychiatric unit of the Pierce County Jail in Tacoma, Washington. A federal court last month held Washington state in contempt for holding mentally ill inmates without evaluating or treating them.

This story has been updated to correct a typo. Georgia has fewer beds than in 2010, not than in 2016.

Across the country, a critical shortage of state psychiatric beds is forcing mentally ill patients with severe symptoms to be held in emergency rooms, hospitals and jails while they wait for a bed, sometimes for weeks.

Mental health advocates, attorneys and judges say the practice, known as psychiatric boarding, prevents patients from getting the care they need. Instead, such patients are sometimes strapped down or held in isolation, and often receive little or no mental health services.

Several states are moving to increase the number of beds, and to increase crisis services — to help keep a mentally ill person from spiraling out of self-control and ending up in emergency rooms and jails.

But the problem, which many blame on budget cuts and a shortage of psychiatrists and nurses, won't be easy to solve. By one count, the nation needs an additional 123,300 psychiatric hospital beds.

The crisis is drawing particular scrutiny in Washington state, where two court rulings — one in the state Supreme Court in 2014 and the other in federal court last year — determined that it is illegal for the state to warehouse mentally ill patients and prisoners in emergency rooms, jails and regular hospitals.

The state reacted swiftly, increasing the number of psychiatric beds and boosting spending on community mental health services.

But the courts are impatient with the pace of state action. Last month the federal judge who ruled that the Washington Department of Social and Health Services was violating the constitutional rights of prisoners held the department in contempt and ordered it to pay fines of \$500 a day for each inmate waiting more than a week for a bed and \$1,000 a day for each inmate waiting more than two weeks for a bed, until the problem is fixed.

The problem extends far beyond Washington: In a 2014 survey, 19 of 38 state mental health directors said their states had been threatened with or found in contempt for failing to admit jailed inmates found mentally incompetent into mental health facilities in a timely manner.

The U.S. now has 37,679 state psychiatric beds, down about 13 percent since 2010, according to a June report from the Treatment Advocacy Center, a nonprofit working to improve treatment for severe mental illness.

The loss of those beds has left "the sickest of the sick" without treatment, said John Snook, the center's executive director.

Psychiatric Beds in Short Supply

Around the country, state psychiatric hospital beds are in short supply and their numbers are declining. Advocates suggest at least 40 beds for every 100,000 people.

State	Psychiatric hospital beds (2010)	Psychiatric hospital beds (2016)	Beds per 100,000 people (2016)
Alabama	1,119	383	79
Alaska	52	80	10.8
Arizona	260	302	44
Arkansas	203	222	75
California	5,283	5,905	151
Colorado	520	543	100
Connecticut	741	615	171
Delaware	209	122	129
District of Columbia	n/a	282	420
Florida	3,321	2,648	131
Georgia	1,187	954	93
Hawaii	182	202	141
Idaho	155	174	10.5
Illinois	1,429	1,341	93
Indiana	908	818	124
Iowa	149	64	20
Kansas	705	451	155
Kentucky	446	499	113
Louisiana	903	616	132
Maine	137	144	10.8
Maryland	1,058	950	153
Massachusetts	696	608	89
Michigan	530	725	73
Minnesota	206	194	35
Mississippi	1,156	486	162
Missouri	1,332	874	144
Montana	194	174	16.8
Nebraska	337	289	152
Nevada	302	296	102
New Hampshire	189	158	119
New Jersey	1,922	1,543	172
New Mexico	171	229	110
New York	10,513	9,617	142

New York	4,550	5,217	10.5
North Carolina	761	892	8.9
North Dakota	150	140	18.5
Ohio	1,058	1,121	9.7
Oklahoma	401	431	11.0
Oregon	700	653	16.2
Pennsylvania	1,850	1,334	10.4
Rhode Island	108	130	12.3
South Carolina	426	493	10.1
South Dakota	238	128	14.9
Tennessee	616	562	8.5
Texas	2,129	2,236	8.1
Utah	310	252	8.4
Vermont	52	25	4.0
Virginia	1,407	1,526	18.2
Washington	1,220	729	10.2
West Virginia	259	260	14.1
Wisconsin	558	458	7.9
Wyoming	115	201	34.3
U.S.	43,318	37,679	11.7

Source: Treatment Advocacy Center, June 2016
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The Promise of Deinstitutionalization

The introduction of effective psychiatric medicines and a growing preference to keep the mentally ill close to home and in less restrictive settings led to a steady decline in the number of state psychiatric beds, which peaked at nearly 560,000 in 1955.

Mental health advocates assumed public spending on community mental health would rise as institutions closed, but the increases have fallen short of the need. The recession made the situation worse: States cut \$4.35 billion in public mental health spending between 2009 and 2012, though some states have made modest increases since 2012.

"It's not like the patients have gone away. It's the treatment resources that have gone away," said Renée Binder, the immediate past president of the American Psychiatric Association.

Failure to treat severe mental illness can result in worsening symptoms and increase the likelihood that inpatient services will be needed, mental health advocates say.

"Fewer beds and no more community services is a lethal combination," said Ron Honberg, a senior policy adviser at the National Alliance on Mental Illness.

Yearslong Shortage

Many states have faced shortages of psychiatric beds for years.

A 2008 report for the U.S. Department of Health and Human Services found that psychiatric boarding was routine in many states, including California, Connecticut, Georgia, Maryland, Massachusetts and Nevada. One 2012 study found that 70 percent of emergency rooms had had to board psychiatric patients for more than 24 hours and 10 percent for a week or more.

The Treatment Advocacy Center recommends 40 to 60 psychiatric beds for every 100,000 people. The national average is 11.7, and the group estimates that the country needs an additional 123,300 state psychiatric beds, though it is urging the federal government to do its own assessment.

Georgia has 9.3 beds for every 100,000 people, and 233 fewer beds than it did in 2010. The state has boosted mental health crisis services, but lacks the manpower to prevent the mentally ill from ending up in emergency rooms and hospitals, said Andrew Johnson, a spokesman for the Department of Behavioral Health and Developmental Disabilities.

"We would probably be able to bring more beds on line but for a workforce challenge," Johnson said. "The shortage of psychiatrists and nurses is our No. 1 problem."

South Carolina, which has 493 state hospital beds, 67 more than in 2010, has increased mental health spending under Republican Gov. Nikki Haley. Most of the new money has gone toward crisis intervention and services to stabilize patients during an emergency, said Tracy LaPointe, a spokeswoman for the South Carolina Department of Mental Health. LaPointe said the psychiatric boarding continues because there aren't enough beds.

Several states, including Georgia and Virginia, have or are building online registries that can identify open psychiatric beds using up-to-date information.

Virginia launched its online registry after several high-profile incidents, including the 2013 stabbing of a state senator by his son, who then shot himself to death, all after an open psychiatric bed could not be found. A January report by the state's inspector general found the registry's information wasn't being updated in a timely fashion.

An Imminent Risk

In Washington state, the number of state psychiatric beds declined 40 percent from 2010 to 2016, leaving just 729 beds — or 10.2 beds for every 100,000 people.

During some of this time, the state reduced its spending on mental health, which mental health advocates say increases the need for inpatient beds even as those beds are evaporating.

In the case that reached the state Supreme Court, 10 people were deemed an imminent risk to themselves or others as a result of a mental disorder. Under state law, they should have been sent to state-contracted evaluation, stabilization and treatment centers within 72 hours, where doctors would determine if they needed to be committed.

But, because there was no room at the centers or at state psychiatric facilities, the patients were held for much longer in emergency rooms or acute care hospitals — weeks, in some cases.

"Hospital emergency departments are a uniquely inappropriate place for someone in psychiatric crisis," said Eric Neiman, who represented two hospital systems that took the case to court. "It's loud, chaotic, and they don't have psychiatric professionals."

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Bedding, not boarding

Psychiatric patients boarded in hospital EDs create crisis for patient care and hospital finances

By **Beth Kutscher** | November 16, 2013

Health systems recognize that they need to address the psychiatric boarding problem because EDs bring in a lot of paying patients, and delays in serving them because of the boarding of psychiatric patients can hurt revenue. GETTY IMAGES

With the total number of psychiatric inpatient beds plummeting nationally, hospitals are devising innovative ways of handling mentally ill patients who come to the emergency department as an alternative to "boarding" them in holding rooms and hallways while they await treatment.

These strategies include collaborating with other [hospitals](#)^[1] to place psychiatric patients in open beds, using separate psychiatric EDs, setting up crisis triage centers, and referring patients to residential treatment centers. They're striving to get mentally ill people help before they hit a crisis, including arranging appointments with [mental healthcare](#)^[2] providers and contacting patients regularly to help with medication compliance. A few health systems, such as HealthOne in Denver, are even adding psych beds, at least partly to reduce ED waiting times.

MH TAKEAWAYS

0085

Attachment

12

Hospitals are finding various ways to clear ED backlogs of psychiatric patients and speed patient flows.

Health systems recognize that they need to address the psychiatric boarding problem because EDs bring in a lot of paying patients. Delays in serving them because of the boarding of psychiatric patients can hurt revenue.

Hospitals also are hoping that more mentally ill patients will gain insurance coverage^[3] for behavioral care^[4] through the federal healthcare reform law and the new federal mental health parity rule. In addition, many states are more closely integrating behavioral healthcare and substance-abuse treatment with physical healthcare in their revamped Medicaid managed-care programs, recognizing that better and more coordinated care for these expensive patients is key to reducing Medicaid costs.

Experts say the boarding problem arises in part from the political powerlessness of this patient population. "The mentally ill have the most limited self-advocacy because of the nature of the illness," said Dr. Martin Buxton, a psychiatrist at Chippenham Hospital in Richmond, Va. "It's been a perfect storm that's been brewing for the last 30 years."

In Ohio, which has one of the most critical bed shortages in the country, six hospitals have collaborated to create a Web-based "bed board," an online database that allows clinicians to find available psychiatric inpatient beds and transfer patients to those facilities on a first-come, first-served basis.

Hospitals also are investing in crisis-oriented outpatient care as another way to steer patients away from the emergency room. "A lot of the folks that are being seen may not need a hospital bed," said Dr. Larry Miller, a University of Arkansas psychiatrist who serves on the American Psychiatric Association's council on healthcare financing.

The deinstitutionalization of mentally ill patients starting in the 1960s and inadequate financing for community-based care has left many Americans without access to quality mental healthcare. In addition, hospitals across the country have sharply cut back on money-losing

psychiatric beds. All of this has created a strain on hospital EDs, which are the last resort for patients, their families and public-safety officials dealing with people suffering from acute mental illness and substance-abuse problems.

Hospitals often resort to holding admitted psychiatric patients in hallways or other ED areas—sometimes in locked rooms—until inpatient beds are available. Patients may be admitted because of liability concerns related to the potential for suicide, but may not receive prompt and adequate assessment and treatment. Experts say the loud, hectic environment of the ED is bad for patients who are struggling with suicidal ideation, hallucinations or drug withdrawal. Staff and other patients may feel threatened by their behavior, requiring the presence of security officers and possibly the use of restraints. It's particularly hard to find psychiatric beds for patients with disabilities or special needs.

DISAPPEARING BEDS

The number of state psychiatric beds decreased by 14% from 2005 to 2010. In 2005, there were 50,509 state psychiatric beds available nationwide. By 2010, the number had shrunk to 43,318.

Per capita state psychiatric bed populations by 2010 had plunged to 1850 levels. In 1850, at the beginning of the movement to provide more humane care by treating seriously mentally ill persons in hospitals, there were

14 beds per 100,000 population. In 2010, the supply was virtually identical at 14.1.

Thirteen states closed 25% or more of their total state hospital beds from 2005 to 2010. New Mexico and Minnesota closed more than 50% of their beds; Michigan and North Carolina closed just less than 50%. Ten states increased their total hospital beds but continued to provide less than half the beds considered to be minimally adequate.

Nationwide, closures reduced the number of beds available in the combined 50 states to 28% of the number considered necessary for minimally adequate inpatient psychiatric services. A minimum of 50 beds per 100,000 population, nearly three times the current bed population, is a consensus target for providing minimally adequate treatment. (By way of comparison, the ratio in England in 2008 was 63.2 per 100,000.)

Many additional public psychiatric beds have been eliminated since 2010. According to a congressional staff briefing provided by the National Association of State Mental Health Program Directors in March 2012, a total of 3,222 additional beds were closed between 2009 and 2012 in 29 states.

Additional plans to eliminate 1,249 more beds in 10 states have been announced. These combined reductions suggest the current or imminent total number of public psychiatric beds to be 38,847, a 23% reduction since 2005.

—Treatment Advocacy Center

Some boarded for weeks

The National Association of State Mental Health Program Directors, in a survey of more than 6,000 EDs nationwide presented at a March 2012 congressional briefing, found that 70% reported boarding psychiatric patients for hours or days—and 10% boarded patients for several weeks. A 2008 American College of Emergency Physicians survey of 328 ED directors found that 61% of hospitals surveyed did not have psychiatric staff caring for ED patients while they waited.

A 2012 study in the journal *Emergency Medicine International* found that psychiatric patients requiring an inpatient bed at a large academic medical center remained in the ED more than three times longer than nonpsychiatric patients, costing the hospital about \$100 an hour based on the average hourly revenue it gets per bed. The researchers said the longer nonpsychiatric patients wait for treatment, the more likely the hospital is to suffer declines in quality of care, patient satisfaction and public reputation.

Doris Fuller, executive director of the Treatment Advocacy Center, an Arlington, Va.-based group that works to increase access to care for severely mentally ill patients, said the basic problem is that the country has reduced the number of psychiatric inpatient beds in public and community hospitals that are accessible to all patients, including those on Medicaid and without insurance.

Twenty eight states and the District of Columbia slashed their mental health funding by a total of \$1.6 billion from 2009 to 2012, according to the National Alliance on Mental Illness.

'Public' beds trimmed

There were 43,318 "public" psychiatric beds in 2010—or just 14 per 100,000 people—compared with 50,509 in 2005 and 560,000 in 1955, according to a 2012 Treatment Advocacy Center report. Thirteen states closed 25% or more of their beds from 2005 to 2010, and some of those states closed nearly half their beds. Nationwide, closures reduced the number of beds available in all 50 states to 28% of the number considered necessary for minimally adequate inpatient psychiatric services, which is 50 beds per 100,000 population. And many additional beds have been eliminated since 2010, bringing the estimated current number to 38,847.

At the same time, 1 in 8 patients seen in EDs had a mental health or substance-abuse condition, and this problem has been on the rise for more than a decade, according to a 2007 survey from the Agency for Healthcare Research and Quality.

The American Hospital Association said hospitals have been closing psychiatric units because of low payments from public and private payers, uncompensated care for uninsured patients and a dearth of psychiatrists willing to work in hospitals. Meanwhile, community-based psychiatrists report that patients might wait months to get an appointment, often as their prescriptions run out. In addition, public mental health departments are overwhelmed by demand.

The emergency room is often the only option. In North Dakota, the number of patients coming into an ED with a primary psychiatric

diagnosis more than doubled between 2011 and 2012, according to the Treatment Advocacy Center. In Arizona, requests for psychiatric consultations in the ED spiked 40% during the same period.

In Ohio, there are 23 psychiatric beds per 100,000 residents—less than half the ratio that mental health advocates believe is needed. So hospitals in central Ohio got together to take action. Before 2009, psychiatric patients in Franklin County, which includes Columbus, were languishing in EDs for as long as five days before admission, said Jeff Klingler, president and CEO of the Central Ohio Hospital Council. In May 2009, six hospitals established an online bed board, which includes information about the patient's gender, payer source and when they arrived at the ED. By July 2010, the average wait time for psych patients in the EDs of those hospitals dropped to 30 hours. By September 2013, it had fallen to 19.

While wait times in Franklin County have decreased, the number of psychiatric patients coming to EDs has continued to climb. In May 2009, the county's EDs saw 400 psychiatric patients. This past June, they saw 1,000. As a result, the participating hospitals implemented new procedures. When the number of psych patients reaches an unsafe level at a hospital, the facility declares "surge status" and its psych patients move to the top of the waiting list.

Other states, including Maryland and Virginia, also are using a statewide bed tracking system.

In addition, there are efforts to get psychiatric patients into private freestanding psychiatric hospitals, which typically do not accept Medicaid patients or those without insurance.

The Patient Protection and Affordable Care Act established a Medicaid Emergency Psychiatric Demonstration under the CMS^[5]. The three-year pilot program provides \$75 million in funding to 11 states and the District of Columbia to create Medicaid reimbursement programs for emergency psychiatric care delivered at free-standing psychiatric hospitals.

Crisis-oriented outpatient care

Hospitals are investing in crisis-oriented outpatient care as another way to steer patients away from the emergency room. Chippenham Hospital in Richmond, Va., last month opened a crisis triage center to expedite services for mentally ill patients who are brought in for care under a mental health warrant or temporary detention order. The crisis center partnered with the local police department, which places officers trained in crisis intervention on-site. That frees the officers who bring in patients from having to wait until they are evaluated. Buxton, who serves as Chippenham's chief of psychiatry, said the new center screens patients for psychiatric and medical issues in about one-third of the time it would take if the patients were brought to the ED.

Experts say that while these various hospital innovations to address the crisis of psychiatric boarding will help, they won't solve the broader societal problem of the shortage of funding and resources to serve the mentally ill at inpatient facilities and in the community.

"The real innovation would be keeping people from getting this sick," the Treatment Advocacy Center's Fuller said.

Follow Beth Kutscher on Twitter: [@MHbkutscher](#)^[6]

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2016 Will County Behavioral Health Services Capacity Assessment Report

Will County MAPP Collaborative Behavioral Health Action Team

Introduction

The following is a summary of the findings from the Will County Mobilizing Action through Planning and Partnerships (MAPP) Behavioral Health Services Capacity Assessment conducted by the Behavioral Health Action Team from February 4th through March 14th, 2016. It was designed to capture data regarding the availability of mental health and substance use disorder treatment and prevention services in Will County, Illinois.

Methods

Snowball sampling techniques were used to identify key informants from stakeholder populations in Will County. Respondents were asked to complete a 30-minute online survey regarding existing services within their own agencies, populations served and at-risk, and challenges to meeting the needs of the population. No incentives were provided to respondents. Data from the online survey were downloaded into an excel spreadsheet and validated for completeness and accuracy. This year's survey also asked respondents to report information in qualitative form. Those data were coded by four independent coders and met triangulation criterion for validity.

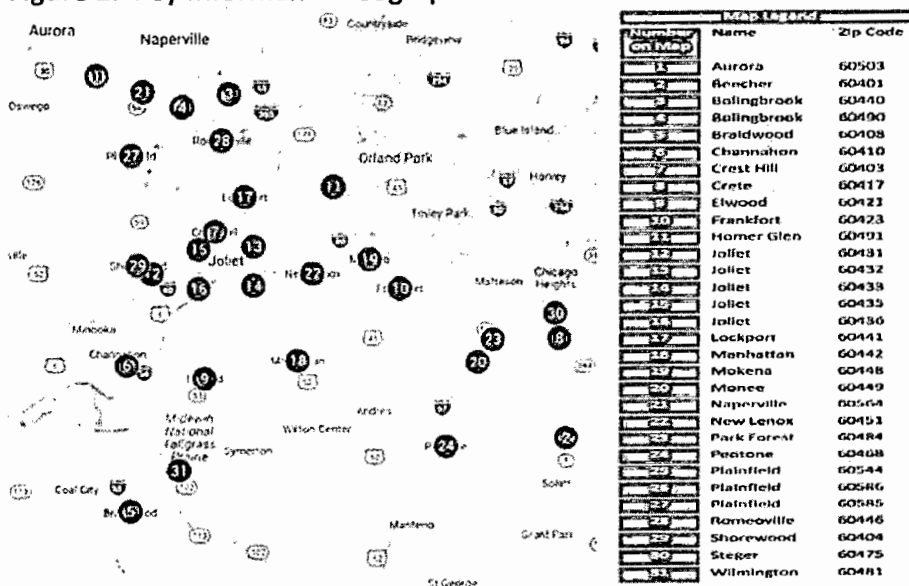
Results

A total of 64 unique individuals successfully completed the survey. These individuals represented a broad range of stakeholders within 50 organizations.

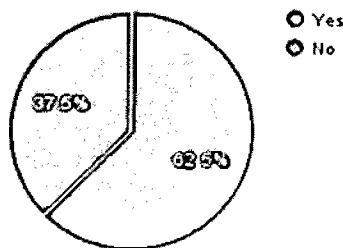
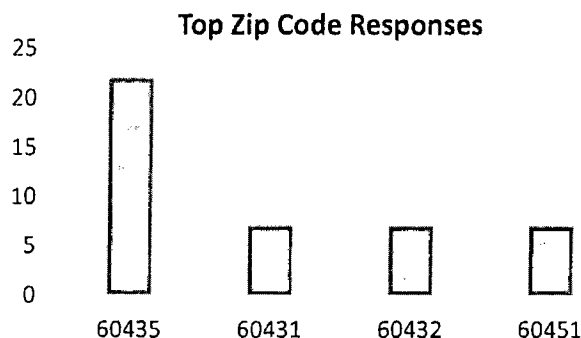
Table 1: Key Informants by Organizational Type

Organizational Type	Number	Percentage
Churches	1	2%
Standalone Behavioral Service Providers	3	5%
Ambulatory Medical Services	4	6%
Hospitals	5	8%
Government	6	9%
Law Enforcement	8	12%
Educational Organizations	9	14%
Community & Social Service Organizations	28	44%
Total	64	100%

Figure 1: Key Informants Geographic Distribution



Although, as the above map demonstrates, respondents had services throughout Will County, they appeared to be concentrated in certain geographical regions. The zip code of 60435, in Joliet, followed by 60432 and 60431, also in Joliet, had by far the largest number of respondents (22) 60451 in New Lenox had 8 respondents.



Over 60% of respondents stated their organization provided services in behavioral health and 38% referred individuals for services. In answer to the question "Does your organization provide services in some area of behavioral health, 40 respondents answered "Yes" and 24 responded "No."

Qualitative Data

The 2016 Capacity Survey included two open-ended questions aimed at getting qualitative information about the local behavioral healthcare system's most urgent needs and the impact of the Illinois state budget impasse on the local system.

"If you could change one thing about the system for behavioral health services in Will County, what would it be?"

"Of utmost difficulty is access to psychiatry services," was the statement made by one respondent. Of the 58% of 38 respondents who cited issues in the area of behavioral healthcare access, the need for more psychiatric services was cited most often (7 times) followed by access for the uninsured or underinsured (3 times).

11 of 38 respondents (29%) wished to change problems with system capacity in a variety of areas, including mental health, psychiatric, youth, elderly population, parents, and uninsured/underinsured. One person wrote, *"We need more providers working on all aspects of behavioral health and we need an efficient way to share information about those programs with the public."*

"Collaboration rather than competition" was listed by one of the 6 respondents (16%) who expressed a need for increased collaboration and partnerships to improve the behavioral healthcare system. "Work more collaboratively with primary care doctors to help with med management" was a specific example named by another respondent.

"How has uncertainty about the state budget impacted your ability to provide services?"

26 of the 46 respondents who answered the question (62%) reported that Illinois' budget problems have impacted their ability to provide services. The most commonly reported issues associated with this impact include cuts to services, reduced organizational capacity, staffing difficulty, and financial problems. Comments included:

"We have reduced services, and will make additional cuts next year."

"People feel as though the State of Illinois does not care."

"The state budget is crippling us."

Respondents listed a variety of specific impacts, including: inability to serve clients without Medicaid or other insurance, inability to plan for the future, less inclined to expand programs or hire staff, operating beyond capacity, increased caseloads, longer waiting lists, decreased quality of care, loss of referral resources, loss of psychiatric services, counselors leaving their profession, and increased strain on local funding sources.

Service Needs

Respondents were asked to answer questions based on which of the following services were hardest to access for the clients/patients. The categories were: "Mental Health," "Substance Use Disorder," and "Co-Occurring Disorder" (persons with both a mental health and substance use disorder).

There were a total of 341 responses.

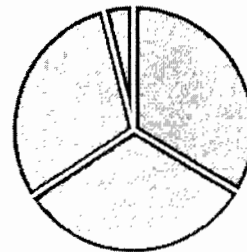
- All service options (Diagnostic, Crisis Care, Inpatient, Outpatient, Residential, Follow-Up/After Care, Psychiatric Services) were identified in all of the above categories as difficult to access.
- For all of the above categories, "Psychiatric Services" were identified as the most difficult to access.
- For all categories, "Diagnostic" and "Outpatient" were also identified as difficult to access, particularly for persons with co-occurring disorders.
- There were 133 total responses to the question regarding difficulty of accessing services in particular populations.
 - 22 responses (16.5%) identified "Uninsured persons" as difficult to access services for.
 - 16 responses (12%) identified "Non-English speaking" as difficult to access services.
- All population categories were identified as difficult to access services.

Barriers to Service Delivery and Needs

Three barriers to service delivery were of the most importance:

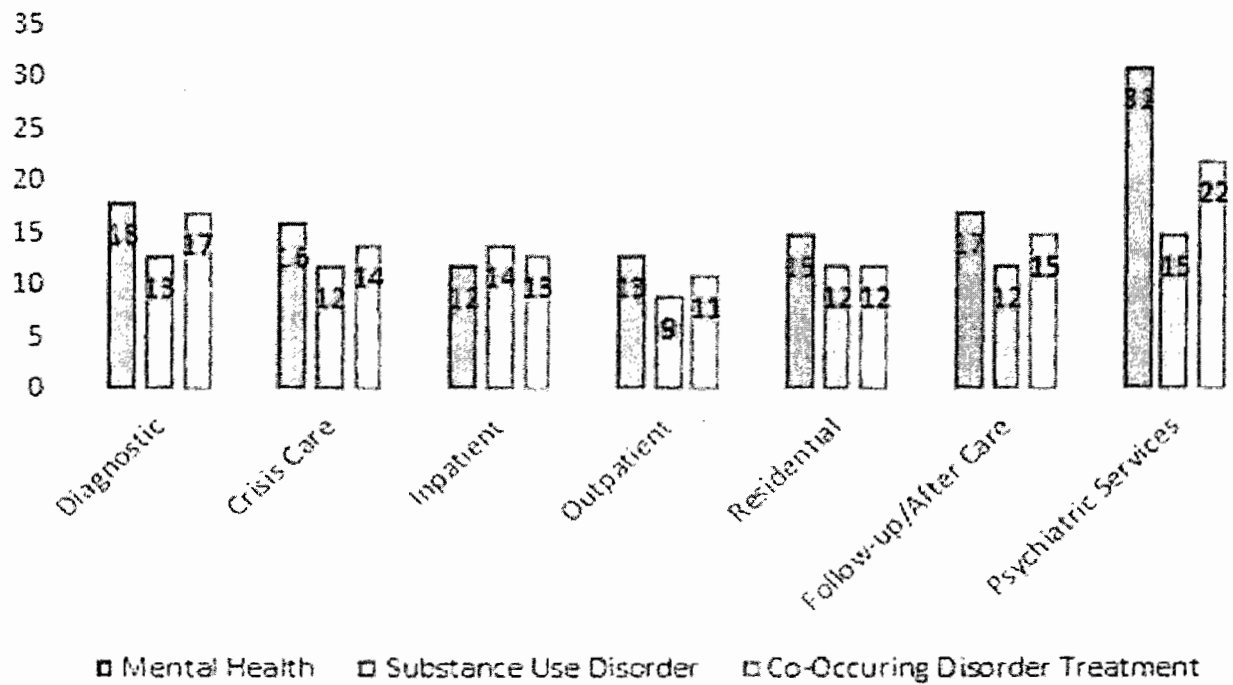
- Cost of needed services
- Wait for Services
- Distance to Services

Barriers in Making Referrals

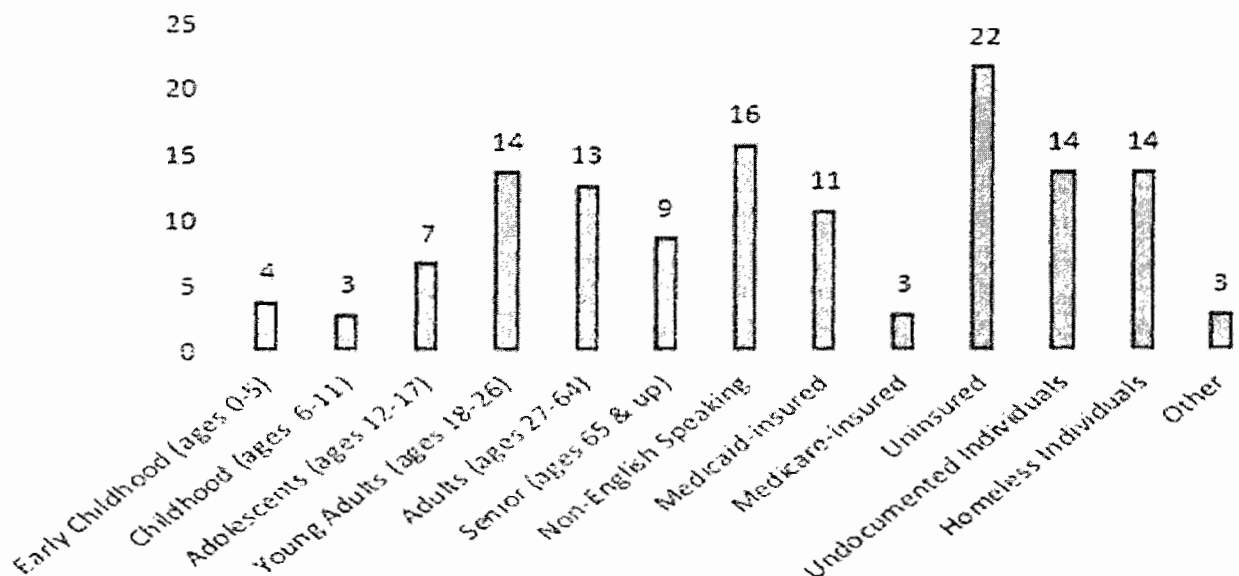


- Cost of needed services
- Wait for services
- Distance to services
- Other

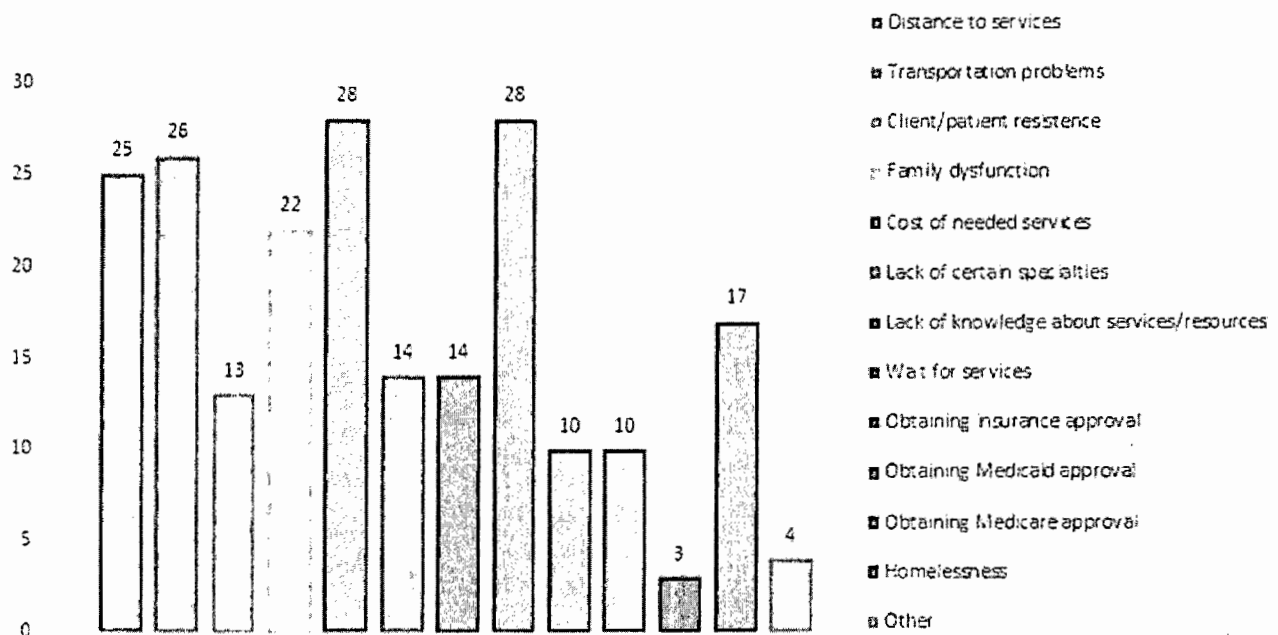
With regards to which services are hardest for clients/patients to access, 64 respondents gave a wide variety of answers as depicted in the chart below. Again, Psychiatric Services were of the utmost need.



When asked which particular populations have difficulty with accessing services, the Uninsured and Non-English speaking were cited most often, but many other groups are at risk.

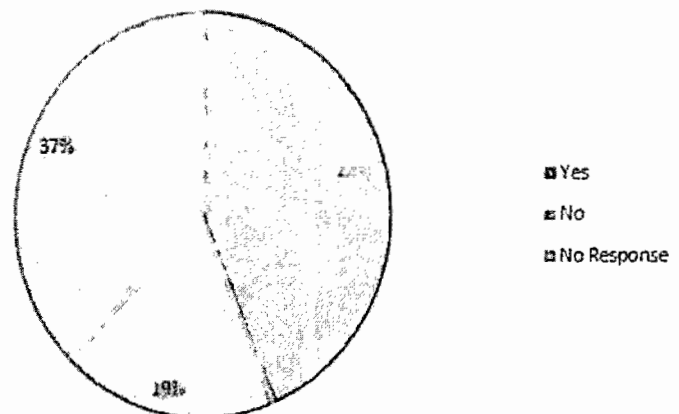


Informants were asked what barriers their organization encounters when making referrals to behavioral health providers. Costs of services and wait for services were the most cited barriers, accounting for over 26% of the total number of responses.



In answer to the question "Do you refer persons to local hospital emergency departments due to difficulty accessing services?"

- There were 40 responses.
- 28 (70%) persons answered "Yes," with comments suggesting that such referrals were for some type of emergency care as a last resort.



Will County MAPP Action Team Implementation Worksheet

Action Team:	Behavioral Health Action Team		
Strategic Issue:	How can the public health community coordinate and enhance Will County's ability to provide access to behavioral health and substance use disorder services?		
Outcome Objective:	By 2019, decrease the percentage of Will County adults with 8 – 30 mentally unhealthy days within a 30 day period to 15%. Baseline: 17.3% (2009 BRFSS) Target: 15%		
Impact Objective(s):	By 2017, decrease the number of ER/ED visits in Will County due to mental illness or substance use disorders. Baseline: To be determined Target:		
Goal:	The stigma related to behavioral health and substance use disorders will be reduced. <i>(Since we do not have the capability to measure stigma reduction, our action team will focus on promoting activities to increase awareness of stigma.)</i>		
Impact Objective:	By December 2016, the number of people trained in Will County in Mental Health First Aid will increase by 50% over a three year period (2014 – 2016). Baseline: 270 (2011 – 2013) Target: 405 (2014 – 2016)		
Implementation Steps or Reportable Milestone Activities	Timeline (Initiation-Completion)	Measure	Lead and Key Partners
1. Promote and implement youth and adult Mental Health First Aid (MHFA) trainings.	2014 – 2015	- Track the number of trainings in Will County - Track the number of people trained in Will County	Linden Oaks MHFA Consortium MAPP Project Coordinator
2. Collaborate with Will County post-secondary schools to offer MHFA as course curriculum or continuing education courses	2015 – 2016	- Track the number of schools who offer MHFA as course curriculum - Track the number of completed courses - Track the number of people trained in Will County	Linden Oaks MHFA Consortium MAPP Project Coordinator
3. Collaborate with organizations, faith-based organizations and schools to incorporate MHFA into employee training program	2016 – 2017	- Track the number of businesses who sponsor MHFA trainings - Track the number of people trained in Will County	Linden Oaks MHFA Consortium MAPP Project Coordinator
Goal:	The stigma related to behavioral health and substance use disorders will be reduced. <i>(Since we do not have the capability to measure stigma reduction, our action team will focus on promoting activities to increase awareness of stigma.)</i>		
Impact Objective:	By December 2017, increase the number of anti-stigma education projects implemented in Will County. Baseline: Data to be determined		

Implementation Steps or Reportable Milestone Activities	Timeline (Initiation-Completion)	Measure	Lead and Key Partners
1. Promote and implement Anti-stigma Symposium	2015 Q1 - Q2	Track the number of people who attend the Anti-Stigma Symposium	JJC MAPP BH Action Team
2. Promote Anti-Stigma Website	2014 - 2016	- Track number of website visits to willfindhope.org - Track number of referral links to willfinduhelp.org	JJC
3. Engage schools, organizations and the community to implement anti-stigma education projects	2015 Q3 - 2017	Track the number of anti-stigma projects implemented	JJC

Will County MAPP Action Team Implementation Worksheet

Action Team:	Behavioral Health Action Team		
Goals:	1. Persons with behavioral health issues will receive culturally competent and age-appropriate services. 2. Will County residents and behavioral health coalitions will be well informed on advocacy and legislative issues relating to behavioral health.		
Outcome Objective:	By 2019, increase the number of mental health providers (including psychiatrists, psychologists, licensed clinical social workers, counselors, and advanced practice nurses specializing in mental health care) providing services in Will County by 10%. Baseline: 367 providers (2013 CMS National Provider Identification) Target: 404 providers		
Impact Objective(s):	By December 2017, increase the % of providers planning to expand behavioral health services. Baseline: TBD (Will County Behavioral Health Capacity Assessment Survey) Target:		
Implementation Steps or Reportable Milestone Activities	Timeline (Initiation-Completion)	Measure	Lead and Key Partners
1. Engage new partners to work collaboratively to support BH Action Team initiatives	2014 Q1 – 2019 Q3	•	
2. Schedule monthly BH Action Team meetings at different locations to educate members about local BH resources and advocacy issues	2014 Q2 – 2019 Q4	•	
3. Develop behavioral health capacity assessment	2014 Q4 – 2015 Q1	•	MAPP Behavioral Health Strategic Planning Subcommittee
4. Disseminate behavioral health capacity assessment	2015 Q2	•	
5. Analyze results from behavioral health capacity assessment	2015 Q3	•	
6. Implement regional asset mapping dialogue sessions	2015 Q4	•	
7. Develop Will County MAPP Collaborative (Behavioral Health) BH Directory	2016 Q1	•	
8. Develop and disseminate white paper about Will County BH assets and needs	2016 Q2 – Q3	•	
9. Develop and disseminate Will County MAPP Collaborative BH Advocacy and Strategic Plan to address service gaps and increase providers	2016 Q4 – 2017 Q1	•	

10. Educate stakeholders, policy makers, legislatures and residents about plan	2017 Q2	•	
11. Disseminate round 2 of behavioral health capacity assessment and analyze results	2017 Q3 - Q4	•	
12. Implement strategies in plan	2017 Q3 - 2019 Q4	•	
13. Disseminate round 3 of behavioral health capacity assessment and analyze results	2019 Q3 - Q4	•	

Key:

Action complete
Action item in progress
Action item has not been started

Will County MAPP Action Team Implementation Worksheet

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Key:

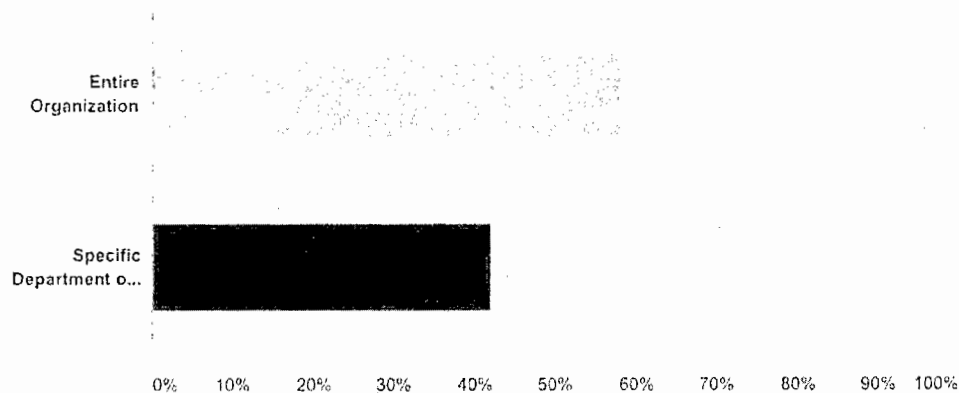
Action complete
Action item in progress
Action item has not been started

Q1 What is the name of the organization for which you are responding?

Answered: 63 Skipped: 1

Q2 Are you providing information on behalf of your entire organization or a specific department/program within your organization?

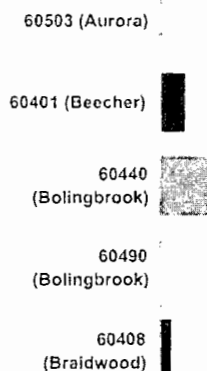
Answered: 62 Skipped: 2



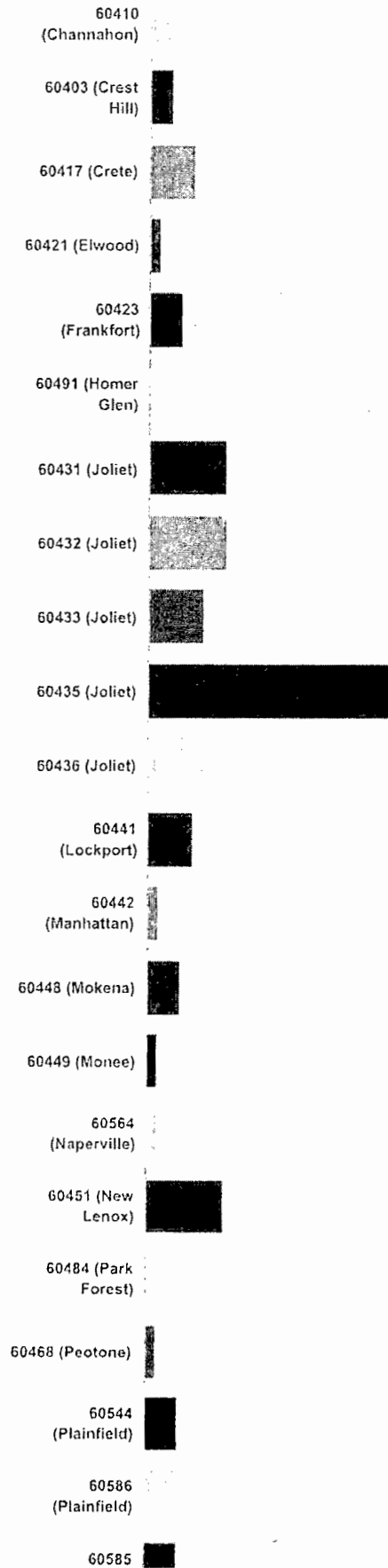
Answer Choices	Responses
Entire Organization	58.06% 36
Specific Department or Program	41.94% 26
Total	62

Q3 In which Will County zip code(s) is your facility located? If you have more than one location, please mark each one.

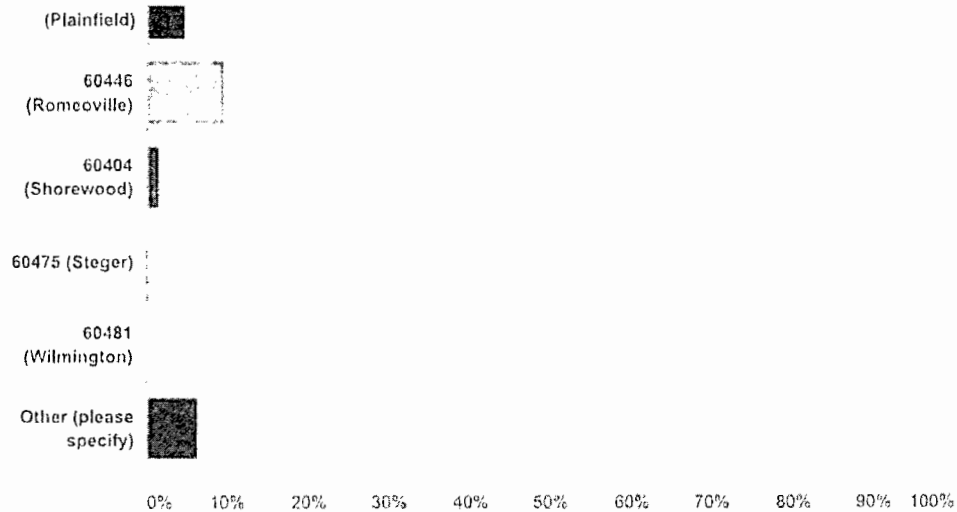
Answered: 64 Skipped: 0



Will County MAPP System Capacity Assessment 2016



Will County MAPP System Capacity Assessment 2016



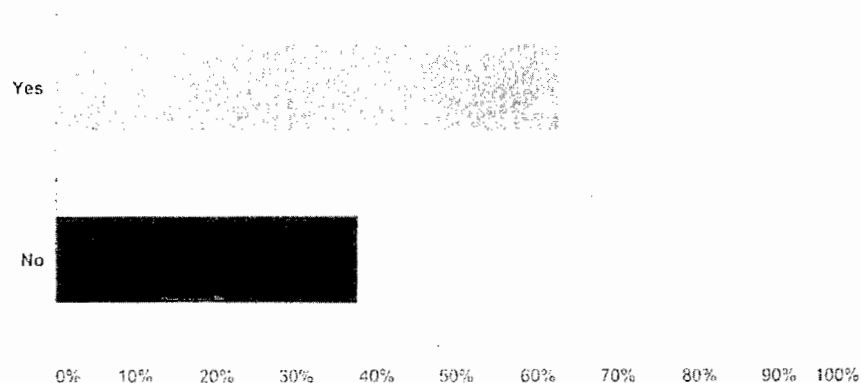
Answer Choices	Responses	
60503 (Aurora)	0.00%	0
60401 (Beecher)	3.13%	2
60440 (Bolingbrook)	6.25%	4
60490 (Bolingbrook)	0.00%	0
60408 (Braidwood)	1.56%	1
60410 (Channahon)	6.25%	4
60403 (Crest Hill)	3.13%	2
60417 (Crete)	6.25%	4
60421 (Elwood)	1.56%	1
60423 (Frankfort)	4.69%	3
60491 (Homer Glen)	0.00%	0
60431 (Joliet)	10.94%	7
60432 (Joliet)	10.94%	7
60433 (Joliet)	7.81%	5
60435 (Joliet)	34.38%	22
60436 (Joliet)	7.81%	5
60441 (Lockport)	6.25%	4
60442 (Manhattan)	1.56%	1
60448 (Mokena)	4.69%	3
60449 (Monee)	1.56%	1
60564 (Naperville)	1.56%	1
60451 (New Lenox)	10.94%	7

Will County MAPP System Capacity Assessment 2016

60484 (Park Forest)	0.00%	0
60468 (Peotone)	1.56%	1
60544 (Plainfield)	4.69%	3
60586 (Plainfield)	4.69%	3
60585 (Plainfield)	4.69%	3
60446 (Romeoville)	9.38%	6
60404 (Shorewood)	1.56%	1
60475 (Steger)	0.00%	0
60481 (Wilmington)	7.81%	5
Other (please specify)	6.25%	4
Total Respondents: 64		

Q4 Does your organization provide services in some area of behavioral health (mental health or substance use disorders)?

Answered: 64 Skipped: 0

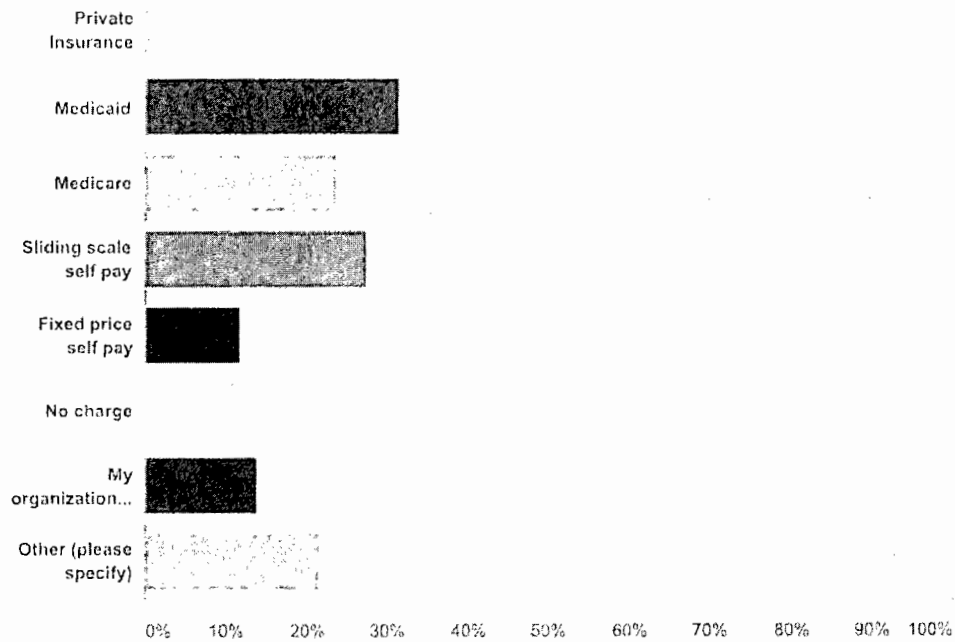


Answer Choices	Responses	
Yes	62.50%	40
No	37.50%	24
Total		64

Q5 If your organization provides direct client services, what sources of payment do you accept? Please choose all that apply.

Answered: 51 Skipped: 13

Will County MAPP System Capacity Assessment 2016

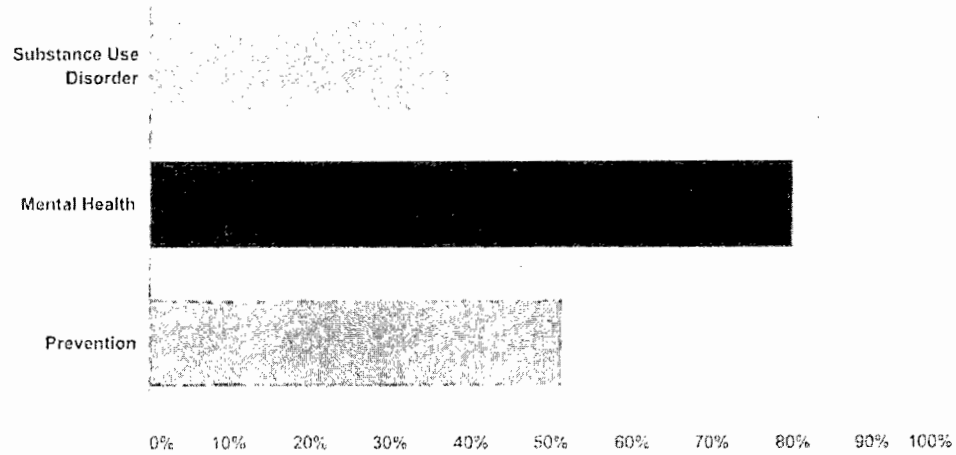


Answer Choices	Responses
Private Insurance	29.41% 15
Medicaid	31.37% 16
Medicare	23.53% 12
Sliding scale self pay	27.45% 14
Fixed price self pay	11.76% 6
No charge	41.18% 21
My organization/program does not provide direct services to clients	13.73% 7
Other (please specify)	21.57% 11
Total Respondents: 51	

Q6 Which behavioral health services does your organization provide in Will County?
Please choose all that apply.

Answer Item ID: Q6 Item ID: 20

Will County MAPP System Capacity Assessment 2016

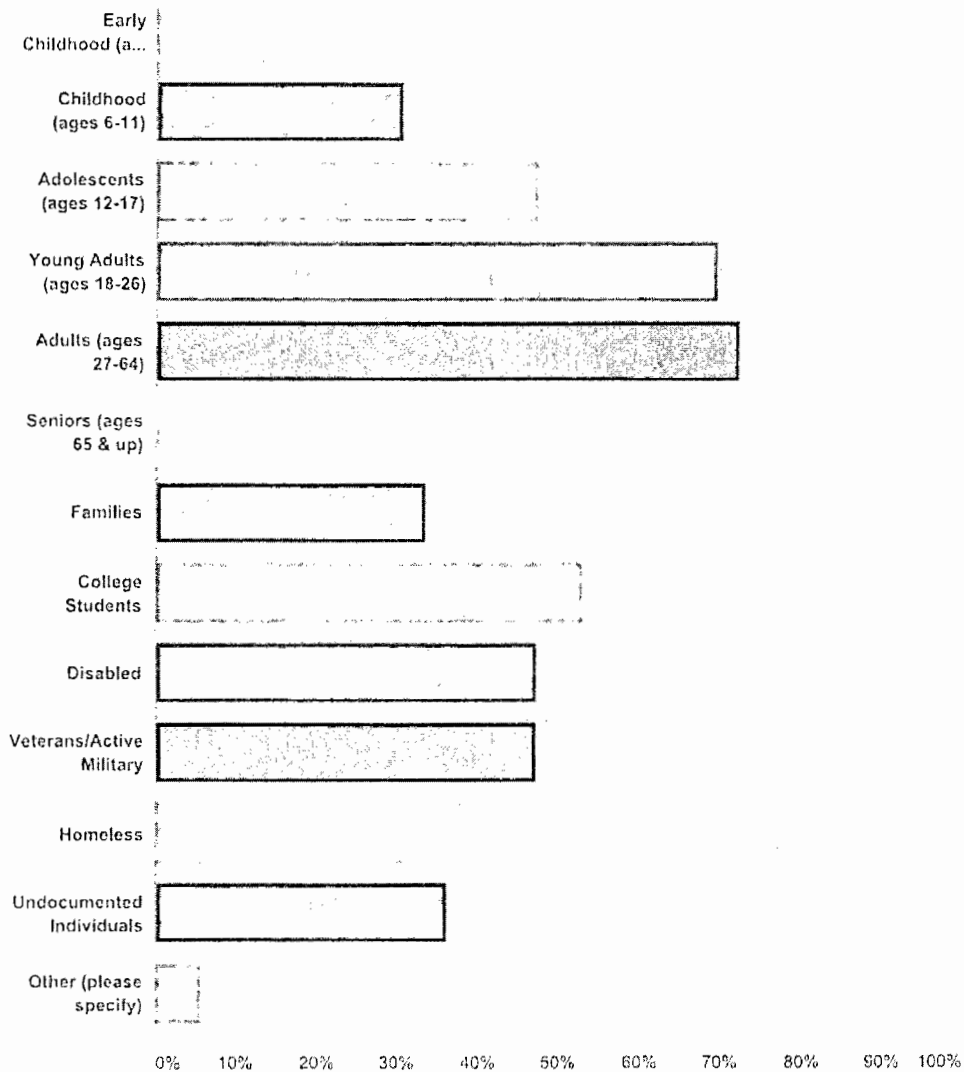


Answer Choices	Responses	
Substance Use Disorder	37.14%	13
Mental Health	80.00%	28
Prevention	51.43%	18
Total Respondents: 35		

Q7 Which population(s) does your organization serve? Please choose all that apply.

Answered: 20 (57.14%)

Will County MAPP System Capacity Assessment 2016



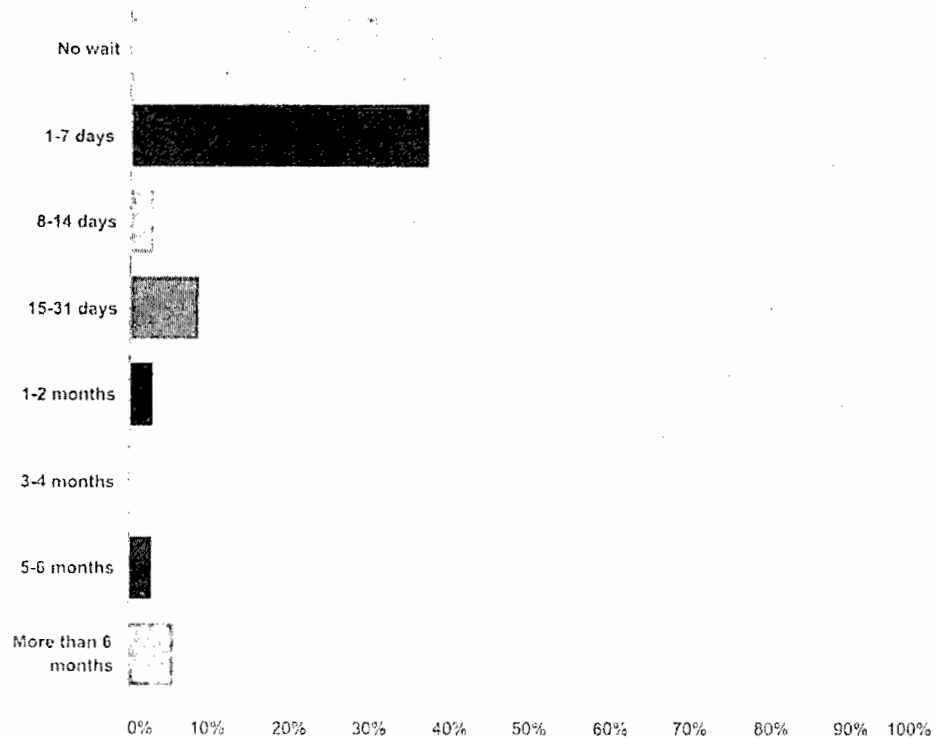
Answer Choices	Responses	
Early Childhood (ages 0-5)	25.00%	9
Childhood (ages 6-11)	30.56%	11
Adolescents (ages 12-17)	47.22%	17
Young Adults (ages 18-26)	69.44%	25
Adults (ages 27-64)	72.22%	26
Seniors (ages 65 & up)	66.67%	24
Families	33.33%	12
College Students	52.78%	19
Disabled	47.22%	17
Veterans/Active Military	47.22%	17
Homeless	41.67%	15

Will County MAPP System Capacity Assessment 2016

Undocumented Individuals	36.11%	13
Other (please specify)	5.56%	2
Total Respondents: 36		

Q8 What is the typical average wait time to receive your services?

Answered: 35 Skipped: 29



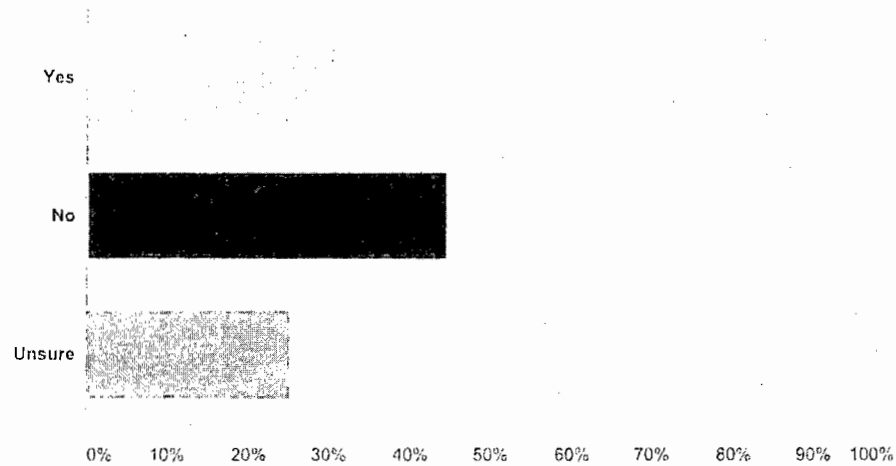
Answer Choices	Responses	
No wait	34.29%	12
1-7 days	37.14%	13
8-14 days	2.86%	1
15-31 days	8.57%	3
1-2 months	2.86%	1
3-4 months	5.71%	2
5-6 months	2.86%	1
More than 6 months	5.71%	2
Total		35

Q9 Does your organization have plans to increase your service capacity within the

Will County MAPP System Capacity Assessment 2016

next 12-18 months?

Answered: 36 Skipped: 28



Answer Choices

Yes

No

Unsure

Total

Responses

30.56%

11

44.44%

16

25.00%

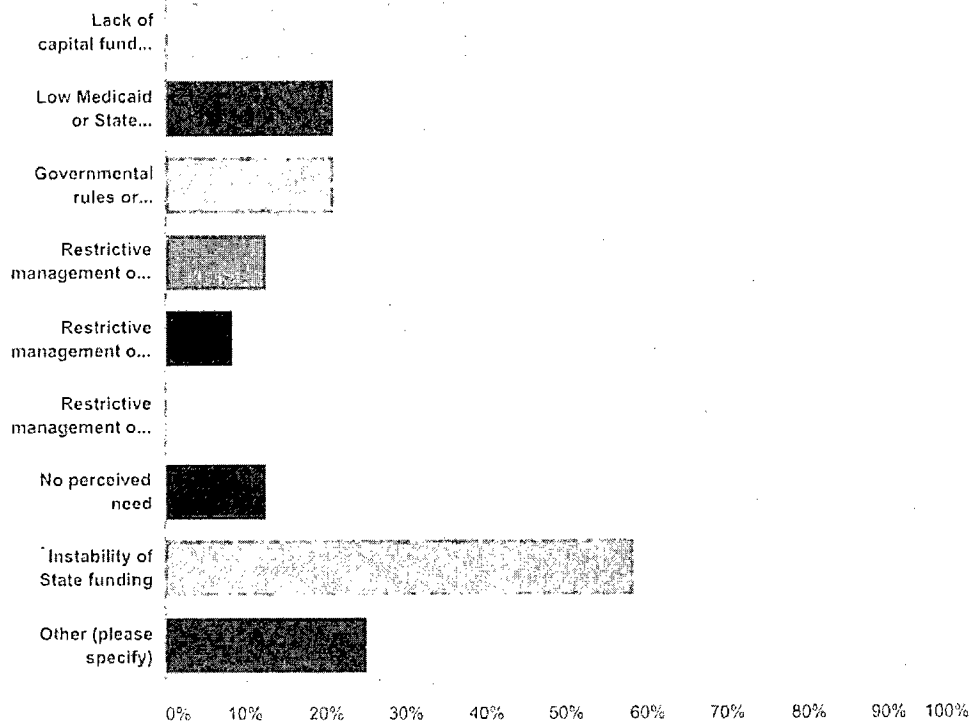
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36

Q10 What are the barriers for service capacity expansion? Please choose all that apply.

Answered: 24 Skipped: 40

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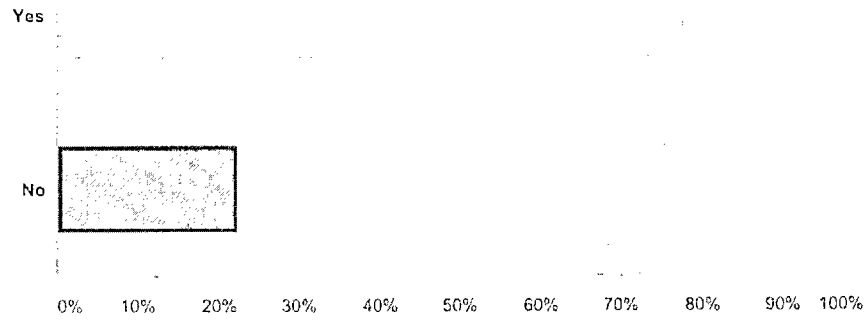


Answer Choices	Responses	
Lack of capital funding for facility expansion	37.50%	9
Low Medicaid or State reimbursement rates	20.83%	5
Governmental rules or regulations preventing expansion	20.83%	5
Restrictive management of insurance benefits	12.50%	3
Restrictive management of Medicaid benefits	8.33%	2
Restrictive management of Medicare benefits	0.00%	0
No perceived need	12.50%	3
Instability of State funding	58.33%	14
Other (please specify)	25.00%	6
Total Respondents: 24		

Q11 Does your organization provide referrals to clients/patients for behavioral health services?

Answered: 58 Skipped: 6

Will County MAPP System Capacity Assessment 2016



Answer Choices

Yes

No

Total

Responses

77.59%

45

22.41%

13

58

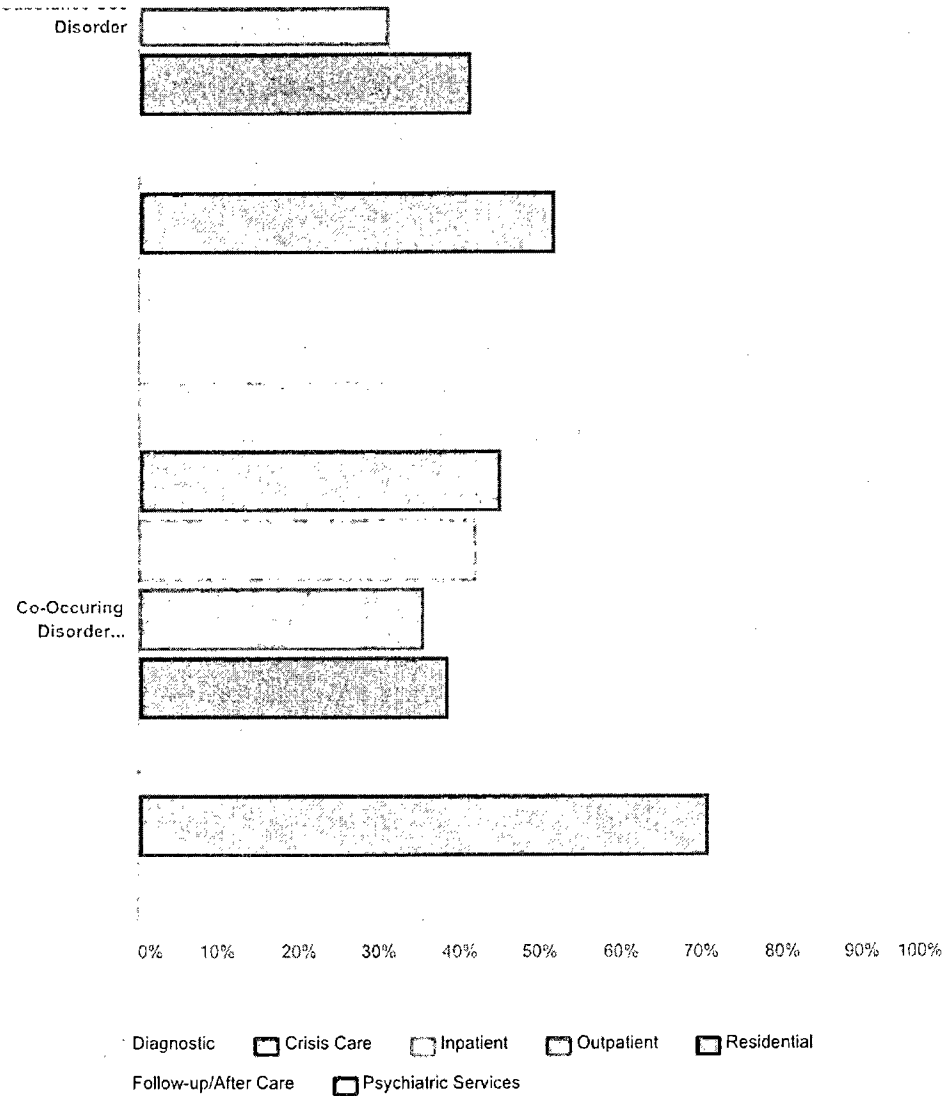
Q12 What types of services are hardest to access for your clients/patients? Please choose all that apply.

Answered: 57 Skipped: 27

Mental Health

Substance Use

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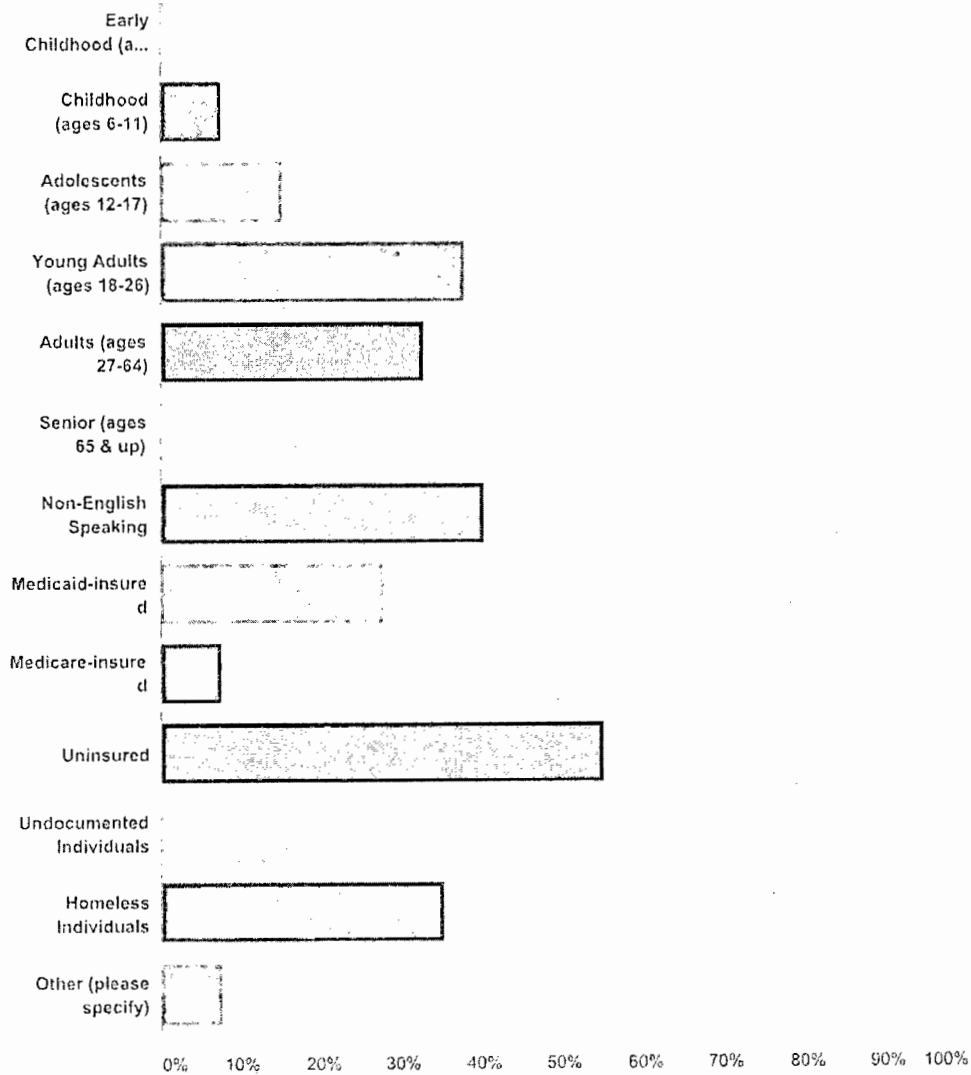


	Diagnostic	Crisis Care	Inpatient	Outpatient	Residential	Follow-up/After Care	Psychiatric Services	Total Respondents
Mental Health	50.00% 18	44.44% 16	33.33% 12	36.11% 13	41.67% 15	47.22% 17	66.11% 31	36
Substance Use Disorder	44.83% 13	41.38% 12	48.28% 14	31.03% 9	41.38% 12	41.38% 12	51.72% 15	29
Co-Occurring Disorder Treatment	54.84% 17	45.16% 14	41.94% 13	35.48% 11	38.71% 12	48.39% 15	70.97% 22	31

Q13 Is there a particular population for which it is difficult to access services?
Please choose all that apply.

Answered: 40 Skipped: 24

Will County MAPP System Capacity Assessment 2016



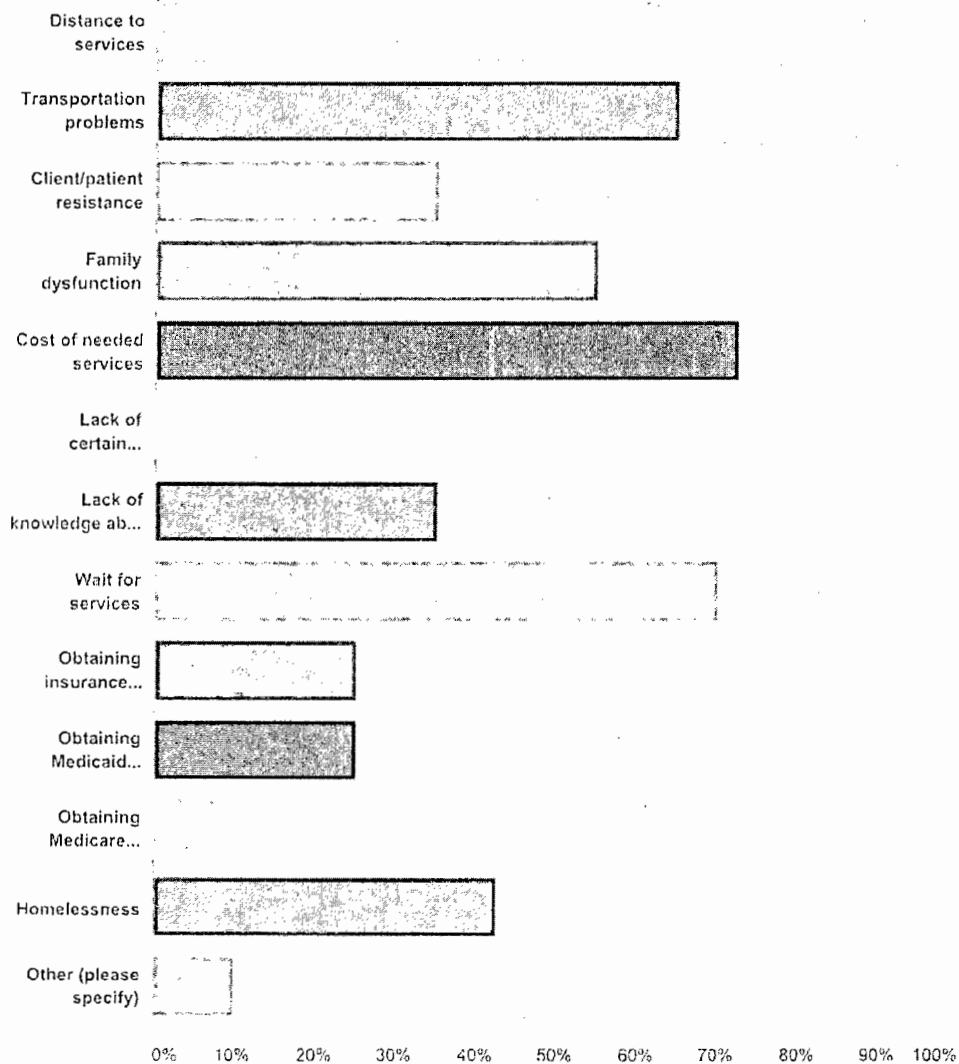
Answer Choices	Responses	
Early Childhood (ages 0-5)	10.00%	4
Childhood (ages 6-11)	7.50%	3
Adolescents (ages 12-17)	15.00%	6
Young Adults (ages 18-26)	37.50%	15
Adults (ages 27-64)	32.50%	13
Senior (ages 65 & up)	22.50%	9
Non-English Speaking	40.00%	16
Medicaid-insured	27.50%	11
Medicare-insured	7.50%	3
Uninsured	55.00%	22
Undocumented Individuals	35.00%	14

Will County MAPP System Capacity Assessment 2016

Homeless Individuals	35.00%	14
Other (please specify)	7.50%	3
Total Respondents: 40		

Q14 What barriers does your organization encounter in making referrals to behavioral health providers? Please choose all that apply.

Answered: 40 Skipped: 24



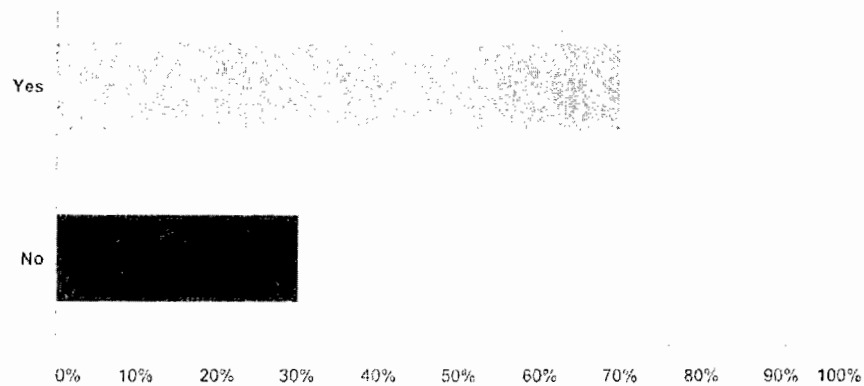
Answer Choices	Responses	
Distance to services	62.50%	25
Transportation problems	65.00%	26
Client/patient resistance	35.00%	14

Will County MAPP System Capacity Assessment 2016

Family dysfunction	55.00%	22
Cost of needed services	72.50%	29
Lack of certain specialists	35.00%	14
Lack of knowledge about services/resources	35.00%	14
Wait for services	70.00%	28
Obtaining insurance approval	25.00%	10
Obtaining Medicaid approval	25.00%	10
Obtaining Medicare approval	7.50%	3
Homelessness	42.50%	17
Other (please specify)	10.00%	4
Total Respondents: 40		

Q15 Because of difficulty accessing services, do you refer persons to local hospital emergency departments?

Answered: 40 Skipped: 24

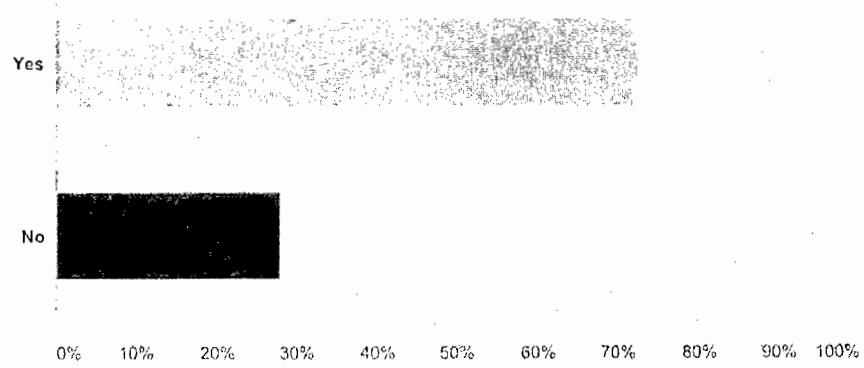


Answer Choices	Responses	
Yes	70.00%	28
No	30.00%	12
Total		40

Q16 Is your agency involved in prevention education or other prevention strategies?

Answered: 54 Skipped: 10

Will County MAPP System Capacity Assessment 2016



Answer Choices

Responses

Yes

72.22%

39

No

27.78%

15

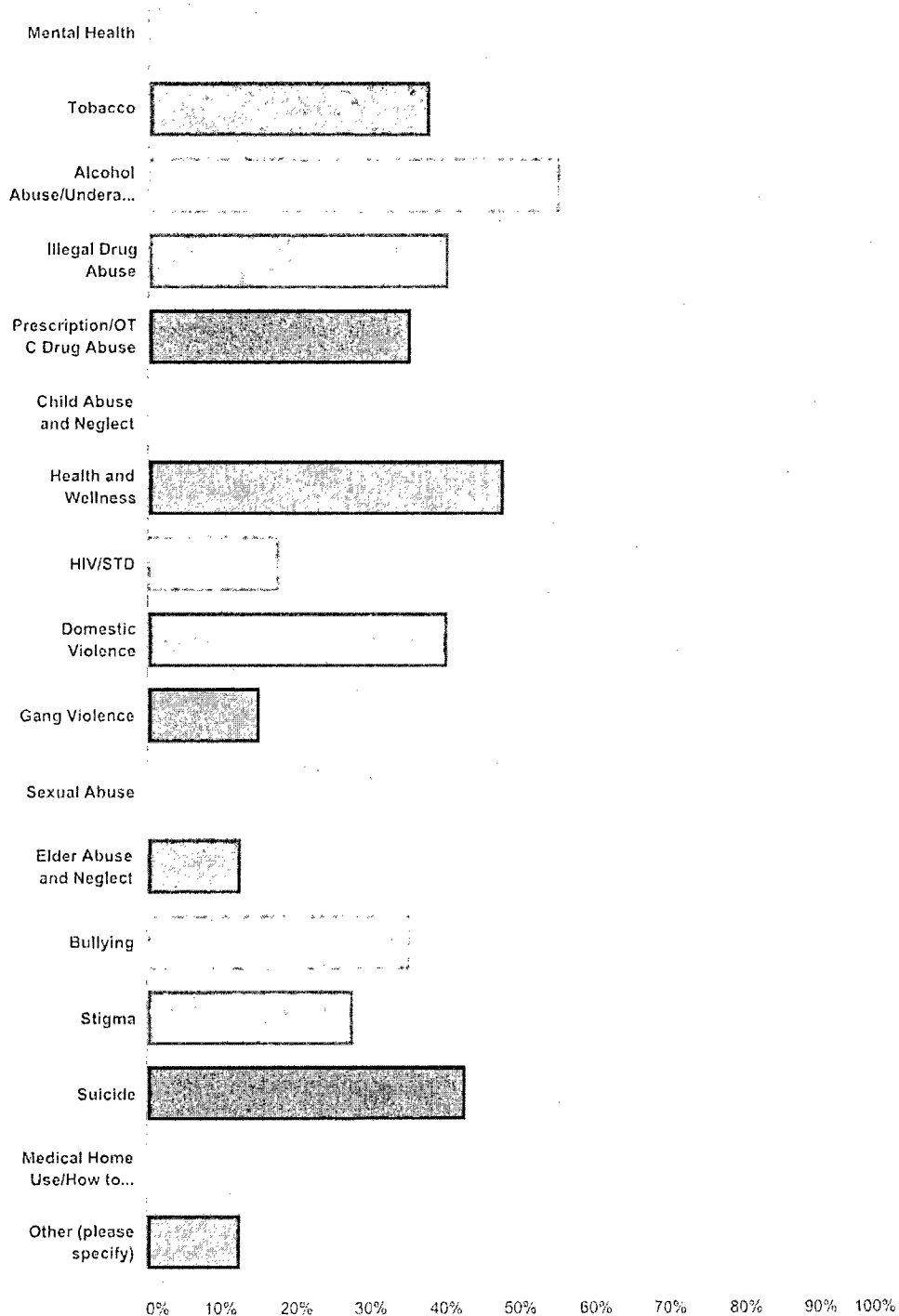
Total

54

Q17 What do your prevention strategies target? Please choose all that apply.

Answers: 40 Skipped: 24

Will County MAPP System Capacity Assessment 2016



Answer Choices

Responses

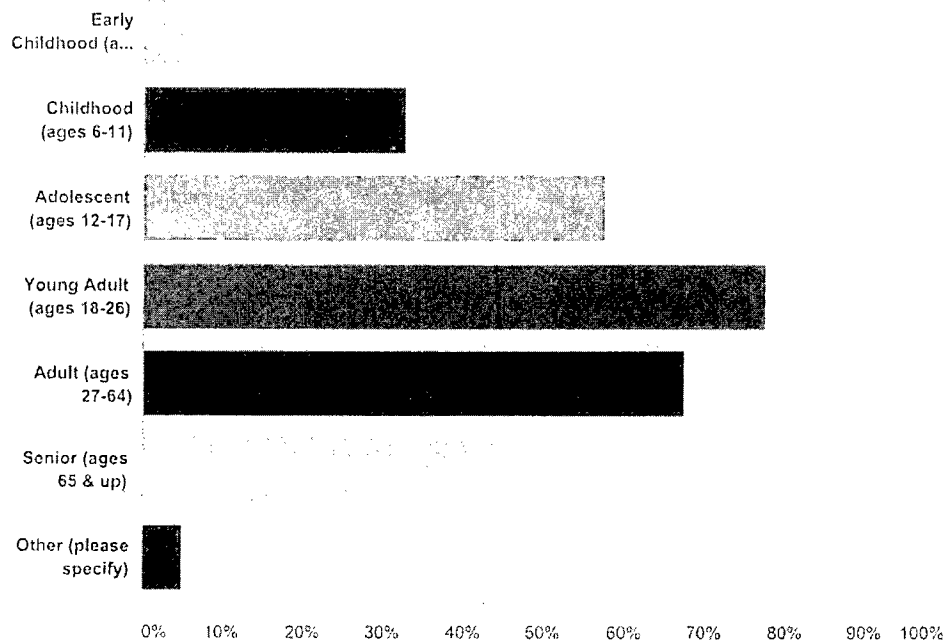
Mental Health	47.50%	19
Tobacco	37.50%	15
Alcohol Abuse/Underage Drinking	55.00%	22
Illegal Drug Abuse	40.00%	16

Will County MAPP System Capacity Assessment 2016

Prescription/OTC Drug Abuse	35.00%	14
Child Abuse and Neglect	30.00%	12
Health and Wellness	47.50%	19
HIV/STD	17.50%	7
Domestic Violence	40.00%	16
Gang Violence	15.00%	6
Sexual Abuse	30.00%	12
Elder Abuse and Neglect	12.50%	5
Bullying	35.00%	14
Stigma	27.50%	11
Suicide	42.50%	17
Medical Home Use/How to access and utilize healthcare services appropriately	25.00%	10
Other (please specify)	12.50%	5
Total Respondents: 40		

Q18 What age group(s) do you target with your prevention strategies? Please choose all that apply.

Answered: 40 Skipped: 21



Answer Choices

Early Childhood (ages 0-5)

Responses

10.00%

4

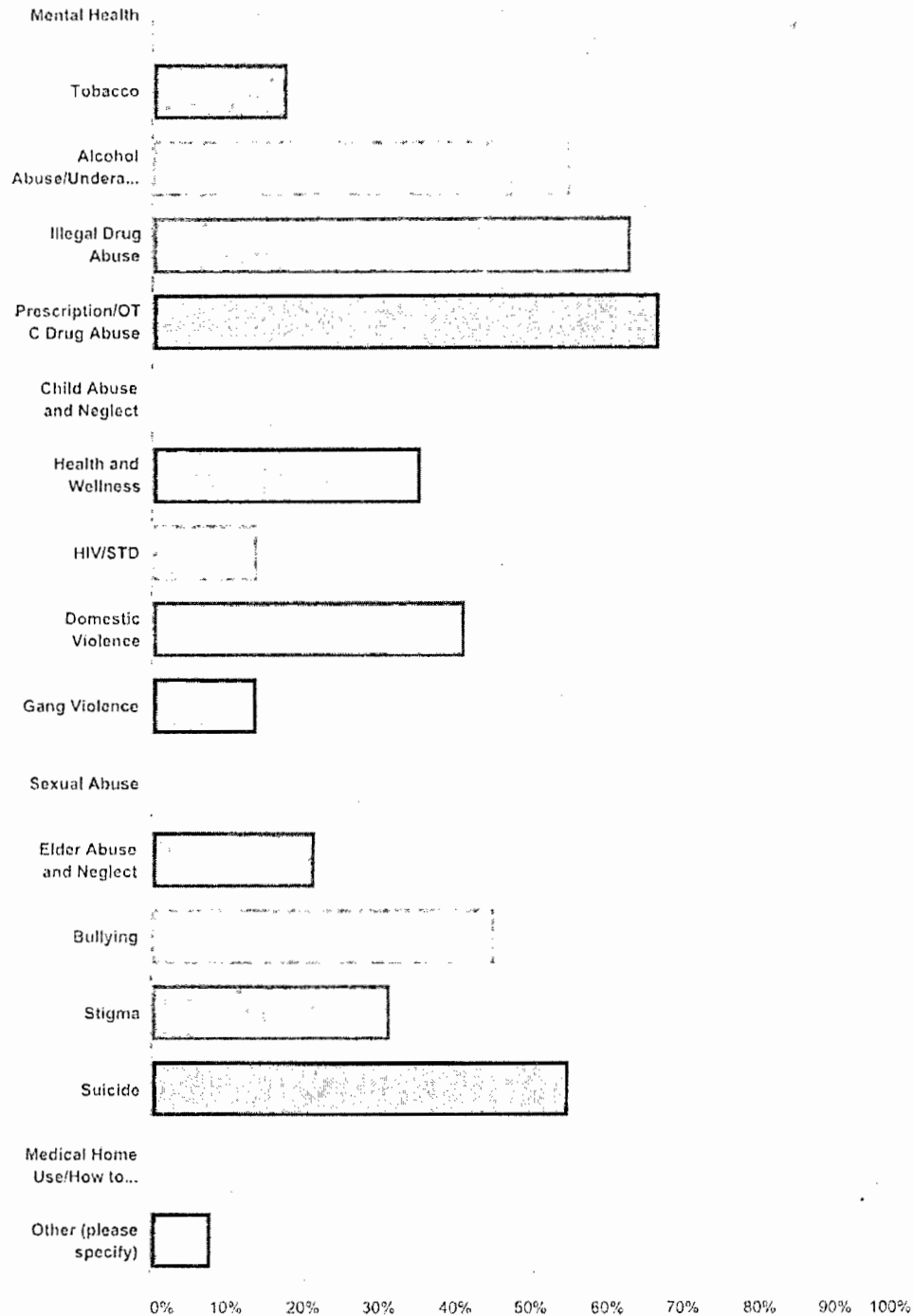
Will County MAPP System Capacity Assessment 2016

Childhood (ages 6-11)	32.50%	13
Adolescent (ages 12-17)	57.50%	23
Young Adult (ages 18-26)	77.50%	31
Adult (ages 27-64)	67.50%	27
Senior (ages 65 & up)	45.00%	18
Other (please specify)	5.00%	2
Total Respondents: 40		

Q19 Regardless of whether you or your organization is involved with prevention efforts, in which areas do you feel more prevention efforts are needed to address current behavioral health problems?

Answered: 51 Skipped: 15

Will County MAPP System Capacity Assessment 2016



Answer Choices

Mental Health

Tobacco

Alcohol Abuse/Underage Drinking

Illegal Drug Abuse

Responses

84.31% 43

17.65% 9

54.90% 28

62.75% 32

Will County MAPP System Capacity Assessment 2016

Prescription/OTC Drug Abuse	66.67%	34
Child Abuse and Neglect	21.57%	11
Health and Wellness	35.29%	18
HIV/STD	13.73%	7
Domestic Violence	41.18%	21
Gang Violence	13.73%	7
Sexual Abuse	27.45%	14
Elder Abuse and Neglect	21.57%	11
Bullying	45.10%	23
Stigma	31.37%	16
Suicide	54.90%	28
Medical Home Use/How to access and utilize healthcare services appropriately	33.33%	17
Other (please specify)	7.84%	4

Total Respondents: 51

Q20 If you could change one thing about the system for behavioral health services in Will County, what would it be?

Answers: 2039 - 2040 - 20

Q21 How has uncertainty about the state budget impacted your ability to provide services?

Answers: 1143 - 1144 - 21

Q22 Thank you for taking the time to complete this survey. Please provide the following information to enable us to maintain data validity.

Answers: 141 - 141 - 11

Answer Choices	Responses	
Name	100.00%	44
Title	97.73%	43
Email Address	100.00%	44



A Dearth of Psychiatric Beds

Psychiatric Times, Feb. 25, 2016

February 25, 2016 | Psychiatric Emergencies, Cultural Psychiatry, Forensic Psychiatry, Risk Assessment
By E. Fuller Torrey, MD

COMMENTARY

The current shortage of psychiatric beds in the US is a major problem. Emergency departments (EDs) are crowded with acutely psychotic patients—some who wait for beds for up to a month. The pressure on existing beds is so intense that patients are discharged prematurely and often have to be readmitted or end up homeless or incarcerated. Nevertheless, many states continue to decrease the number of state hospital beds. One reason for such decisions by state officials is that there is no accepted standard regarding how many psychiatric beds are needed.

The recently published study of psychiatric bed needs by La and colleagues¹ provides such a standard. The authors studied a 25-county region of North Carolina with a population of 3.4 million. The regions' total psychiatric bed capacity consisted of 398 beds in a state hospital; 494 adult psychiatric beds in 14 general or private psychiatric hospitals; and 66 nonhospital crisis beds in 5 facilities. Combined, this totaled 958 psychiatric beds, or approximately 28 adult beds per 100,000 population. The average ED preadmission wait time for psychiatric beds in this region at the time of the study (2010 to 2012) was 3.3 days.

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The authors used a computer simulation program to model different scenarios to ascertain how many additional psychiatric beds would be needed to achieve an average preadmission wait time of less than a day. The answer was 356 additional beds, bringing the total bed capacity to 1314 or about 39 adult beds per 100,000 population. This calculation included only adult patients (ages 18 to 64) and assumed a median duration of stay in the state hospital of 20 days, which existed in the hospital under study at that time. This calculation did not include psychiatric beds for children or for forensic patients who usually stay for extended periods.

In 2008 a study was published by the Treatment Advocacy Center that estimated the minimum number of public beds necessary for adequate psychiatric services for a population of 100,000.² Estimates were solicited "from 15 experts on psychiatric care in the US, [including] individuals who have run private and state psychiatric hospitals, county mental health programs, and experts on serious psychiatric disorders."

In contrast to the study by La and colleagues, the 2008 estimates included beds for children and forensic patients. The consensus estimate of bed need by the 15 experts was 50 (range 40 to 60) public psychiatric beds per 100,000 population. Given these findings, it seems reasonable to establish a range of 40 to 60 psychiatric beds per 100,000 population as a minimum standard currently needed for reasonable psychiatric care in the US in light of the realities of the present funding system.

Such caveats are necessary because we actually do not know how many psychiatric beds would be needed if we were not constrained by Medicaid and other federal regulations. Before these regulations, several studies demonstrated effective and less expensive alternatives to psychiatric hospitalizations. For example, in 1961 to 1964 the Louisville Homecare Project demonstrated that approximately 75% of persons with schizophrenia could be successfully treated at home rather than the hospital with daily visits by public health nurses and guaranteed medication compliance.^{3,4} Similarly, the Southwest Denver Mental Health Services contracted with private homes to take acutely ill individuals with care coordinated from the mental health center.⁵ Without federal regulations, many alternatives to hospitalization might be found.

Given the present system, however, it is clear that a small number of individuals will continue to need a hospital that is staffed for very difficult patients and/or those whose stay should be measured in weeks, not days. As La and colleagues note, state psychiatric hospitals have traditionally played this role, since they "are designed and staffed to care for people with severe mental illness, including those who may become violent." Thus, "state psychiatric hospitals are the ultimate safety net for people with mental illness."

Psychiatric units in general hospitals and private psychiatric hospitals occasionally admit individuals who have the most severe forms of mental illness, but most are not staffed to do so. In addition, most individuals with the most severe forms of mental illness do not have health insurance and are considered less desirable by private psychiatric hospitals and psychiatric units in general hospitals, 81% of which are privately owned.

Currently, there are about 35,000 state psychiatric beds available, or about 11 beds per 100,000 population.

It would thus be useful to establish a standard for what percentage of the 40 to 60 beds per 100,000 population should be in state psychiatric hospitals, but there is no such standard at this time. In 1955 there were 558,239 state and county psychiatric beds available, or about 340 beds per 100,000 population. Currently, there are about 35,000 state psychiatric beds available, or about 11 beds per 100,000 population. However, even this figure is misleading because in most states the existing state psychiatric hospital beds

For example, a 2014 study reported that Larned State Hospital in Kansas had 457 beds.⁶ However, 190 of the beds were occupied by court-ordered forensic patients who had criminal charges, and another 177 beds were occupied by court-ordered sexual predators; this left only 90 beds for possible admissions. And in many state hospitals such beds are used only for brief hospitalizations, leaving no alternatives for patients who need longer periods for stabilization.

As La and colleagues point out, other measures can be taken to decrease the need for psychiatric beds. Such measures include assertive community treatment and the use of assisted outpatient treatment (AOT) to ensure medication adherence. Studies of AOT have shown that it results in a dramatic decrease in psychiatric rehospitalization.⁷

It is very clear that the more effective the outpatient services, the less need for psychiatric hospitalization. But despite the best outpatient efforts, some severely ill patients will continue to need the ultimate safety net of the state psychiatric hospital. It is important that we recognize that fact and establish a minimum standard for how many psychiatric beds are needed.

DISCLOSURES

Dr Torrey is a research psychiatrist who specializes in schizophrenia and bipolar disorder. He is founder of the Treatment Advocacy Center and Associate Director of the Stanley Medical Research Institute, which supports research on schizophrenia and bipolar disorder, and he is Professor of Psychiatry at the Uniformed Services University of the Health Sciences in Bethesda, MD.

EDITOR'S NOTE: Readers are invited to comment on our website. Please adhere to our editorial request to leave your full name and professional title at the end of your comment.

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Editor's note: We invite you to read Dr Torrey's recent essay "Fraud, Waste, and Excess Profits" on www.PsychiatricTimes.com.

Oldest First Newest First

When acute and chronic mental health problems are on the increase, it is the silliest thing to reduce the bed capacity either in state/public hospitals or in private sector. Deinstitutionalization failed in USA due to alternative services were not in place. Mental health patients rights need to be protected and they deserve a humane treatment at places equipped with basic facilities and human resources, a minimum requirement to maintain decency and respect for mentally ill patients and their caregivers.

Naseem @ Mon, 2016-02-29 03:26

reply

I'm a Registered Nurse working in a Forensic Mental Health Unit in New Zealand. Mental health bed shortage is world wide trend. We tend to be the poor cousin of health services so when health cuts are needed our heads/bed numbers seem to be on the chopping block. I would love to know how my government works out the required number of mental health bed per head of population. Being a locked Forensic unit we often get the over flow or the too hard to handle individuals which is wrong. This in turn effects how my unit functions.

Bed shortages throughout the western world is going to continue, particularly now with the influx of refugees.

Karin @ Sun, 2016-02-28 17:32

reply

Reagan also changed our paradigm for treating the chronic severely mentally ill. We used to house them in huge state facilities behind locked gates where they got minimal care and weren't allowed out. Now we house them under bridges, in alleys and doorways, where they are free to freeze to death in the winter or die of cirrhosis or pneumonia. It's so much more humane now that we don't deny them their freedom.

Peter @ Sun, 2016-02-28 00:13

reply

Re freedom and closing state hospitals-NOT the psychiatrists' doing!!

Peter @ Sun, 2016-02-28 00:14

reply

The trans-institutionalization of our mental health system has a long and tragic history. Let's not traffic in urban myths as "Regan changed our paradigm for treating the chronic severely mentally ill."

The record reflects America's fundamental paradigm change occurred with President Kennedy's 1963 "Community Mental Health Act" and President Johnson's persuasion of Congress to institute his "Great Society Programs," i.e. Medicare and Medicaid.

Peddling in political palaver will not fix America's broken mental health system. One can read historical government documents and observe their presentations to Congress on the Internet to verify events for accuracy; urban myths just cloud judgment and decision-making.

William @ Wed, 2016-03-02 13:10

reply

I work in Cleveland, Ohio and I have seen psychiatric care change over the years from a hospital based system, where private hospitals refused Medicaid, to a community based system in which fewer and fewer patients are hospitalized, for fewer days and private hospitals have a vast majority of available beds. I work in an integrated behavior health care program in a FQHC doing counseling. This is the third innovative program in which I have worked. One was Permanent Supported Housing, which moved people who were chronically homeless directly into affordable housing with services. We kept a lot of people out of hospitals for all kinds of chronic health issues. Thanks to the Medicaid expansion, we can bring behavioral health to primary care where we can see people who formerly could access counseling only when they became so dangerously ill they presented at the ED. I see people with all diagnoses, including schizophrenia, but mostly chronic PTSD. So we have some prevention efforts and they really do work. But come the weekend in northern Ohio, psych intake workers all around the area are calling one another trying to find out what facility might have an acute adult psych bed available. We've had so many adult units closed over the past few years that the patients suffer.

Sue @ Sat, 2016-02-27 22:02

reply

A big reason is the insurance companies who have unrealistic criteria without regard for the treating physician's concerns or explanations

sobia @ Sat, 2016-02-27 19:23

reply

Under the auspices of the National Action Alliance for Suicide Prevention, in 2015 Dr. Mike Hogan and I co-lead a task force on the challenges of Emergency Departments and the lack of appropriate community-based psychiatric crisis care. We don't believe the answer is more inpatient acute care beds, but rather the implementation of innovative approaches currently being used in Georgia, Colorado and North Carolina. See the full report at <http://bit.ly/AACrisisHappensNow>.
David Covington, LPC, MBA

CEO & President, RI International and Co-lead National Action Alliance Crisis Services Task Force

David @ Sat, 2016-02-27 19:07

reply

We have the same problem in Australia although not as severe. Our wait times for a Psych bed don't seem to run to much more than a couple of weeks. However, the rapid discharge and warehousing in gaols is definitely here. Then, our bureaucrats are usually a little behind those of the USA and UK, and so I expect the problem will grow before change occurs.

Dr Ray Taylor
Consultant Psychiatrist
Adelaide, South Australia

Ray @ Sat, 2016-02-27 17:48

reply

Thank you, Dr. Torrey for your interesting analysis, also thanks to the contributors to this blog. I am a private practice mental health therapist. Both medical and mental health care is in total chaos and I hope we can all work together to improve this situation. I am convinced that we must stop pretending that mental health issues are a part of something outside the human condition. That is, we must once and for all eliminate the discrimination inherent in our society about mental illnesses, all of which reside in the same brain that we gladly treat for tumors, bleeding, strokes, MS, etc without a breath of discrimination. However, if a person has a mental condition outside of the pure Medical model, treatment can consist of riding around in the back of a police car until a bed or a cell becomes available. There should be a day when hospital and community care treat the human condition that presents itself, rather than looking for a mental health bed if mental illness is evident. Do you remember the concept of "parity" for mental health vs medical health? Parity is not the answer to the lack of mental health treatment, it is a further separation of a human being into prioritized categories of suffering, instead of an intention to treat the presenting condition without prejudice or a financial judgment of importance. The brain is part of the body after all, and if it is amenable to treatment for whatever is ailing it, be it a tumor or a psychosis, we must provide that treatment, and in fact we are capable of successfully treating mental conditions if we just choose to do so.

Roger @ Sat, 2016-02-27 16:33

reply

We need to remove the patients that treat their stay at a mental facility as a "vacation" from the daily life and make room for those who are in distress and need immediate medical and physical help. One of the hospitals in CA that I visited the new people that were admitted weren't even told how to get the medication that was an option, but necessary, where to go to get it. I was appalled at the way that this facility was operated and would never send a patient here.

Pat @ Sat, 2016-02-27 18:07

reply

The "state" pays for psychiatric care, in-patient, through the mental health centers. These places don't want to waste money caring for patients because they need it for salaries and other administrative costs. They don't even take anymore the sickest patients because of the cost and time to care for them. So of course there are fewer beds because they are not used as they should be.

Mitchel @ Sat, 2016-02-27 18:29

reply

No room in the inn... or the out-patient facility, or anywhere for that matter except for the very affluent. Our neighborhood has two of the walking wounded who, in the old days, would have been warehoused (most likely) in a state facility. Are they any better off wandering the streets (one of them is called The Yeti by the neighborhood children) than they were before? Are we, as a society, willing to increase taxes to explore and implement some of the programs/solutions underway in the E.U.? Probably not - we seem to be in the grip of a psycho-social hallucination wherein the poor, the immigrants, the addicted and the deranged are freeloading on a small, well heeled but beleaguered minority of virtuous (proved by success) citizens who are unwilling to look out the window. I'm not optimistic.

Alex @ Sat, 2016-02-27 18:20

reply

In many areas of "behavioral health" we do not have a social plan that meets the big picture or true needs of the community. Heaven help us if we talk about social programs as a part of a socialism! Private companies and families can do the job better??? Yes, if you have insurance and can afford a well funded private program that makes a profit while assisting a client. That leaves most individuals under a freeway underpass.

We generalize solutions, then find the exceptions that do not meet the standard care or cost, leaving many outside the support network. There are lawsuits that restrict us for the benefit of one with an unique need not met or because someone was unable to give the help that was needed, most likely due to funding, training, or inadequate background check. Staffing any type of facility is difficult. Highly trained personnel should be paid well but are not (psychiatrists are in high demand everywhere and often do not take insurance). If you do not have well educated and trained staff, good practice is harder to maintain as the numbers of patients increase and care is more limited. This is true in all medical fields. The middle man often control the access to treatment (insurance co or MediCal) without the variables of individual cases taken into account. One doctor or one nurse can not battle constantly with insurance co to provide the needed care. This creates burn out. Oversight is needed, but that should be a medical director(s) role, not the objective view of those trying to make a profit. Fiscal responsibility is necessary, but profit on peoples' illnesses is not. This leads back to a government run program, the very idea that upsets many people who are afraid of government run programs. If it is privately run, then someone is making a profit. So what government organization is left to do the job for those without income, insurance or legal representation—criminal justice and a patchwork of social programs for band-aid therapy and treatment.

On the prevention side, some families and individuals actually consider family histories, making tough decisions about child bearing and the number of children they have. They make hard decisions early for their children with behavior disorders and help them through each available system: school, medical, private and public systems. If you have the financial means and the education, you understand the risks for your children and respond. For those that do not understand, have the adequate education or ability to understand, there are no choices. You are encouraged to have as many children as possible (no ins, no birth control, no abortion, and just saying no is not a real option...). With mental health issues in families (poor have more because they can not avoid it with other options in life) you have extremely stressful relationships, lose jobs, and housing. Then you find a better partner, have additional children, and give up the children that you can not control or care for to the foster system. Sometimes you never received help and regretably do harm to the children you had hoped would give you a new future different than your own. Now we have a complication social, moral, ethical problem that needs addressing without sugar coating cause and effect. This is usually decided by politicians that have votes at stake, give a short term response, and none of the laws or regulations are reviewed, updated, or given one to one consideration, but jammed through with other laws and regulations just to get a piecemeal band aid to a real crisis. We are not going to solve the mental health problems without a serious view of the connecting problems in the criminal justice programs, the education/child welfare programs, how health care is given or not given, private companies that make money on these services (insurance, hospitals) vs public (all groups left to handle enormous case loads after the failure of other systems including families that are ideally expected to do the job in full for their own members.

We can add more psychiatric beds, yes, but will that really fix the problem? No. We are adding more homeless shelters, more prison space, more drug rehab, and the public schools are supposed to do more and more for seriously disturbed young people in old buildings, without sufficiently trained staff for psychiatric or criminal experience (they are educators and are trained to teach math and language arts-remember?). Someone recently thought teachers should teach substance abuse prevention. It is a short lesson in health curriculum now, but the ones that most need it walk out of class, fall asleep in class, and do not care if they flunk the class. The parents at this point, have no clue how to handle their children. We are back to the criminal justice system.....

How do we reduce the need for psychiatric care (beds in a hospital), provide the care when and how it is needed, and create a well functioning program for the majority of people who can not afford private care in a private hospital are the questions—not a isolated question about number of beds for psychiatric patients (or homeless, foster children, and criminals). We are talking about highly related, connected systems. We can not fix one without the other.

Karen @ Sat, 2016-02-27 12:57

reply

The New Asylums

50 years ago people were horrified that the mentally ill were being "warehoused" in mental institutions. So the government turned the mentally ill out to live in the street. Now we have come full circle and the mentally ill are being warehoused again, but this time in dangerous prisons.

The most vulnerable in our society have been completely abandoned by our society.

It happens that the lessons in humanity that nannte learned 150 years ago have been forgotten

under treatment on any given day, they represent by far the largest mental-health treatment facilities in the country. By comparison, the three largest state-run mental hospitals have a combined 4,000 beds.

"In every city and state I have visited, the jails have become the de facto mental institutions," says Esteban Gonzalez, president of the American Jail Association, an organization for jail employees...

Eileen @ Sat, 2016-02-27 11:14

reply

It's an absolute shame how many psychiatric beds have been lost. The whole idea was to transition people with mental illness to community resources. This is not happening and people are falling through big cracks in our system. There is not enough funding or for that matter community resources. The future is very bleak and we wonder why there are so many suicides.

charlene @ Sat, 2016-02-27 10:47

reply

Heck in my area I would almost be happy to settle for early discharge. It is the inability to even admit patients to an in-patient unit that is a major problem. Also, the local hospitals that do have acute units are backed up because of the lack of state long-term units. It has become a little better recently, but the stay between being accepted to a state hospital and actually having a bed has averaged as much as 90 days in the last few years. In fact we have discharged patients and had them relapse in this waiting time.

Kurt @ Sat, 2016-02-27 10:49

reply

Why are we advocating for expanding state hospitals instead of community services?

paula @ Sat, 2016-02-27 15:07

reply

Have there been studies to ascertain whether this statement is accurate? Psychiatry beds are a moneylosing proposition for hospitals. Therefore psychiatric beds are gradually eliminated since procedures bring in more money. Our system devalues the one to one treatment necessary for psychiatric ill's, whether outpatient or inpatient. That costs a lot of money.

Leon @ Sat, 2016-02-27 10:40

reply

I would agree with this article. There is a missing piece of care that is evident in all health care systems in the world. The community mental health support system is the piece. Some places do have this piece, but funding, understanding and support is extremely inadequate. It is a specialty and requires trained and educated individuals. It requires all social structure, educational structure, health and financial structure, housing programs to work together in an interdisciplinary and creative way. It's tertiary prevention. It reduces hospitalization and costs to society. It provides support to people living with mental illness and promotes independence and consequently improved health.

Brenda E @ Sat, 2016-02-27 10:26

reply

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At Risk

CLOSING TINLEY PARK
MENTAL HEALTH CENTER
WILL TEAR THE
SOUTHLAND'S SAFETY NET

SEPTEMBER 2011



Overview

For individuals with acute mental illness—the first onset or rapid worsening of symptoms including agitation, delusions, disorientation, paranoia, hallucinations, anxiety, and suicidal or homicidal thoughts—the Tinley Park Mental Health Center is the only public psychiatric hospital in the Southland, the fast-growing region encompassing southern Cook and northern Will counties.

For this reason, private hospitals, elected officials, mental health care consumers and their advocates alike agree that Tinley Park MHC is valuable and needed.

Yet since 2004, the center has repeatedly been targeted for closure by politicians eager to develop or sell the land on which it sits, at Harlem Avenue and 183rd Street. Although widespread community opposition has blocked each of these closure attempts, politicians keep on trying.

The latest salvo has been fired by Governor Pat Quinn and the Illinois General Assembly. First the legislature passed and the governor signed a budget for the current fiscal year that reduces funding for many human service programs and other state operations—including a 50 percent cut to Tinley Park and 13 percent to other state mental health centers.

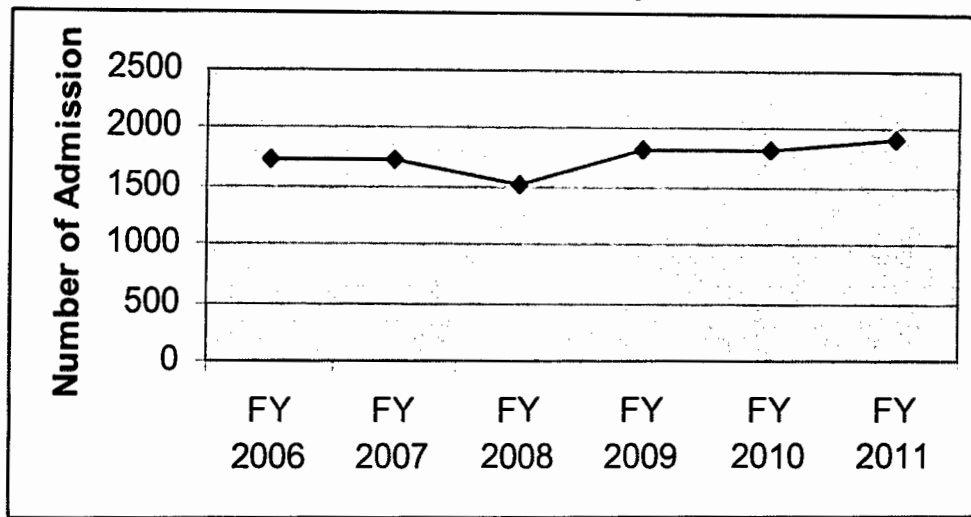
Then in mid-September, Governor Quinn announced his intention to close the Tinley Park Mental Health Center completely, threatening to wipe out a facility that serves more than 1,900 individuals in mental health crisis annually and eliminate 207 jobs of mental health professionals and other facility employees. An economic impact study submitted by the state to a legislative oversight body says the local economy will lose a further 158 jobs and a total of \$50.5 million in economic activity if the hospital is closed.

Role of Tinley Park MHC in Southland communities

Tinley Park Mental Health Center is a state-run hospital for the acutely mentally ill. Its 75 beds serve the most vulnerable patients in the mental health system, those who pose a risk to themselves and others when they suffer particularly acute episodes of mental illness. The center provides intensive professional intervention, medication, therapeutic programming and outplacement services to aid individuals in returning to their community when they are stabilized. It is not a long-term care facility, but rather provides this acute intervention and support in short-term stays that average only 12 days.

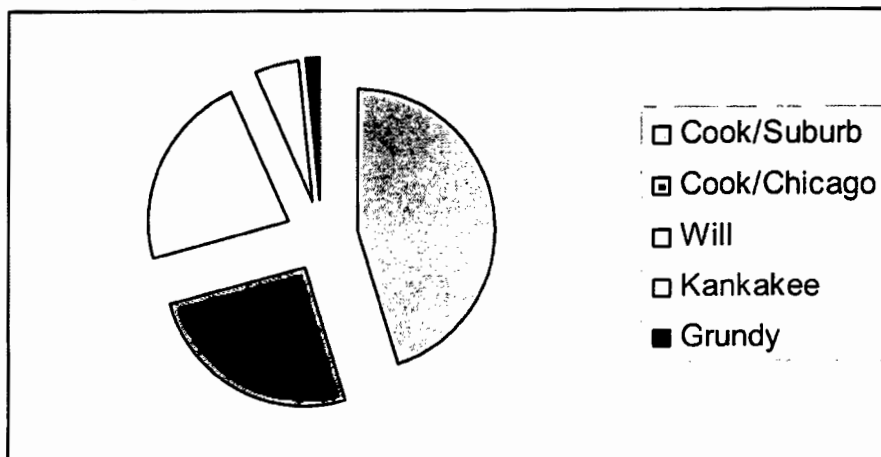
During the past fiscal year, FY 11, nearly 2,000 patients were admitted and treated at Tinley Park MHC, a number which has risen steadily over the past several years. Since 2006, admissions to the hospital have increased by 9 percent.

Annual Admissions to Tinley Park MHC



Tinley Park MHC serves residents of a broad geographic area including the south side of Chicago, southern Cook County, and Will, Grundy and Kankakee counties. Of those admitted, the largest group of patients last year—45 percent—was from south suburban Cook County. Another 26 percent come from the south side of Chicago. Will County residents make up 22 percent of those served, while 5 percent are from Kankakee and 2 percent from Grundy County.

Tinley Park MHC: FY 11 Admissions by County



Highly effective therapeutic interventions

Tinley Park MHC is a unique resource and an integral part of the mental health system. It serves patients who are unable to afford private inpatient care and do not qualify for Medicaid, including patients who have exhausted their private insurance and those who are uninsured. It serves those severely mentally ill patients who are such a threat to themselves and others that they must be involuntarily committed to a hospital. And it accepts accused offenders held by law enforcement agencies who exhibit behaviors consistent with mental illness.

These are not roles area hospitals can or should be expected to fulfill, which is one of the reasons why community hospitals have supported the continued operation of Tinley Park MHC. As noted in the Illinois Hospital Association's May 2011 policy paper *Illinois Mental Health and Substance Abuse Services in Crisis*, "acute inpatient capacity has shrunk.... The number of licensed psychiatric beds has decreased from 5,350 in 1991 to 3,869 in 2010—a 28% drop.... Private hospitals, as they are currently configured, cannot serve every patient who is served in a SOH (state-operated hospital)."

Tinley Park is staffed with highly trained psychiatric aides known as mental health technicians. It provides discharge planning for patients, which begins as soon as they are admitted. Social workers on staff assess each individual's needs, and then work with community-based mental health agencies to ensure aftercare upon discharge. A staff of psychiatrists and psychologists as well as medical doctors attends patients clinically. And unlike many private hospitals, Tinley offers all patients activity therapy, including music, crafts, cooking and exercise. It also discharges patients with a supply of medication to ensure that they will remain stable until they can be seen by their community mental health provider.

Eight years of instability

In 2004, then-Governor Rod Blagojevich announced a plan to close and sell the Tinley Park Mental Health Center, claiming that the facility was in need of extensive renovation.

Concerned stakeholders opposed the closure, including mental health advocates, consumers, elected officials and private hospitals in the Southland. In 2005, these stakeholders came together in a planning process convened by IDHS and reached a clear consensus that Tinley Park MHC should not be closed unless and until a new, public hospital was constructed in the Southland (see Appendix A).

Despite the outpouring of support from mental health stakeholders, Tinley Park MHC did not escape unscathed. A portion of its Chicago catchment area—the geographic area from which patients are referred—was reallocated to Madden MHC in Maywood. Madden also took over the admissions process for Tinley Park and Chicago Read MHCs. At the time, Tinley Park was downsized from 142 to 100 beds. It was downsized again in 2006, this time to 75 beds.

In 2008, still under the direction of Governor Blagojevich, DHS announced a plan to close Tinley Park MHC, along with a vague pledge to build and open another hospital in the Southland. But the General Assembly's Commission on Government Forecasting and Accountability (COGFA), which oversees state facility closures, approved the DHS plan to replace Tinley Park only with the specific stipulation that "a new hospital be constructed in the Southland area" (Advisory Opinion of the Commission on Government Forecasting and Accountability Regarding the Closure of Tinley Park Mental Health Center, May 14, 2009).

No plans for constructing a new facility ever materialized. Yet today, Governor Quinn is proposing to move forward with closing TPMHC.

Impact of closure

Neither the legislators who cut its budget by 50 percent nor Governor Quinn who is now targeting the Tinley Park MHC for closure have indicated how they expect mental health services to be provided in communities that now rely on the center to aid those most in crisis. In view of Tinley Park's rising admissions, there is no indication that there is less need for this safety net in the Southland. Nor is it conceivable that there could be greater operational efficiencies sufficient to absorb such a reduction.

In a new submission to COGFA again requesting approval for closure, DHS states: "This action will result in changing the mission of the Division of Mental Health from providing a wide range of psychiatric services, including acute inpatient psychiatric care, to providing predominantly forensically mandated services with limited options for treating civil acute care and extended care patients."

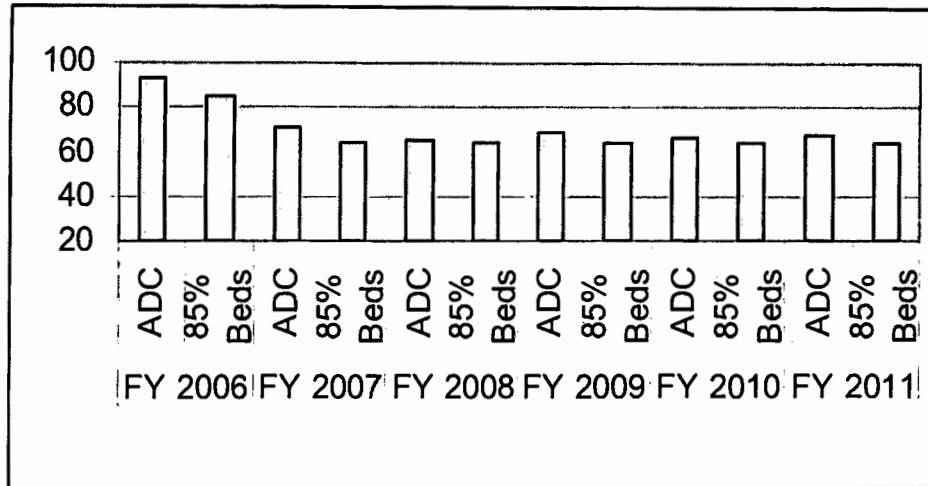
In responding to a COGFA request for information about how the services of Tinley Park MHC will be delivered after its closure, DHS states, "The broader mental health system, specifically private, community based hospitals and mental health providers, would be expected to provide much more of this service to the population currently served in the State psychiatric hospitals." These are the same private hospitals that have previously pleaded with the state to keep Tinley Park open, and which are faced—due to their own budget cuts—with much longer payment cycles and potential service reductions. A recent \$30 million cut to community mental health providers has forced them to greatly restrict care for the uninsured—the largest population now served by Tinley Park MHC.

With an average length of stay of only 12 days, it's clear that Tinley Park MHC staff work intensively to ensure that individuals quickly receive appropriate treatment and are reintegrated into their communities. Despite these efforts, however, Tinley Park is pressed to meet the demand for its services.

The Illinois Health Facilities and Service Review Board plans for optimal hospital capacity. Because hospitals experience highs and lows of demand, planners can't assume that the same number of beds will be needed each day. IHFSRB rules (77 Ill. Adm. Code 1100) have an occupancy standard for what is considered full utilization for each health facility service category. For Acute Mental Illness Treatment Facilities, that rate is 85

percent of available beds. Tinley Park's annual Average Daily Census—the average of how many beds were used throughout the year—has exceeded the IDPH bed occupancy standard every year since 2006. This indicates the facility experiences a bed shortage during peak periods, even when operating all 75 of its available beds.

Tinley Park MHC Annual Average Daily Census Exceeds IDPH Occupancy Standard



Closure of Tinley Park MHC would also eliminate the jobs of the facility's dedicated employees, many of whom have years of experience in the highly specialized area of treating mentally ill individuals in acute crisis. It would have a negative impact on the local economy during the current economic downturn. By DHS's own calculations, the closing would result in the loss of 365 jobs and \$50.5 million in economic activity to the local community.

Community vs. state hospitals: A false choice

Why would anyone call for the closure of a state mental health hospital that serves a growing number of patients with increasing efficiency? Proponents of Tinley Park's closure often talk about their desire for less institutional and more community care. This is a completely false dichotomy.

In decades past, state mental health centers were residential facilities. Now they are short-stay, inpatient hospitals. The average length of stay at Tinley Park MHC is only 12 days.

There have already been vast shifts in resources and service delivery to community outpatient agencies, but that system is not equipped to go further. Community-based care to the mentally ill in Illinois is woefully underfunded. Because Tinley Park MHC is located in a low-income area, this resource deficiency is even more marked. The Tinley

Park service area has only 10 community providers: four in Chicago, two each in suburban Cook County and Will County and one each in Grundy and Kankakee counties.

It would require a significant infusion of resources just to allow the community system to meet the full need for outpatient care, let alone build it to the point where it could substantially reduce the need for inpatient hospitalization. But rather than build the community system, the exact opposite is occurring. This fiscal year, at the same time that state hospitals suffered significant cuts, community mental health services were cut by \$32 million compared to FY 11 expenditures.

The Tinley Park mental health professionals responsible for discharge planning point out that these community providers are already overburdened. Upon discharge from Tinley, all patients are given a 14-day supply of medication, because they frequently must wait that long before their first appointment at the community agency. Once there, they are supposed to promptly see a physician, but may instead see only a therapist or case manager at their first appointment, since some community agencies have so few doctors it may take a month to see one. That means a patient's condition may deteriorate again, especially if they are without medication.

It's also important to note that just as with most chronic illnesses, patients with mental illness sometimes experience acute episodes. Some such episodes may be reduced by adequate medication monitoring and involvement in counseling. But some patients experience medication "breakthroughs" in which their drugs simply stop working. Others relapse due to personal difficulties or traumatic events. Hospitals are needed at such times, and community agencies cannot ever completely replace them.

Private hospitals are not an adequate replacement

There are currently only seven private hospitals in the Tinley Park service area that offer inpatient beds for the mentally ill. Two are in Chicago, three in suburban Cook County, two in Will County, and none in Grundy or Kankakee counties. The latest available Illinois Department of Public Health inventory—from 2008—lists seven other hospitals in the Tinley catchment area that have either closed entirely or no longer operate inpatient mental health programs.

Beyond the limited availability of private inpatient units, there are many reasons why those private hospitals which operate inpatient psychiatric beds would not be an adequate substitute for a state-operated hospital in the region. Tinley Park MHC largely serves those who are uninsured, maxed out on insurance or ineligible for public assistance. To assure that they continue to receive services, DHS would need to pay for their care, and given current budget shortfalls, the agency certainly could not afford the cost of private hospitals.

For the very severely mentally ill who are such a threat to themselves and others that they must be involuntarily committed to a hospital, Tinley Park MHC is the only reliable recourse. Most private hospitals do not have the resources or desire to obtain the

required court order needed for involuntary commitment. Tinley Park also accepts accused offenders held by law enforcement agencies who exhibit behaviors consistent with mental illness. Many private hospitals are unable or unwilling to serve these kinds of patients because their customer base would find it objectionable.

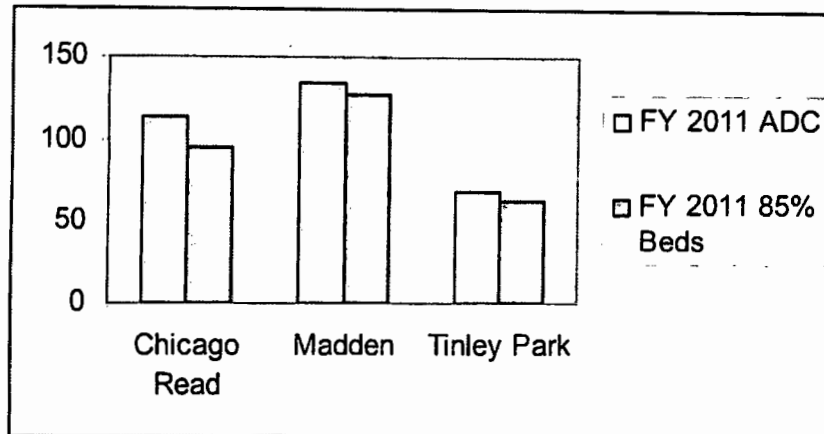
Patients who do not have close family ties often find themselves on their own when discharged from private hospitals. Unlike Tinley Park MHC, these facilities often do not provide case management or linkage to follow-up services in the community. They also do not provide medication on discharge, which can leave patients vulnerable to relapses (and speedy readmission).

Other state hospitals cannot fill the need

Tinley Park MHC serves a large geographic area. If the closing goes forward as planned, all Chicago-area acute care patients would be sent to Madden MHC in Maywood. The other alternative, used when Madden is full—which happens frequently—is Chicago Read MHC on the city's northwest side, but under the DHS closure plan, Chicago Read will be converted to take the extended-care patients from other state hospitals which are themselves undergoing conversion to forensic facilities. That's because at the same time DHS is closing Tinley Park, it is closing the Chester and Singer state hospitals and converting almost all remaining beds to take mandatory forensic patients. Madden will not only be the only hospital in the Chicago area taking acute patients, it will be the only hospital in the state taking acute patients.

To understand the carnage this will cause among individuals seeking acute inpatient treatment, consider the problems in the Chicago area alone trying to provide adequate services with three hospitals running. Read and Madden MHCs currently have a combined total of 262 beds, down from 280 beds in 2006. At the same time DHS has shrunk Tinley Park, they have closed beds at Chicago Read without increasing beds at Madden. This has resulted in all three Chicago-area hospitals operating at more than full capacity, according to the Illinois Health Facilities and Service Review Board standard of 85% of available beds. Last year Tinley Park was 7% over that standard, Madden was 6% and Chicago Read MHC was 20% over.

FY 11 Average Daily Census Exceeds Full Utilization Standard



At peak times, all three state hospitals are over capacity. This backs up emergency rooms in area hospitals and delays necessary treatment. Madden MHC alone cannot serve the needs of the mentally ill in the greater Chicagoland area, let alone in the entire state.

Conclusion: Closure or downsizing of Tinley Park MHC harms many

If Tinley Park MHC closes, patients can expect much greater difficulty getting into a hospital, longer trips to the remaining state hospital, which will likely result in less family support, and a still-inadequate community care system that makes them more vulnerable to the need for hospitalizations.

After a hospitalization for an acute illness, these consumers can expect less linkage to aftercare, which would lead to increased homelessness. For those who are dangerous to others, delay in hospitalization may lead to involvement in the criminal justice system rather than treatment. After the closure of Zeller Mental Health Center in Peoria, the Tazewell County Sheriff noted that homelessness increased, as did the number of mentally ill prisoners in the county jail. Communities will see a drain on their resources in caring for the mentally ill homeless and in fighting the resulting crime.

The State of Illinois Mental Health Summit encompasses a broad array of mental health advocates and providers. In response to Governor Quinn's plan to close TPMHC and two other state psychiatric hospitals, the Summit issued the following statement which well sums up the potentially dire consequences of these closures:

The Summit opposes these closures as illegal, unwise and inhumane. They are illegal because the Governor's proposal violates the requirement that any savings from a hospital closure be kept in the mental health system. They are unwise because the closures will cause other state and local expenditures to rise. They are inhumane because they will deny treatment

to persons desperately in need, causing suffering to persons with mental illnesses and their families and communities.

The deep need and broad support for Tinley Park Mental Health Center demands a greater commitment. When Governor Quinn announced the plan to close Tinley Park MHC, he announced the closure of six other state facilities but asserted he did not want to go forward with the closures; rather, he said, he was forced to do so due to lack of appropriated funding. He pledged to work to secure a supplemental appropriation and said that, if the General Assembly provided the necessary funding, he would rescind the scheduled closures—including the closure of Tinley Park MHC. All concerned parties should work together to enact a supplemental appropriation to ensure its continued operation at its current capacity.

Appendix A

A VISION FOR MENTAL HEALTH SERVICES IN THE METRO SOUTH REGION METRO SOUTH MENTAL HEALTH PLANNING TASK FORCE

May 5, 2005

Convened by Dr. Carol Adams, Secretary, Illinois Department of Human Service

3. Foster inpatient care that is consumer focused and community based while building on the strengths of a public hospital system of care.

Context: Historically, TPMHC has been a critical anchor in the region. While providers and consumers value community based approaches to mental health, they also recognize that there is merit in having a public hospital in the mix to serve those who have exhausted their private insurance or who are uninsured. Such a hospital is also critical in serving severely mentally ill consumers who are a threat to themselves or others or who may be brought to the facility in lieu of criminal prosecution. At times, a public hospital is the most appropriate resource for the most seriously mentally ill. Once lost, it may never be replaced. While the short-term gains associated with the sale and closing of the state hospital may be attractive, they represent a one time revenue source, at a time when IDHS is being asked to expand services without continuing appropriations.

a. Maintain a public hospital presence in the region, highly targeted to consumer needs as necessitated by behavioral management issues or functional impairment that may not be met by private hospitals such as:

- longer term care and rehabilitation;
- special services for mentally ill substance abusers (MISA);
- special services for those with a dual diagnoses of mental illness and developmental disability;
- special services for consumers who need court ordered treatment;
- special services for consumers diverted by law enforcement from criminal to mental health services.

b. Future planning for mental health services in Metro South should be based on a thorough study of the availability of private psychiatric beds and expected consumer demand over time. Public solutions should be innovative, fully funded, and in place *before* any closure or downsizing of TPMHC.

Morris Hospital Community Needs Assessment

③

Social Issues

Mental Health

Among adults, between 18.7% and 25.9% of the population in Morris Hospital service area counties rated their mental health as 'Not Good' for between 1 and 7 days in the past month. Mental health ratings of 'Not Good' for between 8 and 30 days in the past month were reported by an additional 10.4% to 15% of the population. Mental or physical health issues limited the activities for between 1 and 7 days out of the past 30 for between 19.9% and 25.4% of the adults in those counties where sufficient responses were received to provide data (Grundy, LaSalle and Will Counties). Activities were limited for between 8 and 30 days of the past 30 for an additional 13.7% to 26.1% of service area adults.

Mental Health Status in Past 30 Days, Adults

	Grundy County	Kendall County	LaSalle County	Livingston County	Will County	Illinois
Mental Health 'Not Good' 1-7 days in past 30	21.4%	25.9%	18.7%	23.1%	22.0%	24.4%
Mental Health 'Not Good' 8-30 days in past 30	13.4%	10.4%	14.3%	15.0%	15.0%	14.8%
1-7 days kept from doing usual activities by physical or mental health	21.0%	No data	19.9%	No data	25.4%	23.5%
8-30 days kept from doing usual activities by physical or mental health	23.2%	13.7%	26.1%	15.4%	17.8%	16.6%

Source: Illinois Department of Public Health, Illinois Behavioral Risk Factor Surveillance System, 2010-2014
<http://app.idph.state.il.us/brfss/default.asp>

When asked about feelings of sadness and helplessness, one-third of 10th graders from the counties reporting identified these feelings. 19%-26% of youth in area counties had seriously considered suicide; these rates are higher than the state rate of 16%.

Mental Health Indicators, 10th Grade Youth

	Grundy County	Kendall County	LaSalle County	Livingston County	Will County	Illinois
Felt so sad or helpless stopped usual activities	33%	No data	34%	No data	34%	31%
Seriously considered attempting suicide	21%	No data	26%	No data	19%	16%

Source: Illinois Youth Survey, 2014 <https://iys.cprd.illinois.edu/results/county>
 No 2014 data for Kendall County; no 10th Grade data for Livingston County.

Community Input – Mental Health

Stakeholder interviews identified the following issues, challenges and barriers related to mental health:

- The biggest issue I see is the ability to refer patients to behavioral and mental health

services. There is a big shortage in psychiatry and therapists and especially getting care for Medicaid patients.

- There is a lack of mental health care in this area. It is very difficult for people who have problems to get into see someone or even find someone. Lack of providers and lack of insurance – in this area, it's very tough.
- Lacking access to mental health care is the most important health issue. We also lack close access for follow-up treatment. People are getting primary care for diabetes, cancer, etc. But for follow-up care with mental health, nothing is close by.
- Largest measurable issue is depression in adults and anxiety in youth and we know that it's very commonplace. Anxiety is something that can evolve into other things. Barriers are people being able to understand it and being able to understand what type of help is needed for them. People need to be educated about what mental health issues are, the many facets of it, and what they need to do to help themselves in their everyday life. When that is not enough, some people do want to talk to a primary care provider. People who need longer-term care may be better off with a mental health professional.
- A barrier around mental health treatment everywhere around the country is that professionals do not know how to properly assess for crisis and don't know what to do about it. They may not know when or how to refer it to someone else. They need to know how to do crisis assessment and intervention, and suicide intervention and assessment as well.
- Trying to get someone admitted on an urgent basis is a universal problem. We have to send them to Kankakee if it is a big problem. In Livingston County, we have a county program that's pretty good. People can get resources and can get in for care within a week.
- Psych services are hard to get in a timely manner. The wait time can be six months. During that wait period, there is nothing that can be done. Patients will frequent the ED until they can get in if they continue to have issues.
- Biggest issue in our community is mental health. Not that our people are any different, but it's access to quality care, places that can diagnose, counseling services, we don't have any of that here. There are no local counselors (clinical) and no psychology services, so many people in need are going undiagnosed or are diagnosed but don't have access to care.
- Student services department says it is the number one issue in our school district. See this with parents, need for family counseling, as well as kids. We have social workers and school counselors and a psychiatrist. Refer to resources that are in Morris and we have to count on parents to follow-up and to get to those resources.
- Lack of acute care facilities and can only get in if you have insurance. This leaves the rest of the population without services. We can help them get medications, but not counseling. For people getting outpatient care, they can experience an acute

crisis and wind up out of control, violent and self-destructive, homicidal or suicidal, but the inpatient facilities are all full.

- The biggest problem is there is no place to go. Just nowhere to send people. We research and research, the doctors we do have are just overwhelmed. Just so many people with issues. We try to get them help, but there are no doctors that can help them, no facilities. They closed all the mental health facilities around here in the last five years. We have places in Chicago but trying to get them in isn't easy. With nowhere to go they end up in the ED or the hospital.
- For those who are jailed have a lot of mental health issues.
- Homeless and veterans have mental health and behavioral health issues. Most have to go to suburbs to get any sort of VA care, so access issue to travel. The assigned VA is 1 hour 20 minutes away.
- There is stigma with mental health problems. We need to destigmatize it, make sure people have access to services, and there needs to be more proactive treatment.
- In mental health there is definitely a lack of collaboration between entities like schools, public health and health care systems. I think Illinois is behind Mississippi in funding for mental health. People don't see value in proactively treating it.
- We have made tremendous strides in helping people. The new psychotropic medications don't make people zombies or put them in a stupor. But a lot of work still needs to be done.
- Grundy County has a serious problem with access to psychiatric care. Bottom quartile of state.
- Children should be seeing someone trained in brain development; it's different from an adult. Kids experience suicidal attempts, anxiety bullying, severe mental illness. We don't have a child psychiatrist. Funding is major issue especially for nonprofit and public organizations.
- The state went without a budget for a year so agencies across the state closed down because of no funding. We were able to keep going with county funding. It's hard to provide quality care if there is not adequate financial support
- With nowhere to send patients it forces the hand of family practice providers to prescribe and manage psychotropic medications and that is not our forte. We need access to specialists. No group or specialty will take them. Patients trust us, they come to us, we acknowledge, yes, you need help, and it's frustrating because we have no place to send them.
- If people come to me and do not have money, I can usually connect them with basic health care needs. If mental health care is needed, then that is a different story. Even for public aid patients, I can't find a physician or mental health counselors who will see them. I'm trying to get those needs met, but there aren't enough resources to get them to a counselor or a doctor that specializes in mental health. Even certain insurances can't get enough help for these people. If a person has state aid or self-

- There are plenty of exercise facilities in the area: YMCA, 24-Hour Fitness, yoga studios. We have access to places to exercise, walking, running, and tennis clubs.
- Our sedentary lifestyles, large portions, behavioral management increase obesity. And in winter it is not as easy to exercise.
- Everyone sits in front of a computer all day. Kids especially don't get enough exercise. People need to move.
- On TV all we see are food advertisements. We just need to eat right and exercise and maintain a healthy weight.
- There is a lack of activities for people and numerous taverns and bars. People sit around and eat and drink. People say I can't wait until the kids graduate so I can leave here.
- This issues leads back to lack of education and proper diet and nutrition. Some local resources like the YMCA and the Diabetes Center offer classes on nutrition.
- Grundy County is not very walkable. Not very friendly in terms of getting exercise. There is lot of obesity in Grundy County. There is a lack of access to exercise, or don't have time, working a lot, have children, it's not convenient, general apathetic attitude to living healthy. Fast food is celebrating – you cap off your work week with a pizza. Widespread public education is needed.
- We don't have community based programs. We have a YMCA but you must pay to join and that is a stopping point in communities where people don't have jobs. There is only one grocery store in Dwight, and none in Gardner. They are forced to buy from family restaurant or Subway-type restaurant. Food pantries and hospital help coordinate the food pantry drop off and outreach programs.
- People who want to make meaningful changes in their life want to be refreshed and want to go to things that are inspiring. People want to go where others ready to make the same changes.
- Farmer markets are really for the upper middle classes. Usually people in their 20s and 60s cannot afford that.

Substance Abuse

Smoking

Smoking continues to be a leading cause of preventable death in the United States. Smoking rates in the service area range from 8.6% in Kendall County to 24.9% in Grundy County. The Healthy People 2020 objective for smoking is 12%; Kendall and Will Counties are below this rate.

Smoking Prevalence among Adults

	Grundy County	Kendall County	LaSalle County	Livingston County	Will County	Illinois
Smoker	24.9%	8.6%	21.4%	9.7%	13.5%	16.7%
Former smoker	21.6%	31.9%	26.1%	24.1%	24.7%	23.8%
Non-smoker	53.5%	59.5%	52.5%	66.1%	61.7%	59.6%

Source: Illinois Department of Public Health, Illinois Behavioral Risk Factor Surveillance System, 2010-2014

<http://app.idph.state.il.us/brfss/default.asp>

Alcohol Use

Binge drinking is measured as consuming a certain amount of alcohol in a designated period of time. For males, this is five or more drinks per occasion and for females, four or more drinks per occasion. The rate of binge drinking in three area counties exceeds the state rate of 20.3%, and two of the counties – Grundy and LaSalle – exceed the Healthy People 2020 objective of 24.4% for binge drinking.

Adult Binge Drinking

	Grundy County	Kendall County	LaSalle County	Livingston County	Will County	Illinois
At risk for binge drinking	28.6%	20.2%	25.4%	20.4%	17.7%	20.3%

Source: Illinois Department of Public Health, Illinois Behavioral Risk Factor Surveillance System, 2010-2014

<http://app.idph.state.il.us/brfss/default.asp>

Youth Alcohol/Tobacco/Drug Use

A large percentage of 10th grade youth have drunk alcohol within the past year, from 43% to 55% in service area counties, while 24-38% have drunk alcohol within the past 30 days. 10%-29% of 10th graders have smoked a cigarette in the past year, with 12% to 29% using some form of tobacco product within the past month. 15% to 35% of area 10th graders have smoked marijuana. Use of tobacco products by youth occurs at higher rates in area counties than when compared to the state. LaSalle County has the highest occurrences of all listed substance use, while the lowest rates are seen in Will County for tobacco products, and in Livingston County for alcohol and marijuana.

Use of Alcohol/Tobacco/Drugs, 10th Grade Youth

	Grundy County	Kendall County*	LaSalle County	Livingston County*	Will County	Illinois
Smoked marijuana, past year	26%	23%	35%	15%	24%	26%
Smoked a cigarette, past year	11%	13%	29%	17%	10%	9%
Used any tobacco product, past 30 days	14%	13%	29%	16%	12%	10%
Drank alcohol in the past year	53%	49%	55%	43%	51%	48%
Drank alcohol, past 30 days	33%	30%	38%	24%	32%	27%

Source: Illinois Youth Survey, 2014. *Kendall and Livingston Counties = 2012. <https://iys.cprd.illinois.edu/results/county>

No 2014 data for 10th Graders for Kendall and Livingston Counties.

Over half the 10th grade youth population in area counties identified that alcohol, tobacco and marijuana are easy to obtain, with the exception of marijuana in Livingston county, where only a third of responding 10th graders thought it was easy to obtain. Alcohol was available to 55%-68% of 10th graders; marijuana available to 33%-59%. Cigarettes were available to 43%-63%, and other drugs were available to 32%-42% of 10th graders.

Ease of Obtaining Alcohol/Tobacco/Drugs, 10th Grade Youth

	Grundy County	Kendall County*	LaSalle County	Livingston County*	Will County	Illinois
Very easy and sort of easy to obtain alcohol	65%	68%	62%	58%	55%	56%
Very easy and sort of easy to obtain cigarettes	50%	55%	63%	52%	43%	47%
Very easy and sort of easy to obtain marijuana	54%	56%	59%	33%	52%	53%
Very easy and sort of easy to obtain prescription drugs	41%	No data	42%	No data	32%	32%

Source: Illinois Youth Survey, 2014. *Kendall and Livingston Counties = 2012. <https://iys.cprd.illinois.edu/results/county>

No 2014 data for 10th Graders for Kendall and Livingston Counties.

When 10th grade youth were asked about driving with others who have used drugs or alcohol or driving themselves after consuming alcohol or using drugs, 18%-28% indicated they had ridden in a car driven by someone under the influence. Fewer youth indicated they had driven when using marijuana (7%-11%) or alcohol (6%-7%). 69% to 77% of area 10th graders had been spoken to by a parent or guardian in the past year, regarding not driving drunk or riding in a car with drunk drivers.

Drinking/Drugs and Driving, Past 12 Months, 10th Grade Youth

	Grundy County	Kendall County*	LaSalle County	Livingston County*	Will County	Illinois
Ridden in car driven by someone, including yourself, who was drinking or using drugs	23%	24%	28%	18%	21%	19%
Driven a car when using alcohol	7%	6%	7%	6%	6%	5%
Driven a car when using marijuana	11%	9%	11%	7%	8%	9%
Been talked to by parents about not drinking and driving, or riding with a drunk driver	77%	71%	69%	69%	73%	N/A

Source: Illinois Youth Survey, 2014. *Kendall and Livingston Counties = 2012. <https://iys.cprd.illinois.edu/results/county>
No 2014 data for 10th Graders for Kendall and Livingston Counties.

Community Input – Substance Abuse

Stakeholder interviews identified the following issues, challenges and barriers related to substance abuse:

- The abuse of substances is main stream. The addiction is more prevalent because abuse is more prevalent.
- More people are taking heroin, smoking in general is going down, but it's still a major problem, as is vaping or e-cigarettes.
- The misuse of opiates and heroin use and abuse are seen fairly regularly. A lot of patients ask for referrals for substance abuse. Distance is a barrier as the outpatient treatment is in Morris or Joliet.
- There is an addiction MD specialist in Joliet, but not one in Morris.
- Access to care is limited if you don't have a payer source.
- More drug activity is occurring in the community. Heroin is on the rise.
- We are seeing people get rehab and help. They get dried out and clean and then they relapse. They will consume the dose they were last getting high at, which their body is no longer accustomed to and that results in a high incidence of overdose or death.
- Substance abuse is becoming more of an issue. Tobacco is not as much of an issue; abusive prescription drugs are more of a problem. Heroin is getting to be a bigger problem.
- Use of chewing tobacco and smoking seems better. We see a lot of youth smoking, pot smoking, people almost think it is normal. There are a lot of overdoses in the ED.
- Huge problem with pain management. We see a lot more people on narcotics, seeking narcotics or OxyContin.
- One of the first medicinal pot dispensaries opened here in Morris.
- People may think smaller communities don't have problems with substance abuse, but I'm seeing it more than usual. There are not sufficient resources in the service area that offer help. There is no local inpatient rehab center.

- It is so easy and cheap to get drugs, so it's a big problem. Access to illegal drugs is pretty pervasive at this time. Substance abuse has been criminalized so people are not getting treatment and help. We can find you a jail cot, but not a treatment cot. Access to care is barrier. Lack of beds and treatment facilities is a barrier.
- Education and acknowledgement is one of the barriers – a belief that we don't have a drug problem here in Grundy County. It is happening here, not just in Chicago.
- When law enforcement encounters people with substance abuse and mental health issues, their job is to gain control over a situation. When you are coming at someone who is having a psychotic break and they perceive they are in danger, they in turn may become aggressive. Mentally ill people are more in fear than they are dangerous. We need more education for first responders and law enforcement. It's become a major area of growth and at least we are acknowledging it now. We need to learn what is a more effective way to respond and de-escalate issues?
- We need a stronger educational presence earlier in the schools and factories – it needs to be everywhere. There is nowhere to refer people to. There are no local Detox centers.

Will County Behavioral Health Landscape

With a population of 687,263 residents, Will County is the fourth largest county in Illinois.

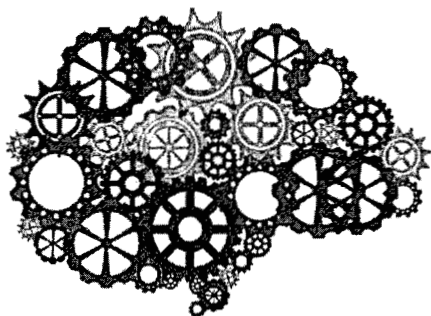
SOURCE: 2015 U.S. Census

ADULT BEHAVIORAL HEALTH ISSUES

NUMBER OF DAYS IN A MONTH WHEN MENTAL HEALTH IS NOT GOOD

1-7 days: 22%

8-30 days: 15%



SOURCE: 2014 Behavioral Risk Factor Surveillance System Survey

YOUTH BEHAVIORAL HEALTH ISSUES

- 31% of 10th graders reported feeling so sad or hopeless almost every day for two weeks or more in a row that they stopped doing some usual activities (past year)
- 15% of 10th graders reported they seriously considered suicide in the past year
- 51% of 12th graders reported using alcohol in the past 30 days
- 29% of 12th graders reported binge drinking in past 2 weeks

SOURCE: 2016 Illinois Youth Survey



ACCESS TO SERVICES

Will County has:

- *Mental Health Provider Ratio: 1,063:1
- Overall in Illinois: 560:1
- Top U.S. performers 370:1

*Mental Health Providers is the ratio of the county population to the number of mental health providers (psychiatrists, psychologists, counselors, social workers, etc.)

SOURCE: 2016 Robert Wood Johnson Foundation County Health Rankings.

Research Reveals Lack of Capacity in Will County

Will County MAPP (Mobilizing for Action through Planning and Partnerships) has found through multiple assessments that behavioral health is a key area of need in Will County. The MAPP Behavioral Action Team, with guidance from the University of Saint Francis, surveyed providers and referrers in 2016 to get a picture of system capacity.

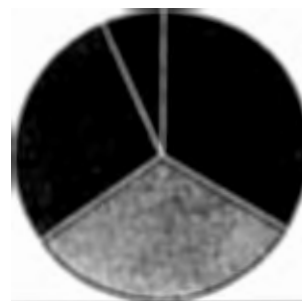
3 Greatest barriers for clients to access services:

- Cost of Needed Services (34%)
- Wait for Services (32%)
- Distance to Services (30%)

0152

SOURCE: 2016 Will Co. MAPP Behavioral Health Capacity Ass.

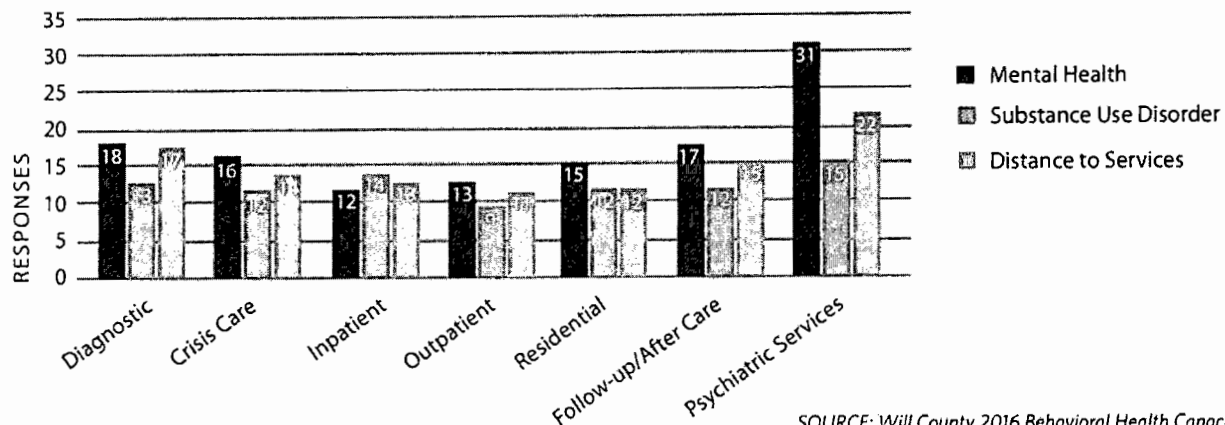
Barriers in Making Referrals



- Cost of Needed Services
- Distance to Services
- Wait for Services
- Other

Attachment

Psychiatric Services Are the Hardest to Access



SOURCE: Will County 2016 Behavioral Health Capacity Assessment.

NEED FOR PREVENTION

More prevention efforts are needed in the areas below (listed in order of survey response rate):

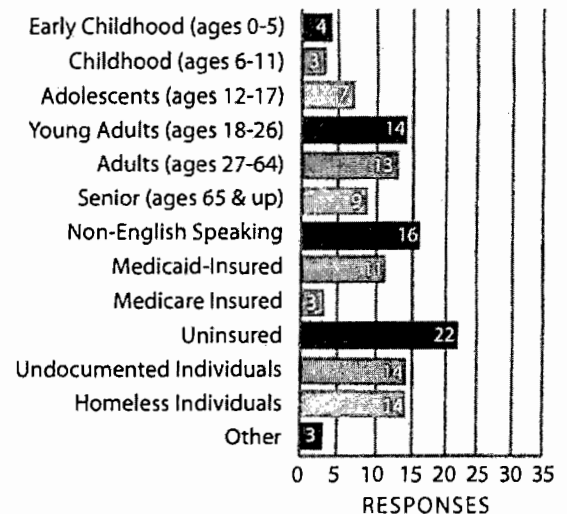
- Mental Health
- Prescription Drug/Over-the-Counter Drug Abuse
- Illegal Drug Abuse
- Alcohol Abuse/Underage Drinking
- Suicide

STATE BUDGET PROBLEMS WEAKEN AN ALREADY STRUGGLING SYSTEM

- "Instability of State Funding" was the top barrier cited by providers to expanding services (58%), followed by "Lack of Capital Funding for Facility Expansion" (38%)
- 62% of respondents reported that the state budget problems have impacted their ability to provide services. Impacts included cuts to services, reduced organizational capacity, staffing difficulty, and financial problems.

SOURCE: Will County 2016 Behavioral Health Capacity Assessment.

The uninsured and non-English speaking residents have the most difficulty accessing services, but many other groups are at risk.



SOURCE: Will County 2016 Behavioral Health Capacity Assessment.

70% of providers surveyed said they refer people to the hospital emergency room when they are unable to access appropriate community-based services





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Volume 67, Issue 5, May 01, 2016, pp. 523-528

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Increasing Access to State Psychiatric Hospital Beds: Exploring Supply-Side Solutions

Elizabeth M. La, Ph.D., M.S.E., Kristen Hassmiller Lich, Ph.D., M.H.S.A., Rebecca Wells, Ph.D., M.H.S.A., Alan R. Ellis, Ph.D., M.S.W., Marvin S. Swartz, M.D., Ruqing Zhu, Ph.D., Joseph P. Morrissey, Ph.D.

<http://dx.doi.org/10.1176/appi.ps.201400570>

Abstract

Objective:

The objective of this study was to identify supply-side interventions to reduce state psychiatric hospital admission delays.

Methods:

Healthcare Enterprise Accounts Receivable Tracking System (HEARTS) data were collected for all patients admitted between July 1, 2010, and July 31, 2012, to one of North Carolina's three state-operated psychiatric hospitals (N=3,156). Additional information on hospital use was collected at nine meetings with hospital administrators and other local stakeholders. A discrete-event simulation model was built to simulate the flow of adult nonforensic patients through the hospital. Hypothetical scenarios were used to evaluate the effects of varying levels of increased capacity on annual number of admissions and average patient wait time prior to admission.

Results:

In the base case, the model closely approximated actual state hospital utilization, with an average of 1,251±65 annual admissions and a preadmission wait time of 3.3±.1 days across 50 simulations. Results from simulated expansion scenarios highlighted substantial capacity shortfalls in the current system. For example, opening an additional 24-bed unit was projected to decrease average wait time by only 6%. Capacity would need to be increased by 165% (356 beds) to reduce average wait time below 24 hours.

Conclusions:

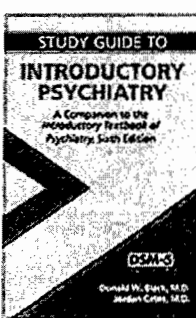
Without more robust community-based hospital and residential capacity, major increases in state psychiatric hospital inpatient capacity are necessary to ensure timely admission of people in crisis.



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Psychiatric discharges in community hospitals with and without psychiatric units: how many and for whom?

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Large increase in bed capacity at North Carolina state psychiatric hospital needed to reduce average patient wait time below one day

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Bret Stetka, MD, Medscape, 2010

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U.S. Psychiatric Patients Face Long Waits in ERs

1 in 5 emergency doctors reports waiting at least 2 days for a bed for someone who's mentally ill

By **Dennis Thompson**
HealthDay Reporter

MONDAY, Oct. 17, 2016 (HealthDay News) -- People with mental illness often wait long hours -- or even days -- in an emergency room before receiving the care they need, according to a new poll conducted by the American College of Emergency Physicians (ACEP).

One in five ER doctors polled said they've had psychiatric patients who needed hospitalization who had to wait two to five days before being assigned an in-patient bed, the poll found.

Two accompanying studies back up the poll results, revealing that patients with a wide array of mental health problems are more likely to wind up stuck in an emergency department for more than 24 hours.

"Once the decision to admit is made, it can be nearly impossible to find an in-patient bed for these patients," ACEP President Dr. Rebecca Parker said during a news briefing.

Findings from the survey were scheduled to be presented Monday at ACEP's annual meeting in Las Vegas.

Mental health patients are languishing because cutbacks in mental health care have severely limited all options outside the ER, said Dr. Suzanne Catherine Lippert. She's an emergency medicine physician with Stanford University in Palo Alto, Calif.

"We have a potential perfect storm," said Lippert, the lead author of the two supporting studies. "We have decreasing psychiatric inpatient beds, insufficient accessible outpatient psychiatric centers for crisis stabilization, and increased emergency department crowding."

As a result, Parker said, emergency room care is being delayed for all patients, and the ER itself is becoming "a dangerous place to work at times."

Parker added that "most of these patients are very sick. We only admit people that need care for being suicidal or homicidal or delusional. These people need that acute care in-patient bed, and the resources have just disappeared over the last 10 to 15 years."

Lippert said she started studying the problem after treating a suicidally depressed patient in the ER.

"I placed her on an involuntary hold and started the process of getting her admitted," Lippert said. "When I came back to a shift three days later, she was still there in our emergency department, which has no windows, artificial lighting and activity 24 hours a day. When I came back another three days later, she was still there."

Three-quarters of ER doctors said at least once a shift they see a patient who needs hospitalization for mental illness, according to the poll of more than 1,700 emergency physicians.

About half said that at least once a day, their emergency department winds up "boarding" a psychiatric patient who is awaiting admission to the hospital or transfer to another facility.

"The emergency department has become the dumping ground for these vulnerable patients who have been abandoned by every other part of the health care system," Parker said.

Nearly three in five doctors also reported increased wait times and boarding for children with psychiatric illnesses, the poll reported.

"This is truly heartbreaking," Parker said. "A gurney in an emergency department hallway is no place for any child, let alone a child with a psychiatric emergency."

In addition, only about 17 percent of doctors reported having a psychiatrist on call to respond to psychiatric emergencies in the emergency department, the poll results showed. About 12 percent said they have no one at all on call for mental health emergencies -- no social workers, psychologists, psychiatrists or other professionals.

Two studies highlighted at ACEP's annual meeting further explained the deteriorating network of support for patients with mental illness.

Patients with bipolar disorder, psychosis, depression, or a combination of two or more diagnosed psychiatric problems are at increased odds of being in the emergency department for more than 24 hours, Lippert and her colleagues found.

A patient with bipolar disorder was nearly four times more likely to stay in the ER more than 24 hours, Lippert said. Psychotic patients were about three times more likely to languish in the ER, and people with substance abuse and an accompanying psychiatric diagnosis were more than twice as likely to be stuck in the ER, the survey found.

"We're seeing almost across the board with more severe psychiatric illness, you're having increased odds of a much longer length of stay" in the ER, Lippert said. "Nowhere else in medicine do we have in the emergency department our most severely ill patients staying longest."

Another study provided more detail regarding the pressure that psychiatric patients are placing on hospitals and emergency departments. Researchers found that:

- 21 percent of psychiatric patients require admission to the hospital, compared with 13.5 percent of medical patients.
- 23 percent of psychiatric patients wait in the emergency department more than six hours, versus 10 percent of medical patients.
- 7 percent of psychiatric patients stay in the emergency department for more than 12 hours, versus just over 2 percent of medical patients.
- 11 percent of psychiatric patients wind up transferred to another facility, compared with 1.4 percent of medical patients.

Parker and Lippert said comprehensive mental health care reform is needed to ease the pressure on emergency rooms. Efforts to improve health insurance coverage of mental health care also could help.

More information

For more on mentally ill patients in the ER, visit the [National Alliance on Mental Illness](#).

SOURCES: Rebecca Parker, M.D., president, American College of Emergency Physicians; Suzanne Catherine Lippert, M.D., emergency medicine physician, Stanford University, Calif.; Oct. 17, 2016 presentation, American College of Emergency Physicians meeting, Las Vegas

Last Updated: Oct 17, 2016

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Valley View Public Schools
Office of the Superintendent
James A. Mitchem, Jr., Ed.D.

755 Dalhart Avenue
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Phone: 815.886.2700
E-mail: mitchemja@vvsd.org

January 13, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

We have students in Valley View CUSD 3765U that are in need of behavioral health services in a full or part time in-patient treatment. Currently due to the insurance needs and facility availability, our students are being referred to facilities that may be more than 60 miles away which is causing parents not to follow through on the needed behavioral health treatment due to distance. As a result, some of our students may not be receiving the behavioral health treatment that is warranted which will impact their overall academic, social emotional and behavioral progress in school.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,


James A. Mitchem, Jr., Ed.D.
Superintendent

New Lenox Police Department

200 Veterans Parkway • New Lenox • Illinois • 60451

BOB STERBA
CHIEF OF POLICE

815-462-6100
NEWLENOX.NET

January 09, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Cross Hospital

Dear Ms. Avery,

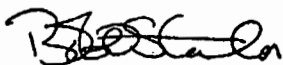
I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Chief Bob Sterba
New Lenox Police Department



NEW LENOX FIRE PROTECTION DISTRICT

Headquarters/Station One
261 E. Maple Street
New Lenox, Illinois 60451
Office: 815-463-4500 Fax: 815-485-3959
Office of the Fire Chief

January 11, 2017

Courtney Avery, Administrator

Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need Application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

It is of no surprise that we are in severe need of a behavioral hospital in Will County. The growth of Will County and the unfortunate growth of behavioral problems has caused an unprecedented need. The closing of other behavioral health care centers has also added to this increasing emergent health problem. The use of street drugs and the abuse of alcohol is on the rise which causes an increase in emergency services needed. I, as the Fire Chief of New Lenox Fire Department, support a 100 bed behavioral hospital in New Lenox.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Engledow".

Steve Engledow, Fire Chief

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Counseling Center

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Plainfield, IL 60544
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F: 815-676-4498
www.plainfieldcounselingcenter.com

January 13, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

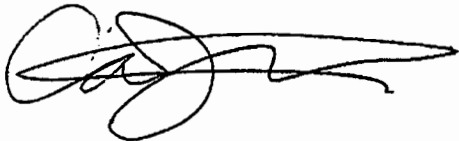
There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in clients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

Clients in my community and on my caseload have experienced challenges by having to wait extensive periods of times before a psychiatric bed is available, often needlessly extending their stay in hospital emergency departments or hospital medical floors. Proximity of services is another major difficulty in coordinating care effectively when family members and the client themselves have transportation limitations.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Corey Worden, MA, LCPC
Licensed Clinical Professional Counselor
Plainfield Counseling Center, LLC

Lincoln-Way Area Special Education Joint Agreement District #843

SARAH REXROAD
DIRECTOR

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will and Grundy Counties.

In my experience as an administrator with Lincoln-Way Area Special Education Joint Agreement District #843 located in Frankfort/Will County, I have heard concerns from a number of parents over the years in regards to difficulty accessing inpatient psychiatric care. Many times, parents are forced to accept their child being put on a waiting list or they must consider options that are distant from this area, making the situation even more difficult for struggling families. The follow-up from inpatient care is frequently a referral for a partial hospitalization program. This can become nearly impossible to do for families when the parent or parents need to maintain their employment and they have to try to accommodate facilities that are an hour away from their homes and employment. I have had several families discontinue the follow-up, as they simply cannot make the scheduling work for the entire family. Having a facility that is within a short drive will help ensure the follow-up care can be maintained.

I have also had a similar experience when seeking mental health services for my own child. While she was old enough and licensed to drive, she was not supposed to drive for fear she might hurt herself. Trying to manage getting my child to Christ Hospital daily from New Lenox for the outpatient program was extremely difficult for me, and I have an employer who understands mental health needs. I just happened to be fortunate enough to be able to adjust my schedule, utilize sick, personal, and vacation time, to get my child the services she needed. Many do not have the flexibility that I had available to me.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Sarah Rexroad
Executive Director



WILL COUNTY HEALTH DEPARTMENT
&
COMMUNITY HEALTH CENTER

January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for the proposed 100-bed behavioral hospital in New Lenox, IL, initiated by the joint venture between Silver Cross Hospital and US HealthVest.

As an Addictions and Mental Health Professional working for the Will County Behavioral Health Program and Juvenile Justice Detention and Court Services systems in the Will County area for the past twelve year period, I have become keenly aware of the lack of Psychiatric and Substance Abuse service providers available to provide local services to our residents. The number of agencies, programs, and qualified treatment providers in our local area that provide Psychiatric and Substance Abuse treatment has greatly diminished over the past five-year period.

Currently, there is a critical local community service treatment gap, where youth and adults have been impeded from receiving timely and often times emergency based Psychiatric and Substance Abuse services. When treatment services are found to be available, individuals and families are routinely required to travel great distances to receive this type of specialized treatment. This condition results in extreme hardship, continued recidivism, and treatment failure for individuals and families, because services are not local and community based. As you know, research continually shows that the long-term success of clients successfully managing Psychiatric and Substance Abuse issues on an ongoing basis, is strongly linked to the availability and access to local community service providers where persons reside. I am very concerned that if the Will County area trend of hindered access to local services continues, there will be an ongoing increase in the incidence of community Psychiatric and Substance Abuse debilitation that will greatly effect the quality of life for thousands of our residents.

I strongly support the approval of this certificate of need application for a behavioral hospital in New Lenox and I thank you for your consideration of my letter of support.

Sincerely,

William P. Karmia

William P. Karmia M.A., C.S.A.D.C., L.C.P.C.
Substance Abuse Services Evaluator
Will County Behavioral Health Department
cell: 312-203-4483



Public Health
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501 Ella Avenue
Joliet, IL 60433
Ph 815.727.8480
Fx 815.727.8484

Community Health Center
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Joliet, IL 60433
Ph 815.727.8670
Fx 815.727.5975

Eastern Branch Office
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Monee, IL 60449
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Fx 708.534.3455

Northern Branch Office
323 Quadrangle Dr.
Bolingbrook, IL 60440
Ph 630.679.7000
Fx 630.679.7015

www.willcountyhealth.org

0163

Attachment

12



WILL COUNTY HEALTH DEPARTMENT
&
COMMUNITY HEALTH CENTER

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, IL 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As the Executive Director of the Will County Health Department, the local health authority in Will County, our clients have experienced frequent delays in accessing inpatient psychiatric care due to bed shortages. The majority of times our clients have had to be referred out of the county, to hospitals in adjacent counties, and further. The Will County Health Department operates adult and child and adolescent psychiatric and counseling services, in addition to a child and adolescent SASS program. We have a great need to be able to have inpatient treatment beds available. It is also very burdensome on the affected family to have to travel out of the county to visit and support their family member. Additional time is also spent by our SASS staff to find inpatient placement in facilities outside our county, and drive to them for needed meetings, follow-up, etc.

The information I have included has not been used to support another pending or approved CON application for a behavioral health hospital.

I urge you to support the approval of certification of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Susan Olenek
Executive Director
Will County Health Department



Public Health

Main Office
501 Ella Avenue
Joliet, IL 60433
Ph 815.727.8480
Fx 815.727.8484

Community Health Center
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Joliet, IL 60433
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Fx 815.727.8670

Eastern Branch Office
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Monsee, IL 60449
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Fax 815.727.8800
Fax 815.727.8800

Northern Branch Office
323 Quadrangle Dr.
Bolingbrook, IL 60440
Ph 630.679.7000
Fax 630.679.7015

0164

Attachment



CRISIS LINE

OF WILL COUNTY

P. O. BOX 2354
JOLIET, ILLINOIS 60434
(815) 744-5280
Fax (815) 744-7782

January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

Crisis Line of Will and Grundy Counties, the 24 hour, 7 day a week comprehensive suicide hotline not only provides Information/Referrals to individuals seeking counseling for behavioral health issues, substance abuse, trauma's and psychiatric care but also provides support through Telephone Counseling to individuals suffering from mental health issues, suicidal ideations, substance abuse and other crises. At Crisis Line our callers have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times callers have had to wait to access care leading to poor outcomes in their mental healthcare.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in individuals being deferred or denied treatment. Approval of this application will increase access to these important services in Will and Grundy Counties. Individuals and families that call Crisis Line experience many issues surrounding getting the care and treatment they need. These are just a small sample of the issues.

- Lack of psychiatric services, substance abuse detox and treatment, adult and children inpatient treatment and aftercare.
- Long waiting lists to receive services.
- Parents unable to visit their children/adolescents who are receiving inpatient treatment in facilities 50 plus miles away.
- Lack of transportation limiting them from getting the treatment and/or aftercare that is necessary.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Michele Batara, MA, CIRS
Executive Director



mb

0165

rg



Attachment



January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

As the Senior Pastor of the United Methodist Church of New Lenox, I have had several occasions when I have worked with families to find an in-patient substance abuse treatment facility. In each case, a hardship was put upon the family because the lack of a local facility.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Rev. Dr. Jay D. Carr
Senior Pastor

339 W. Haven Ave., PO Box 1289, New Lenox, IL 60451
815-485-8271 <> www.umcnl.com



January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest. Having compassion for people is a better way to spend tax payer dollars than incarceration. Having compassion for people and having a resource that is actually available, not just "in theory," is a wise method of keeping people off the streets. Having compassion for people along with expert care can make a difference and I fully support it.

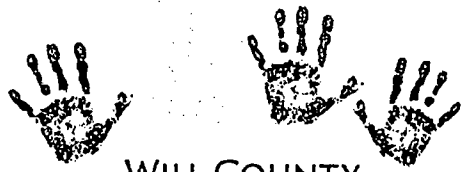
There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Pastor Dave Hedlin



WILL COUNTY
Children's
ADVOCACY CENTER

HOPE, HEALING, AND JUSTICE FOR ABUSED CHILDREN.

57 N. OTTAWA STREET, 4TH FLOOR
JOLIET, ILLINOIS 60432

PHONE: (815) 774-7565

FAX: (815) 774-4569

WILLCOUNTYCHILDRENSADVOCACY.ORG

January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

The Will County Children's Advocacy Center employs a Behavioral Health Coordinator whose primary function is to connect our child clients to appropriate mental health services. Most of the time, she makes referrals to community-based counseling services. However, some of the youth we serve require a higher level of care, including both outpatient and inpatient psychiatric services. Unfortunately, our clients have experienced frequent delays in accessing inpatient and outpatient psychiatric care, due to a lack of available and accessible services. There have been many times our clients have had to wait to access, or have been unable to access care, leading to poor outcomes in their mental healthcare. In addition to the lack of available services, many of our families are unable to access services due to financial and location barriers.

While I do not have accurate data to attest to the number of youth that have received care at existing facilities over the last 12-months, I do know that due to above-stated barriers, the majority of our youth do not receive the level of care that they need. Many of our families access care through Screening, Assessment, and Support Services (SASS) program for children and adolescents experiencing a mental health crisis, or through referral from their insurance agency.

While it is difficult to estimate the number of youth that we will refer annually to the new facility, the need does exist. It is imperative to the health and healing of our youth and their families, that they have access to inpatient and outpatient mental health care that can be coordinated with their trauma treatment. This will lead to positive outcomes in our youth's mental health through comprehensive treatment that is appropriate for their needs.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Lisa Morel Las, M.Ed.
Executive Director



500 Stryker Avenue
Joliet, IL 60436
(815) 630-5283
Pastor Warren C. Dorris, Jr.

January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

- During the time the State of Illinois cut the budget for Mental Health, I was a sitting Joliet City Councilman. I observed first-hand the impact that the cuts and the lack of services had on Joliet and other surrounding cities.
- Our Police Department was overwhelmed with calls for service only to find that the incident was not a Policing Matter but someone in need of Specialized Psychiatric Care.
- The above noted incidents are still happening today because of the lack of Behavioral Modification Treatment Centers.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Warren C. Dorris, Jr.
Senior Pastor – Prayer Tower Ministries C.O.G.I.C.
Cell: 815-325-6022

CED

WILL COUNTY
CENTER FOR
ECONOMIC DEVELOPMENT

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

RE: Silver Cross Hospital/US HealthVest's Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

The Will County Center for Economic Development (CED) is a private, non-profit economic development corporation whose mission is to support the expansion of existing businesses and the recruitment of new businesses to Will County. For the past thirty-five years, the CED has assisted over 3,000 companies resulting in the creation of tens of thousands of new jobs, billions of dollars of new investment and improving the quality of life for our almost 700,000 residents.

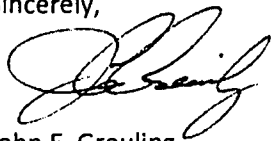
On behalf of the CED Board of Directors and its members, we support Silver Cross Hospital and US HealthVest's plans to build a new behavioral health hospital in New Lenox, IL. This facility will provide services to a population, both insured and uninsured, that by health care standards is greatly underserved in our county. Moreover, as an economic development project it will drive new investment and jobs in the life sciences sector, which is one of our five major target industry clusters for growth.

Our member businesses know the importance of a healthy body and mind in the work place. According to the Substance Abuse and Mental Health Services Administration, substance use negatively affects U.S. industry through lost productivity, workplace accidents and injuries, employee absenteeism, low morale, and increased illness. Depression and other mental illnesses, when left untreated, impact productivity and safety in the work place.

Since 2012 Silver Cross Hospital has invested over \$400 million in Will County, including the new 296 bed hospital in New Lenox and an ambulatory care center currently under construction. They are one of the top five largest employers in the County increasing their employee count by 25% over the last five years. The Silver Cross Oaks Hospital will add another 200 jobs to our local economy.

The CED recommends that the Illinois Health Facilities and Services Review Board approve the Certificate of Need Application for this much-needed project.

Sincerely,



John E. Greuling
President/CEO



Our Lady of Mount Carmel

January 20, 2017

Courtney Avery, Administrator

Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

The community of Our Lady of Mt. Carmel Church has significantly increased in the last few years. As of October 2016, our records indicate that on average, 2,600 individuals attend mass each weekend. Our community is in great need of this type of specialized services. During the month of July, we share our office space with a psychiatrist to provide such invaluable service to our community in need. Additionally, group AL-ANON provide support to the spouses of alcohol/drug use individuals. NUEVA VIDA provide counseling services to the individuals who suffer from depression or alcohol/drug abuse.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

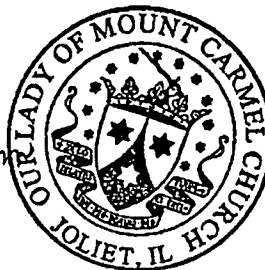
Thank you for your assistance in providing access to care.

Sincerely,

Fr. J. Luis Torres P. O. Carm.

Fr. José Luis Torres-P., O. Carm.

Pastor



Phone: 815-727-7187
Fax: 815-727-7225

E-mail: mountcarmel@ourladymtcarmel.net

407 Irving St
Joliet, IL 60432



Margo McDermid
State Representative • 37th District

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

RE: Silver Cross Hospital/US HealthVest's Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

Mental illness and substance abuse is prevalent in Illinois 37th District and remains a problem of epic proportions. According to the 2016 Will County Community Health Status Assessment, last year there were 58 suicides with the majority attributed to gunshot wounds, hangings and drug overdoses. Substance abuse among 12th graders has increased since 2012. Alcohol is the primary substance abused with marijuana coming in second. We have also seen heroin abuse in large proportions in Will County – 70 overdoses in 2016 alone.

Our community has come together to put stop gaps in place which includes legislation I co-sponsored that was unanimously approved by the House Special Committee on Substance Abuse in March 2016. HB-438 authorizes schools to administer an opioid antidote should that action be necessary to save a life. However, once the crisis has subsided, treatment options are dismal.

To make matters worse, since the Tinley Park Mental Health Center closed, there has been a mental health services desert in this area. In my district, there are not enough inpatient mental health beds or mental health providers for our population as compared to the state and national ratios. More than half of my constituents leave the area for mental health and addiction treatment. This is unacceptable.

Fortunately, Silver Cross Hospital – a 100 Top Hospitals national award winner for 7 years, has partnered with US HealthVest to build a behavioral health hospital in New Lenox. These additional beds and expanded services will be a God-send to the people I represent. Not only will lives be saved, but this new facility will bring more jobs to our community as well as tax revenue. This project is a win-win for everyone.

On behalf of the residents of the 37th district, please approve the certificate of need application to build this proposed behavioral health hospital on Silver Cross Hospital's campus. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Margo McDermid".

Margo McDermid
State Representative 37th District

District 37 Office: 11032 W. Lincoln Hwy., Frankfort, IL 60423 | 815-277-2079
Springfield Office: 204-N Stratton Office Building, Springfield, IL 62706 | 217-782-0424
Email: McDermid@ilhsgop.org | Website: www.repmcdermid.com

RECYCLED PAPER • SOYBEAN INKS

0172

Attachment
12

TWELFTH JUDICIAL CIRCUIT

CIRCUIT COURT OF WILL COUNTY



14 West Jefferson Street
Joliet, Illinois 60432
(815) 740-8049
Fax (815) 727-8817

Chambers of
SARAH F. JONES
Circuit Judge

January 31, 2017

VIA EMAIL DELIVERY – rcolby@silvercross.org

Ms. Courtney Avery
Illinois Health facilities and services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield IL 62761

Dear Ms. Avery,

I am Judge Sarah Jones and it is my great privilege to serve for the last two years as the presiding judge for Will County Drug Court in Joliet, IL and have been involved with Will County Drug Court since my appointment to the bench in 2007. Previous to my appointment, I was an assistant state's attorney for Will County for 13 years. In both of my professional lives, I have seen the destruction, the cost, both financial and personal, of addiction and mental illness. I write in wholehearted support of the proposed behavioral health hospital to be opened by Silver Cross Hospital and US HealthVest in New Lenox, IL.

Our drug court staff works tirelessly to find appropriate placement for our drug court clients, and quite honestly, those beds can be hard to find in an expedient and appropriate fashion. Silver Oaks Hospital providing a dedicated, local, inpatient chemical and mental health facility would be a boon to our community and would greatly assist in restoring Will County citizens to actively participate in our society.

Treatment saves lives, and saves money. Addiction and mental illness is a public health crisis that needs to be addressed on many levels. I respectfully request that you approve the certificate of need application.

Sincerely,



Circuit Judge Sarah Jones

SFJ:lar

Second Baptist Church

156 SOUTH JOLIET STREET
JOLIET, ILLINOIS 60436
Office Phone: (815) 726-3731

Larry V. Tyler, Senior Pastor

Fax: (815) 726-0224
Church Email: sbcjoliet@ameritech.net

January 30, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

As a ministry professional, I have access to community outreach programs at Second Baptist Church, Joliet Illinois. Our outreach programs include a weekly after-school program for elementary school kids, a weekly basketball anti-violence ministry for at-risk community young people as well as a weekly soup kitchen/ food distribution program for the community.

Through my interactions with program participants, I personally find the need for access to inpatient psychiatric care to be very strong. Admittedly, I have little experience in behavioral treatment, but in my opinion, there are numerous cases of low-income community participants who publicly display obvious behavioral disorders that cry for attention. The police have been summoned on several such occasions. Participants with apparent behavioral disorders and substance abuse conditions range in age from teenagers to senior adults. A social cycle can be fueled when dependent children are adversely impacted as these needs continue to go unmet.

I cannot stress enough my strong perception regarding the link between low-income community residents and limited or no access to treatment care. Also, I have the perception that young people with treatment needs and/or substance-abuse challenges are swept into the incarceration-recidivism cycle.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the neighboring area to expand behavioral health services.

Thank you for your assistance in providing access to care.

"Helping All Souls To See Jesus"

0174

Attachment

12

Second Baptist Church

156 SOUTH JOLIET STREET
JOLIET, ILLINOIS 60436
Office Phone: (815) 726-3731

Fax: (815) 726-0224

Sincerely,

Rev. Larry Tyler

Pastor Larry Tyler
Senior Pastor, Second Baptist Church
630-258-2870 cell

CAPITOL OFFICE
118 CAPITOL BUILDING
SPRINGFIELD, ILLINOIS 62706
(217) 782-9595

DISTRICT OFFICES
813 SCHOOL ROAD
MATTESON, ILLINOIS 60443
(708) 283-4125
(708) 253-1313 FAX

NEW LENOX VILLAGE HALL
1 VETERANS PARKWAY
FIRST FLOOR
NEW LENOX, ILLINOIS 60451



MICHAEL E. HASTINGS
ILLINOIS STATE SENATOR
19TH DISTRICT

COMMITTEES
Vice-Chairperson
Judiciary
Member
Appropriations I
Appropriations II
Financial Institutions
Insurance
State Government &
Veterans Affairs

January 30, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

RE: Silver Cross Hospital/US HealthVest's Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

The word 'suddenly' used to be used in obituaries when an older person died of a heart attack. Now it's used to describe a young person's death due to an overdose, and I see it often. Here in Illinois, we need to work together so people suffering from mental health disorders and the disease of addiction can get the help they need.

Recently, the Illinois Senate was able to provide \$700 million in emergency funding to human services providers who contract with the State to assist persons fighting mental illness and substance abuse. We also passed the Heroin Crisis Act of 2015 allowing people to use Medicaid to cover the cost of treatment for addiction.

Although this legislation is important, it is not enough. In Illinois, we need more treatment facilities and providers to care for these people. In my district, there are only 55 inpatient mental health beds to care for approximately 800,000 people. Of these beds, 24 are solely dedicated to geriatric psychiatric services. If you add in the 20 inpatient mental health beds at nearby Silver Cross Hospital, there is still a significant shortage as identified by the state's average of 35 beds per 100,000 people. Experts recommend 40-50 beds per 100,000 people still leaving us with a huge discrepancy in capacity. Furthermore, there is a severe lack of inpatient and outpatient substance abuse resources for adolescents, women and veterans.

The proposed Silver Oaks Hospital will fix this disparity in services and attract more providers with experience in treating this patient population to my district and nearby communities.

As I remain committed to the task of working with community leaders, including Silver Cross Hospital and US HealthVest, to help address the mental health problem and opioid addiction ravaging the entire state, I ask that you do the same by approving this greatly needed resource.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael E. Hastings', with a stylized flourish at the end.

Michael E. Hastings
Senator



VILLAGE OF NEW LENOX

1 VETERANS PARKWAY
NEW LENOX, ILLINOIS 60451

VILLAGE OFFICE 815.462.6400
FAX NUMBER 815.462.6449
BUILDING DEPT. FAX 815.462.6469

MAYOR
TIMOTHY BALDERMANN

ADMINISTRATOR
KURT T. CARROLL

VILLAGE CLERK
LAURA RUHL

TRUSTEES
ANNETTE BOWDEN
DAVID BUTTERFIELD
DOUGLAS E. FINNEGAN
EMILY JOHNSON
KEITH MADSEN
DAVID SMITH

February 2, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

RE: Silver Cross Hospital's Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

As the Mayor of the Village of New Lenox, I would like to take this opportunity to express my support to Silver Cross Hospital and US HealthVest to build a 100-bed behavioral health hospital in New Lenox.

New Lenox is a rapidly growing community that benefits in many ways from having Silver Cross Hospital's services easily accessible to our residents. The hospital, aside from being the largest employer in New Lenox, has always been an active supporter and participant in a variety of community endeavors – from sponsoring our Triple Play Concert Series and Proud American Days Festival to training our paramedics and first responders to providing their leadership to the New Lenox Chamber of Commerce and New Lenox Safe Communities Commission; especially on the Suicide Prevention and Awareness Task Force.

Silver Cross has also been a strong partner in our ongoing battle against the growing heroin epidemic and mental health crisis in our community. In 2016, 4 people died from a heroin overdose in New Lenox Township and the Village. We recently put in place a second chance heroin amnesty program to assist heroin users in getting help. This program allows users to walk into the police station and seek help without fear of being arrested. However, we have limited inpatient resources in Will County to assist these addicts with the treatment they need. The proposed behavioral hospital will address these gaps in services.

As a Mayor, retired police chief and current school superintendent, I have seen the increasing need for mental health services. Often, people who suffer from mental health issues feel they have nowhere to turn for help. The residents and business owners in New Lenox are progressive thinkers and compassionate people. We don't bury our heads in the sand when problems arise. I am confident that our community will wholeheartedly support the partnership with Silver Cross and US HealthVest in bringing this much needed hospital to our area.

Sincerely,

Timothy A. Baldermann
Mayor



0177



TREE CITY USA®
Attachment
12

**Adult Mental Health
Local Area Network (LAN 6-D)
c/o Will County Health Department
501 Ella Avenue
Joliet, Illinois 60433**

February 1, 2017

Courtney Avery
Administrator
Illinois Health Facilities and Service Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

On behalf of the Will and Grundy County Adult Mental Health – Local Area Network (LAN 6-D), I am writing this letter of support for the certification of need (CON) application for the 100 bed behavioral health hospital in New Lenox, Illinois, through the joint venture between Silver Cross Hospital and US HealthVest.

The LAN 6-D was established in spring of 1993 at the initiative of the State of Illinois-Department of Mental Health (DMH). The Will and Grundy County LAN started meeting in June of 1993 and has continued to meet monthly since then. There is an archive of meeting minutes and reports located at the Will County Health Department. The Will and Grundy County LAN consists of the following organizations that provide or advocate for the behavioral health needs in the two counties:

- Grundy County Health Department
- Will County Health Department
- National Alliance for the Mentally ILL (NAMI) of Will and Grundy County
- The Crisis Line of Will County
- Stepping Stones, Inc.
- Cornerstone Services, Inc.
- Trinity Services, Inc.
- Presence Saint Joseph Medical Center
- Silver Cross Hospital

The purpose of the LAN is to plan, coordinate, and advocate for behavioral health services in Will and Grundy Counties. An important part of the mission of the LAN is to advocate when necessary for the behavioral health services needs. This includes the identification and addressing of behavioral health needs.

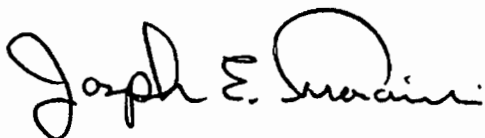
Prior to the closing of the state operated facility Tinley Park Mental Health Center (TPMHC), there was already a chronic shortage of psychiatric beds in the LAN area. When the Illinois Department of Mental Health requested proposals for services when TPMHC closed, the LAN responded with a recommendation that a replacement hospital be established in the Joliet area. When the proposals were reviewed by the State of Illinois, our proposal for the building of a replacement hospital was not selected for budgetary reasons. With the closing of TPMHC, a chronic problem of the shortage of inpatient psychiatric beds became even more acute. Since then the LAN has strongly advocated for the expansion of psychiatric beds in the Will and Grundy county area. It is important to note that there are no psychiatric beds in Grundy County. We are forced at this time and over the past few years to send our patients out-of-county who are in need of psychiatric care. This has made for an exceptional hardship for the families of those hospitalized who want and need to participate in treatment with the loved one hospitalized; visitation is equally a challenge. When it comes to children and adolescents, who are hospitalized these issues are even that much more heartbreaking.

Year after year when the LAN reviews the behavioral health needs in the two counties, the conclusion is the same "there are not enough inpatient psychiatric beds in the LAN area". At the same time the population of both counties continues to grow. Will County was identified as one of the top ten growing counties in the United States.

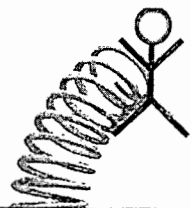
Please note that no specific data was provided in this letter of support for the CON. It was determined that the individual members of the LAN, in their letters of support for the CON would detail their experience and data regarding the chronic shortage of psychiatric beds.

In closing, we the organizations that participate in the LAN support the approval of the certificate of need application for Silver Oaks Hospital. Approval of their application will have a significant impact in both increasing psychiatric capacity and bringing back those services to our counties.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph E. Troiani". The signature is fluid and cursive, with a large loop at the end.

Joseph E. Troiani. Ph.D., CADC
Chairperson
Adult LAN 6-D



Phone: (815) 782-6040

Fax: (815) 782-6041

bouncebacksocialservice@gmail.com

www.bouncebacksocialservices.com

Bounce Back Social Services

"Bouncing Back With Empowerment"

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

Bounce Back Social Services have experienced Veterans that are registered in BBSS' Veteran's First Program (Joliet), experiencing issues around recidivism due to their need of psychiatric and substance abuse services close to their community. Veterans had to be transported to the VA Hospitals in Chicago, Illinois, resulting in lack of family support with their treatment plan, due to distance of medical facility/time it takes to travel. Also, options for timely aftercare for Veteran are limited due to the location near Veteran's home.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely, "

Jennifer B. Young, M.A. Registered Psychotherapist GCDF
Chief Operating Officer/ Veteran Program Supervisor
Bounce Back Social Services

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

As the Director of a community service center providing programs and services to enrich the lives of its residents the Forest Park Center is in an at-risk community. We recognize the need of a behavioral facility that will address the mental health and substance abuse issues that is prevalent within our community and will enhance our services with referral access. Also, problems with family involvement in treatment due to distance / travel time will be addressed because the facility will be located within a three-mile radius of the community with a public transportation component that already exist. We also recognize that issues around recidivism due to lack of aftercare services located near the patient's home will greatly reduce.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,


Bettye Gavin
Executive Director
Forest Park Community Center
1017 Woodruff Rd Joliet, IL 60432
815-727-7898

0181

Silver Cross Healthy Community Commission

Margie Woods
Chairman

Betty Washington
Secretary/Treasurer

Mary Bakken

Manuela Botello

Richard Brandolino

Herbert Brooks, Jr.

Derrick Brown

Cesar Cardenas

Ruth Colby

Burnell Holman

Rev. Richard D. House

Mark Jepson

Hugo Manzo

Rev. Edward Martin, Jr.

Theresa Rodriguez

Maribel Valle, Ph.D.

Howard Wright

January 23, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

RE: Silver Cross Hospital/US HealthVest's Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

RE: Silver Cross Hospital/US HealthVest's Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

On behalf of the Silver Cross Health Community Commission, I am writing to express our support for the proposed Silver Oaks Hospital to be located on Silver Cross Hospital's campus in New Lenox.

In 2008, Silver Cross Hospital's Board of Trustees joined together with community leaders representing the interests of constituencies one of the in the poorest and underserved areas of Will County—the eastside of Joliet, to form the Silver Cross Healthy Community Commission. Our goal is to create a stronger, healthier future for these residents by focusing on:

- Workforce development, education and business growth with a focus on health care and construction,
- Coordination of and access to community-based health services,
- And community input on the redevelopment of the former Silver Cross Hospital campus.

Since then, our Commission – which is funded 100% by Silver Cross Hospital, has given nearly \$2 million in healthcare and construction scholarships and grants to numerous eastside Joliet residents and organizations, led the led the Veteran's Administration to open a mega-outpatient clinic in the former Silver Cross

Emergency Department, and worked with Aunt Martha's to open a Federally Qualified Healthcare Center and also the Volunteers of America to build affordable housing for Veterans and their families on the old hospital campus.

With this application to build Silver Oaks Hospital, Silver Cross Hospital continues to fulfill its promise to local residents. The proposed facility will bring much needed mental health and substance abuse programs and services to our community. According to the 2016 Will County Behavioral Health Services Capacity Report, the top 3 barriers to these vital services are cost, wait, and distance. This new hospital will significantly reduce if not eliminate these barriers. Silver Cross and US HealthVest promise that ALL patients will be cared for regardless of their ability to pay. With 100 beds and specialized outpatient programs for women, teens, seniors and Veterans, patients will not have to wait to get treatment in a timely manner. And patients as well as their family or support persons won't have to travel far for treatment.

Our community needs this behavioral health hospital if we are to continue to improve the quality of life for the people on the Joliet's eastside and all of Will County. Please approve this project. Help our family, friends, neighbors and co-workers have access to quality behavioral health care close to home.

Sincerely, .

Margie Woods
Chairperson
Silver Cross Healthy Community Commission

January 30, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, IL 62761

Re: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

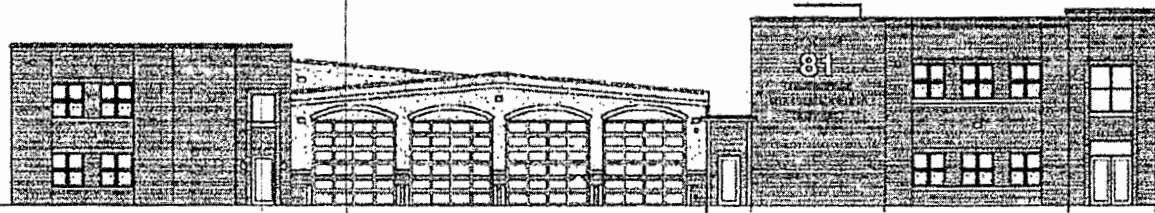
As a psychiatrist treating patients of Morris Hospital and the primary and secondary service areas it serves, I am aware of patients who have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. Delays in these services can lead to poor outcomes in their mental healthcare.

I urge you to support the approval of the certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Ronald J. Wuest, MD
Psychiatrist, Institute for Personal Development
Morris and Romeoville



Manhattan Fire and Ambulance District

100 Park Road • P.O. Box 65 • Manhattan, Illinois 60442
Station 81 (815) 478-3197 • Station 82 (815) 478-5578 • Fax (815) 478-9880

I urge you to support the approval of certificate of need application for Silver Oaks Hospital.
Approval of the application will increase access to these important services in our area.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Daniel Forsythe'. The signature is written in dark ink and is positioned below the word 'Sincerely,'.

Daniel Forsythe

Fire Chief

Manhattan Fire Protection District

2200 WEBER ROAD
CREST HILL, IL 60403
(815) 207-4445
(815) 207-4446 (FAX)



ILLINOIS STATE SENATE
PAT McGUIRE

417C STATE CAPITOL
SPRINGFIELD, IL 62706
(217) 782-8800
(217) 557-6006 (FAX)

January 20, 2017

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

RE: Silver Cross Hospital/US HealthVest's Certificate of Need Application
for Silver Oaks Hospital

Dear Ms. Avery:

The word 'suddenly' used to be used in obituaries when an older person died of a heart attack. Now it's used to describe a young person's death due to an overdose, and I see it often. Here in Illinois, we need to work together so people suffering from mental health disorders and the disease of addiction can get the help they need.

Recently, the Illinois Senate was able to provide \$700 million in emergency funding to human services providers who contract with the State to assist persons fighting mental illness and substance abuse. We also passed the Heroin Crisis Act of 2015 allowing people to use Medicaid to cover the cost of treatment for addiction.

Although this legislation is important, it is not enough. In Illinois, we need more treatment facilities and providers to care for these people. In Will County, there are only 55 inpatient mental health beds to care for approximately 800,000 people. Of these beds, 24 are solely dedicated to geriatric psychiatric services. If you add in the 20 inpatient mental health beds at nearby Silver Cross Hospital, there is still a significant shortage as identified by the state's average of 35 beds per 100,000 people. Experts recommend 40-50 beds per 100,000 people still leaving us with a huge discrepancy in capacity. Furthermore, there is a severe lack of inpatient and outpatient substance abuse resources for adolescents, women and veterans.

Ms. Courtney Avery
January 20, 2017
Page Two

The proposed Silver Oaks Hospital will fix this disparity in services and attract more providers with experience in treating this patient population to my district and nearby communities.

As I remain committed to the task of working with community leaders, including Silver Cross Hospital and US HealthVest, to help address the mental health problem and opioid addiction ravaging the entire state, I ask that you do the same by approving this greatly needed resource.

Respectfully,

A handwritten signature in cursive script that reads "Pat McGuire".

Pat McGuire
State Senator, District 43

TWELFTH JUDICIAL CIRCUIT CIRCUIT COURT OF WILL COUNTY



14 W. JEFFERSON STREET
JOLIET, ILLINOIS 60432
(815) 727-8540
FAX (815) 727-8817

Chambers of
DOMENICA A. OSTERBERGER
Associate Judge

January 31, 2017

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

Dear Ms. Avery:

I am fortunate to be the presiding Judge over the Will County Mental Health Court. I write in support of the application for approval for Silver Oaks Hospital, the proposed behavioral health hospital to be opened by Silver Cross Hospital and US HealthVest in New Lenox.

Our program is in need of a local facility that provides both inpatient and outpatient services and treatment programs for non-violent drug users with mental health issues who are involved in the criminal justice system. As you are aware, mental health and drug use issues often present as concomitant problems. The Will County Drug Court, Veterans Court, and ARI Court are equally in need of such services.

Historically, there has been an increase in criminal behavior related to drug use. Indeed, drug-related offenses such as theft, burglary, forgery, and prostitution are among the most common crimes in our community. According to the 2016 Will County Community Status Assessment, there were 3,822 drug-crime arrests and 653 controlled substance act arrests in 2014. Many of the offenders are recidivists. Statistics show that, by offering counseling, drug treatment, career guidance, support, and close supervision, recidivism rates drop drastically.

Since 2010, the Will County Mental Health Court program has helped numerous offenders manage their illnesses and drug addictions, and our participants have integrated back into society with increased educational and job opportunities. We have had 39 graduates, and today five more participants will graduate, for a total of 44. The road to graduation has not been easy for them---there is a significant shortage of beds in our community. Mental Health Court participants are referred for treatment based upon their individual needs. But there is not a dedicated inpatient chemical dependency unit in Will County. Our participants often wait weeks to be placed in treatment, which places a financial burden on the corrections system and taxpayers. It costs \$92 per day for each inmate at the Will County Adult

TWELFTH JUDICIAL CIRCUIT CIRCUIT COURT OF WILL COUNTY



14 W. JEFFERSON STREET
JOLIET, ILLINOIS 60432
(815) 727-8540
FAX (815) 727-8817

Chambers of
DOMENICA A. OSTERBERGER
Associate Judge

Detention Facility, and \$23,000 to imprison a person for a year. And, notably, in 2016, there were 2293 inmates at the WCADF who received psychotropic medication.

I can assure you that the Will County Mental Health Court will refer people to Silver Oaks Hospital from the following zip codes: 60401, 60403, 60404, 60408, 60410, 60417, 60421, 60423, 60432, 60432, 60433, 60434, 60435, 60436, 60440, 60441, 60442, 60446, 60448, 60449, 60451, 60468, 60481, 60484, 60490, 60491, 60503, 60544, 60564, 60585, and 60586.

For the needs and safety of our community, and the successful rehabilitation of our Will County Mental Health Court clients, I respectfully request that you approve the certificate of need application.

Sincerely,

Associate Judge Domenica A. Osterberger
12th Judicial Circuit

cc: Ruth Colby



WILL COUNTY REGIONAL OFFICE OF EDUCATION

702 W. MAPLE STREET • NEW LENOX, ILLINOIS 60451

PHONE: (815) 740-8360 • FAX: (815) 740-4788

www.willroe.org

Dr. Shawn Walsh
Regional Superintendent

Frank W. Perucca
Regional Assistant

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

As Regional Superintendent of Schools, I work with the 29 school districts that reside within the Will County Educational Service Region. Behavioral health services are a growing need within the educational community throughout the state and within Will County. Additionally, the Will County Regional Office of Education administers an alternative school, Lincoln School, that houses at-risk students (grades 6-12) from the school districts within the county. The addition of this behavioral hospital will provide a tremendous resource for the schools, parents, and most importantly the students who may require such services.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in cursive script, reading "Shawn Walsh".

Dr. Shawn Walsh
Regional Superintendent of Schools
Will County ROE #56

Lincoln-Way Area Special Education Joint Agreement District #843

SARAH REXROAD
DIRECTOR

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

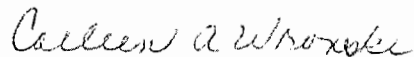
There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

The students who attend our cooperative have experienced delays in finding a bed at a local psychiatric facility. There are instances where we have found a bed, but it is not close to the student's home. Opening this new facility would make the care for students in these situations a priority.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Colleen A. Wronski
Business Manager
Lincoln Way Area Special Education District 843

Lincoln-Way Area Special Education Joint Agreement District #843

SARAH REXROAD
DIRECTOR

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

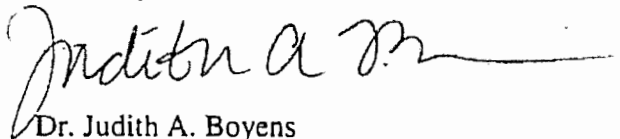
There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

The families and students I serve in this area are in need of in-patient psychiatric care from time to time. Often times, families do not agree to the care their child needs due to distance between home and the hospital. Aftercare is always difficult as well, as service providers in this area seem few and far between. If a student is taken from our school to the emergency room, knowledge of psychiatric needs seems to be lacking at times.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Dr. Judith A. Boyens
School Administrator
LWASE District#843

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

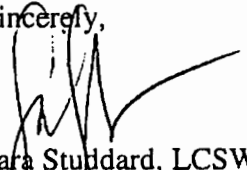
As a Licensed Clinical Social Worker working in the schools at The Mackay Education Center located in New Lenox/Will County, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

There have been numerous students that I have worked with over the years and currently that are in need of mental health services both inpatient and outpatient. Many of these students have had hospitalizations and even multiple inpatient stays. Many of these students' families have to travel if they are able to see them, as they are not able to find hospitals in the area to meet their needs. Many students struggle with regular outpatient aftercare due to location of services and the families' ability to drive them there. A local mental health facility is greatly needed and would services many students/patients in need, as well as their families.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Sara Studdard, LCSW
School Social Worker
The Mackay Education Center

516 S. Cedar Road
New Lenox, Illinois 60451
815-463-8068
0193

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in cursive script, appearing to read "Barbara McCabe".

Barbara McCabe
Lincoln Way Area Special Education #843
Special Education Paraprofessional

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Dancu". The signature is written in dark ink and is positioned above the typed name and title.

Kathy Dancu
Lincoln-Way Area Special Education #843
Special Education Paraprofessional

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Joanna Bentivenga
Lincoln-Way Area Special Education #843
Special Education Teacher

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

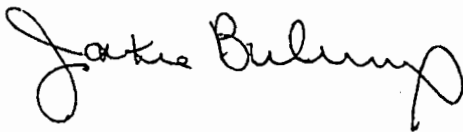
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There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in black ink, appearing to read "Jackie Burdeaux". The signature is fluid and cursive, with the first name "Jackie" written in a larger, more prominent script than the last name "Burdeaux".

Jackie Burdeaux
Lincoln-Way Area Special Education #843
Special Education Paraprofessional

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

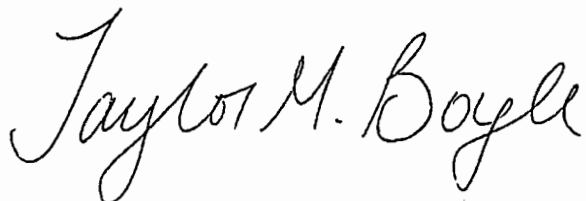
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There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in cursive script that reads "Taylor M. Boyle". The signature is written in dark ink and is positioned above the printed name and title.

Taylor Boyle
MacKay Education Center
Special Education Teacher

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

Our school has had students in need of hospitalization and our parents have to travel long distances to get help or to visit their children. This new facility should help with these issues. Please support this certificate for the new hospital in New Lenox, IL.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Beth Pelletier
Secretary
Mackay Education Center

516 S. Cedar Rd.
New Lenox, IL 60451
815-463-8068

0199

Attachment

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

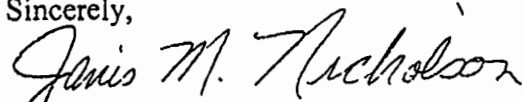
There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

As a member of the New Lenox community, I strongly believe there is a lack of accessible mental health care in this area. I know many families who must travel to other communities in order to wait long periods of time to just get to "see" a counselor or psychiatric physician. I am aware that Silver Cross, as a hospital, is unable to meet the mental health needs within this area. There are limited in-patient and out-patient therapists and programs available to both youth and adults. Illinois has always been behind in meeting the needs of these individuals, this would be one way to improve services to individuals with minor or significant mental health needs.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Janis M. Nicholson
241 Tonell Avenue
New Lenox, IL 60451
815-463-0717
Jmnicholson63@hotmail.com

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

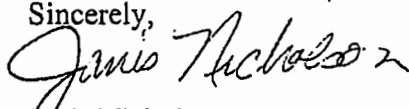
As a special education teacher at Mackay Education Center in New Lenox, Illinois, my students have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times students have had to wait to access care leading to poor outcomes in their mental healthcare.

Throughout my years here, many of our students have needed specialized mental health care, often leaving school by ambulance and having to wait at the local hospitals for evaluation. There have been several occasions when students had to be transported all the way to Kankakee in order to find an opening in a setting where appropriate services could be obtained. It would be so much better if students could stay within the community, then they could also receive follow-up and outpatient services within the same setting. This would make for continuity of services, which is best practice.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Janis Nicholson
Special Education Teacher
Mackay Education Center
Lincoln-Way Area Special Education Cooperative
District 843
516 S. Cedar Ave.
New Lenox, IL 60451

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Grund', with a stylized, flowing script.

Brian Grund
Special Education Teacher
Mac Kay Education Center

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

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I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in cursive script that reads "Emily Bauer". The signature is written in dark ink and is positioned above the typed name and title.

Emily Bauer
Special Education Teacher
MacKay Education Center

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

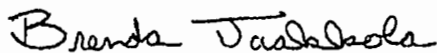
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I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Brenda Jaakkola
Special Education Paraprofessional
MacKay Education Center

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

In my professional experiences, I have come in contact with adolescents who would benefit greatly from having a psychiatric and/or substance abuse treatment facility in their community.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Sarah Bailey
Special Education Teacher
Mackay Education Center
Lincoln-Way Area Special Education Joint District 843



FAIRMONT SCHOOL DISTRICT #89
735 Green Garden Place
Lockport, Illinois 60441

Mrs. ZaRita Beal, Principal
(815) 726-6156 Fax (815) 726-0464

January 17, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

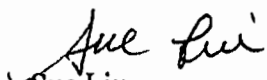
There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I am a school social worker and have great difficulty finding a bed at local psychiatric facility for my students. Many times, my students have been placed far away for their mental health needs. It becomes problems for school personnel and family to get involved in student's treatment plan.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,


Sue Liu
School Social Worker
Fairmont School District 89

MEMBER OF
INCIL

2415-A W. Jefferson Street
Joliet, Illinois 60435
HOURS 8:30 A.M. - 5:00 P.M.
MONDAY - FRIDAY



Will-Grundy
**CENTER for
INDEPENDENT
LIVING**



Phone: 815-729-0162
TTY: 815-729-2085
VP/VRS: 815-768-2582
Fax: 815-729-3697
Website: Will-GrundyCIL.org

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

Many of the consumers we serve, especially those we reintegrate from nursing homes to the community, desperately need psychiatric care/substance abuse services in order to thrive. Waiting lists for such services are incredibly high. A consumer can easily regress due to the inability to access these vital services. Having Silver Oaks Hospital available to serve our citizens with these problems will be a huge asset our community.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Pam Heavens
Executive Director



Frankfort Fire Protection District

STATION #1

Administrative Offices

333 W. Nebraska Street
Frankfort, IL 60423
(815) 469-1700
(815) 469-8377 Fax

STATION #2

20260 S. Graceland Lane
Frankfort, IL 60423
(815) 469-1720

STATION #3

Training Center

24420 S. LaGrange Road
Frankfort, IL 60423
(815) 464-0333

STATION #4

7990 W. Steger Road
Frankfort, IL 60423
(815) 464-4808

STATION #5

21901 S. Wolf Road
Frankfort, IL 60423
(815) 469-5168

www.frankfortfire.org

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a Fire Chief with the Frankfort Fire Protection District, I have seen an increase of psychiatric emergencies within our fire district. The emergencies that our residents are having are affecting both the very young to the elderly. There is an unmet need in the surrounding area for specialized psychiatric services. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Robert Wilson
Fire Chief
Frankfort Fire District
(815) 469-1700
rwilson@frankfortfire.org

**Sprinklers & Smoke
Detectors Save Lives**

0208

**Attachment
12**



Be a HERO. *Save a life*

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will, Grundy, & surrounding counties.

HERO supports this joint venture because of:

- Patients that are addicted to drugs are pushed out of hospitals after 48 to 72 hours of treatment.
- There is limited access for treatment and substance abuse services in our community.
- Issues surrounding relapse of substance users and lack of aftercare for these patients.
- Issues between mental health situations and substance use issues such as co-morbid diagnosis in these patients.
- Issues of waiting times for beds and admittance to hospital care.
- Issues with not just treating the patient, but also treating families.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Respectfully,

Brian Kirk
13116 West Pin Oak Drive
Homer Glen, Illinois 60491
Co-Founder & Vice President
HERO (The Heroin Epidemic Relief Organization)



Hero was founded in 2010 in memory of Billy Roberts and Matthew Kirk



Big Brothers Big Sisters

Serving Will, Grundy, Kankakee & Iroquois

Main Location:

417 W. Taylor Street · Joliet, IL 60435-6126
815-723-BBBS

Satellite Office:

220 W. Main Street · First Midwest Bank #305
Morris, IL 60450 · 815-942-9011

bbbswillgrundy.org

January 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

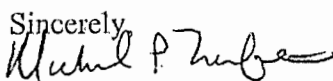
As the former Chief of Police for the Joliet Police Department I can honestly say that this facility is desperately needed for the area. Many who come across law enforcement only do so because of lack of psychiatric treatment and facilities to help them.

In my current position as CEO of Big Brothers and Big Sisters of Will and Grundy Counties I can attest to the need of such a facility for the parents and children that we serve.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,


Michael Trafton
CEO Big Brothers and Big Sisters of Will and Grundy Counties
815-723-2227
Mike.trafton@bbbswillgrundy.org



Big Brothers Big Sisters

Serving Will, Grundy, Kankakee & Iroquois

Main Location:

417 W. Taylor Street · Joliet, IL 60435-6126
815723-BBBS

Satellite Offices:

220 W. Main Street · First Midwest Bank #305
Morris, IL 60450 · 815-942-9011

310 S. Schuyler Avenue · Centru Bank
Kankakee, IL 60901 · 815-715-6822

bbbswillgrundy.org

January 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

All too often, I find the children enrolled in Big Brothers Big Sisters may have been admitted for psychiatric services but did not receive treatment after being released because they could not find treatment close to their home. This usually leads to the child being admitted repeatedly due to lack of aftercare. This can also be said for adults in our community as well, especially those relying on Medicaid, due to the lack of services accepting patients on Medicaid.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Kerry Gardner
Customer Relations Specialist
Big Brothers Big Sisters of Will and Grundy Counties



VILLAGE OF
CHANNAHON POLICE DEPARTMENT

JEFF WOLD – CHIEF OF POLICE

24555 S. NAVAJO DR – CHANNAHON, ILLINOIS 60410-3334
(815) 467-5152 – FAX (815) 467-9300 – www.channahon.org

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need Application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties and help provide relief from the following frequently occurring situations;

- Patients waiting for a psychiatric bed in hospital emergency departments.
- Patients in need of psychiatric or substance abuse services and are unable to find treatment close to their community.
- Health Care Professionals unable to find patients a bed at an existing, local psychiatric or substance abuse facility.
- Recidivism due to lack of aftercare services located near the patient's home.
- Lack of family involvement during inpatient treatment due to distance or travel time.
- Very few aftercare options located near the patient's home.

I urge you to support the approval of this Certificate of Need Application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Sincerely,

Jeff Wold
Chief of Police

New Lenox Police Department

200 Veterans Parkway • New Lenox • Illinois • 60451

BOB STERBA
CHIEF OF POLICE

815-462-6100
NEWLENOX.NET

January 09, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Cross Hospital

Dear Ms. Avery,

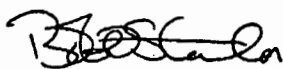
I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Chief Bob Sterba
New Lenox Police Department



TOGETHER WE COPE • BRIDGING THE GAP

17010 S. Oak Park Ave • Tinley Park, IL 60477 • Phone: 708-633-5040 • Fax: 708-633-8459 • www.togetherwecope.org

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing to support the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a homeless prevention agency, Together We Cope serves families in crisis from 27 Chicago south suburban communities. While the primary needs of such families are food, shelter and clothing, many individuals need mental healthcare that is not readily available in our region. There are very few places where we can refer such individuals, who then usually face long wait times to receive care at distant locations.

We see clients on a regular basis who need, for example, substance abuse services but find such help is not available locally and they have no transportation to another distant facility. Other clients in need of psychiatric services, again not available locally, have no support system to get them into care or assist them after care. The closing of the Tinley Park Mental Health Center in 2012, a hospital that was located a few miles from our offices, greatly impacted our ability to find timely care for our clients.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Sincerely,

Kathryn Straniero
Executive Director
Together We Cope

Illinois Continuity of Care Three Rivers Chapter

January 26, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a Senior Advisor at Senior Solutions Senior Living and Care Finders located in Joliet, Will County, my clients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

I have known several families that have needed the services of inpatient psychiatric care but were turned away because the hospital was not equipped to handle these delicate cases.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Norm Schussele
President
Illinois Continuity of Care Three Rivers Chapter

January 27, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

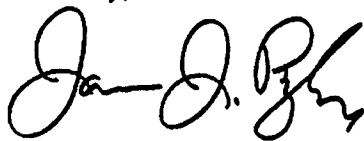
There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I know that a former neighbor had a daughter who needed inpatient and or outpatient care from time to time. The family's only options were in Chicago. The travel was always tuff for them. This would have been a great asset for them. This will also draw additional psychiatric doctors and services to the area.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

A handwritten signature in black ink, appearing to read "James Prybys", with a stylized flourish at the end.

James Prybys
815-514-4174



January 26, 2017
Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100 bed behavioral hospital in New Lenox, Illinois through the joint venture between Silver Cross Hospital and US Health Vest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will and Grundy Counties.

My personal family has suffered from mental health through the years; as many families have. While I was quite young my family member was treated in Indiana, however, there were so many issues in respect to the travel alone. My wife and I have made our home in New Lenox. We have many acquaintances who are suffering within their families with several mental health issues. To have a facility within our community would be quite beneficial for all.

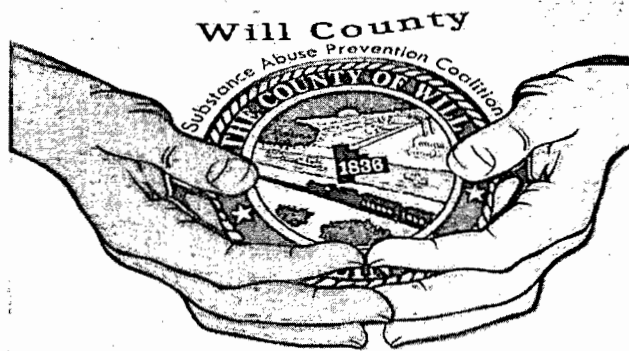
I strongly urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a need in our area for behavior health services.

I thank you for your help with this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bruce Burns", with a stylized flourish at the end.

Bruce Burns
President and Owner
Burns Photography, Inc.
New Lenox, Illinois 60451



January 27, 2017
lklein@ushealthvest.com

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I serve as prevention coordinator for two coalitions and have seen the devastation that substance abuse has had on many families. Will County has had almost 80 deaths in 2016 and this does not touch the amount of saves. It is imperative that more services be awarded to our area to help in this necessity.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Cherry Powell
Prevention Coordinator

Will County Substance Abuse Prevention Coalition (WCSAPC)
Will County Sheriff's Office
25 N. Ottawa St.
Joliet, IL 60432



LOCKPORT HOMER COALITION

For Substance Abuse Prevention

January 27, 2017
lklein@ushealthvest.com

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

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I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Cherry Powell
Prevention Coordinator

Lockport Homer Coalition for Substance Abuse Prevention (LHCSAP)
Lockport Police Department
1212 S Farrell Rd.
Lockport, IL 60441



"Working Harder To Make Aging Easier"

January 23, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

Currently, there is no behavioral health unit in Grundy County. There is an increasing need for specialized behavioral health treatment especially for those 60 years and older. As the prevalence of dementia increases, so does the need for specialized geriatric care units to address the behavioral symptoms that persons with severe dementia often experience. Most geriatric behavioral health units are in hospitals located at least an hour away from Grundy County. Caregivers generally cannot travel very far to visit loved ones in the hospital or participate in person for a care plan. Transferring persons out of their home area for treatment often leaves gaps in services as mental health providers, medical providers and social service organizations cannot always follow the person to the county in which they have relocated for treatment.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

NORTHEASTERN ILLINOIS
AREA AGENCY ON AGING

Lucia West Jones
Executive Director



Advocacy. Action. Answers on Aging.

P.O. BOX 809 KANKAKEE, ILLINOIS 60901-0809 ☎ 815/939-0727
☎ FAX 815/939-0022 800/528-2000 E-Mail: info@ageguide.org WEBSITE: www.ageguide.org
FIELD OFFICE: 245 W Roosevelt Road, Bldg. 6, West Chicago, IL 60185 630/293-5990 FAX: 630/293-7488
Counties Served: DuPage, Grundy, Kane, Kankakee, Kendall, Lake, McHenry and Will

0220

Attachment



Mokena Public Schools
DISTRICT 159

11244 Willowcrest Lane • Mokena, IL 60448-1334 • (708) 342-4900 •
www.mokena159.org

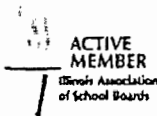
District Administration

Dr. Omar Castillo
Superintendent

Dr. Kathleen Wilkey
Asst. Supt of Instruction

Mr. Raphael Obafemi
Chief School Business Official

Mrs. Eileen Parente
Director of Student Services



Board of Education

Mr. Jim Andresen
President

Mrs. Stacy Gesta
Vice-President

Mrs. Anna Briscoe
Secretary

Mrs. Danielle Didrickson

Mr. Aaron Janik

Mrs Jennifer Riedl

Mrs. Jamie Staley

Mokena Public Schools does not discriminate
on the basis of color, race, gender, nationality,
handicap, or disability

January 29, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

The school district has experienced a dramatic increase in children being diagnosed with various mental illnesses. From ADHD to Bipolar disorder to Schizophrenia, the schools are seeing a need to utilize services such as SASS and 911 to keep children safe. Many times a parent will not want to hospitalize their child due to the need to travel over an hour to get to quality programs for children. Even when parents do seek hospitalization in order to stabilize their child, they often struggle with the aftercare options, as again, locally there is a lack of quality programs.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Mrs. Allison Kwiatkoski
School Psychologist
Mokena School District 159
kwiatkoskia@mokena159.org •
708-342-4871



Mokena Public Schools
DISTRICT 159

11244 Willowcrest Lane • Mokena, IL 60448-1334 • (708) 342-4900 •
www.mokena159.org

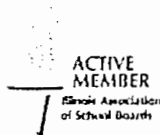
District Administration

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Mr. Raphael Obafemi
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Mr. Aaron Janik

Mrs. Jennifer Riedl

Mrs. Jamie Staley

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handicap, or disability

January 30, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

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I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Ms. Bridget Nolan
Assistant Director of Student Services
Mokena School District 159
nolanb@mokena159.org
708-342-4900



Mokena Public Schools
DISTRICT 159

11244 Willowcrest Lane • Mokena, IL 60448-1334 • (708) 342-4900 •
www.mokena159.org

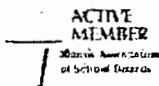
District Administration

Dr. Omar Castillo
Superintendent

Dr. Kathleen Wilkey
Asst. Supt. of Instruction

Mr. Raphael Obafemi
Chief School Business Official

Mrs. Eileen Parente
Director of Student Services



Board of Education

Mr. Jim Andresen
President

Mrs. Stacy Cesta
Vice-President

Mrs. Anna Briscoe
Secretary

Mrs. Danielle Didrickson

Mr. Aaron Janik

Mrs. Jennifer Riedl

Mrs. Jamie Staley

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on the basis of color, race, gender, nationality,
handicap, or disability.

January 29, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

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There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

The school district has experienced a dramatic increase in children being diagnosed with various mental illnesses. From ADHD to Bipolar disorder to Schizophrenia, the schools are seeing a need to utilize services such as SASS and 911 to keep children safe. Many times a parent will not want to hospitalize their child due to the need to travel over an hour to get to quality programs for children. Even when parents do seek hospitalization in order to stabilize their child, they often struggle with the aftercare options, as again, locally there is a lack of quality programs.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Mrs. Eileen Parente
Director of Student Services
Mokena School District 159
parentee@mokena159.org
708-342-4900



Mokena Public Schools
DISTRICT 159

11244 Willowcrest Lane • Mokena, IL 60448-1334 • (708) 342-4900 •
www.mokena159.org

District Administration

Dr. Omar Castillo
Superintendent

Dr. Kathleen Wilkey
Asst. Supt. of Instruction

Mr. Raphael Obafemi
Chief School Business Official

Mrs. Eileen Parente
Director of Student Services



Board of Education

Mr. Jim Andresen
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Mrs. Stacy Cesta
Vice-President

Mrs. Anna Briscoe
Secretary

Mrs. Danielle Didrickson

Mr. Aaron Janik

Mrs. Jennifer Riedl

Mrs. Jamie Staley

Mokena Public Schools does not discriminate
on the basis of color, race, gender, nationality,
handicap, or disability.

January 29, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

The school district has experienced a dramatic increase in children being diagnosed with various mental illnesses. From ADHD to Bipolar disorder to Schizophrenia, the schools are seeing a need to utilize services such as SASS and 911 to keep children safe. Many times a parent will not want to hospitalize their child due to the need to travel over an hour to get to quality programs for children. Even when parents do seek hospitalization in order to stabilize their child, they often struggle with the aftercare options, as again, locally there is a lack of quality programs.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Ms. Katie O'Neill
LBS1 Teacher
Mokena School Dist. 159
708-342-4850



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I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Mrs. Kelly Harrison
Specialized Instruction Teacher
Mokena School District 159
harrisonk@mokena159.org

January 31, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As an educator at Mokena Junior High School located in Mokena, my students have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Sharna Wilkerson
Mokena Junior High School



Mokena Public Schools
DISTRICT 159

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Thank you for your assistance in providing access to care.

Sincerely,

Natalie Pufahl
Mrs. Natalie Pufahl
Specialized Instruction Teacher
Mokena School District 159
pufahln@mokena159.org
708-342-4900



Mokena Public Schools
DISTRICT 159

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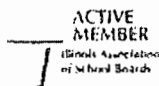
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I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Stacie Soroka
Stacie Soroka, LCSW
School Social Worker
Mokena Elementary School
708/342-4850



Mokena Public Schools
DISTRICT 159

11244 Willowcrest Lane • Mokena, IL 60448-1334 • (708) 342-4900 •
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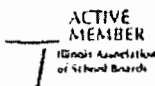
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I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Sharon Smutny
Special Education Teacher
Mokena Public Schools District 159
Mokena, IL 60448



LINCOLNWAY SPECIAL RECREATION ASSOCIATION

1900 Heather Glen Dr.
New Lenox, IL 60451
Phone: 815-320-3500
Fax: 312-660-8831
Website: www.lwsra.org

January 31, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

The addition of the type of facility in the community will fill a void left by the closing of a state facility several years ago. To have a facility available to serve the local community will be beneficial to all for years to come. Also the addition of this facility will bring jobs which will bring more revenue for local businesses.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Keith Wallace
Executive Director
Lincolnway Special Recreation Association



January 31, 2017

Courtney Avery, Administrator

Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

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There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

Currently, 56% of the students at Premier Academy identify with mental health issues. Only 23% of those students are currently treated. We have seen our students struggle due to lack of follow up with aftercare. The addition of the Silver Oaks hospital would be of great assistance to the Premier Academy families, as well as the surrounding communities.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Meghan Martin

Principal

mmartin@roe24.org

7700 ASHLEY RD ■ MORRIS, IL 60450

PHONE ■ 815.416.037



0231

www.premieracademymorris.org

15.942.9191

Attachment

12



WILL COUNTY HEALTH DEPARTMENT & COMMUNITY HEALTH CENTER

January 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I write to give my strong and unqualified support of the Certification of Need for a 100-bed Behavioral Health hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US Health Vest.

I am a Family Medicine physician by specialty and Geriatrician by Sub-specialty at the Will County Community Health center located in Joliet, IL; just fifteen minutes from Silver Cross Hospital.

Thus, as a member of this medical community, I can offer a firsthand testimony of the paucity of much needed psychiatric hospital beds for acutely ill mental health patients. The need is so great in our community, that for most hospitalized psychiatric patients there are untimely delays in finding a bed for them, and they ultimately end up in hospitals that are up to 40 miles away. Oftentimes, their admission is after a long Emergency Department wait as the logistics of transferring a patient out of our community to a receiving facility is quite complex. Further to this point, the patients are out posted in distant psychiatric hospitals away from their families, thus lending to the potential for further deterioration.

As a Geriatrician, I am greatly concerned about our community's, and the nation's, ability to care for the aging mentally ill, whose numbers are steadily growing. As it is widely known, 20% of all adults 55 years of age and over have a mental health concern, and 10,000 members of the "Baby Boomer" generation turn 65 y.o. every day. These staggering data indicate that the numbers of elderly mentally ill patients will continue to grow, as will the numbers of those who are severely mentally ill enough to need an hospital admission. Thus, our community's need is critical.

The aforementioned information has not been used to support any other pending or approved CON application for a Behavioral Health hospital.

Again, I give my earnest and impassioned support of the Certificate of Need for the Silver Oaks Hospital. Approval of this application will increase the greatly needed access in our service area. I remain,

Yours sincerely,

Jennifer D.L. Byrd, M.D.
Chief Medical Officer
Will County Community Health Center
1106 Neal Avenue
Joliet, Illinois 60433
815.727.8670 (office)



Main Office
501 Ella Avenue
Joliet IL 60433
Ph 815.727.8480
Fx 815.727.8484

Community Health Center
1106 Neal Avenue
0232

Eastern Branch Office
Rooms 107 to 110
Lee-Manhattan Road
Joliet IL 60449
15.727.8803

Northern Branch Office
323 Quadrangle Drive
Bolingbrook IL 60440
Ph 630.679.7000

Attachment

EVERGREEN

 SENIOR LIVING

AT PARKVIEW CAMPUS

EVERGREENSLC.COM/ORLANDPARK

January 31, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

We have a great need for serving our geriatric population in this marketplace. The closest location for an inpatient geriatric unit is 60 minutes away.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,



Amanda Mauceri
Director
Evergreen Senior Living



Crossroads

Counseling Services, LLC

Prompt, Professional, Courteous

- Individual & Family Therapy
- Substance Abuse Treatment
- Medication Management Treatment

January 27, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

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There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

At our private practice organization, with three offices located in LaSalle, Grundy and Will Counties, we consistently come across issues with accessing inpatient psychiatric treatment and/or substance abuse services for our patients in need of more intense services than our practice provides. All too often funding and transportation become our primary concerns in securing a facility for our patients. And if a bed is found, families have a difficult time participating as the inpatient facility is not in proximity conducive to travel.

I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Angela Solis, LCPC, CADC
Owner/Licensed Clinical Professional Counselor
Crossroads Counseling Services, LLC
1802 North Division St., Suite 509
Morris, IL 60450
815-941-3882-Office
815-941-3884-Fax

Crossroads Counseling Services, LLC

www.crossroads-helps.com

601 West Norris Drive, Suite B • Ottawa, IL • 61350

1802 North Division Street, Suite 509 • Morris, IL • 60450

24047 West Lockport St.

0234

Field, IL • 60544

Attachment

Section III

Attachment 13

Criterion 1110.230(c), Alternatives to Proposed Project

The Applicants considered four alternatives before electing to file this Application. As discussed below, the four alternatives reviewed with respect to this Project included: (1) the "do nothing" alternative; (2) expansion of Silver Cross Hospital's Behavioral Health Department; (3) conversion of one of Silver Cross Hospital's abandoned buildings on Silver Cross Hospital's old campus in Joliet, Illinois to a behavioral health hospital without forming a joint venture between Silver Cross Hospital and USHV, an experienced behavioral health hospital operator; and (4) establish a separately licensed behavioral health hospital on the Silver Cross Hospital Campus through the formation of a joint venture between Silver Cross Hospital and USHV.

Alternative No. 1: Do Nothing/Maintain the Status Quo

Silver Cross Hospital's AMI unit is currently operating at 85% occupancy and projected to exceed 100% occupancy by 2018. Doing nothing is not a reasonable option to serve the growing population of AMI Planning Area A-13. In addition, doing nothing does not address the mental health crisis in AMI Planning Area A-13 as documented by the Will County Health Department, the MAPP Community Needs Assessment, the drug courts, the EMS services or the police. Doing nothing would result in increased boarding of patients in the Silver Cross Hospital Emergency Department (and the other AMI Planning Area A-13 emergency departments) and put increased pressure on Silver Cross Hospital to reduce its average length of stay, which, in turn, leads to reduced recidivism. As part of its mission to improve the health of the communities served by Silver Cross Hospital, Silver Cross Hospital felt compelled to provide a solution for the serious lack of mental health and substance abuse services and offer a solution to address specialized segments of the population in AMI Planning Area A-13.

Alternative No. 2: Expand the Behavioral Health Department at Silver Cross Hospital

Silver Cross Hospital evaluated the opportunity to add beds to its current Behavioral Health Department. Two problems were confronted when considering this alternative. Silver Cross Hospital has experienced tremendous growth since opening in 2012. Despite the fact that 1,800 parking places were planned on the new Silver Cross Campus, the volume of patients accessing the Silver Cross Campus has exceeded the number of parking spaces. Expanding AMI beds would eliminate parking spots and create the demand for more parking near to the AMI inpatient and outpatient services. This option was found to be less than ideal, creating more traffic on an already crowded area of the Silver Cross Campus. In addition, this Alternative did not address the need for specialized services for women, adolescents, chemically dependent patients, veterans, seniors, children, or dual diagnosis patients. At best, it would offer expanded general psychiatric services to a general population. This option does not allow for further expansion of outpatient services to ensure continuity of care. Outpatient support is critical to maintaining health and reducing recidivism. Lastly, this option does not address the need for more medical surgical beds on the Silver Cross Campus which is integral to serving the community.

Alternative No. 3: Conversion of one of Silver Cross Hospital's Shuttered Buildings on Silver Cross Hospital's old campus in Joliet, Illinois to a Behavioral Health Hospital

Silver Cross Hospital also evaluated the option of converting its now shuttered Specialty Care Pavilion on its former campus in Joliet, Illinois to a stand-alone psychiatric hospital. This alternative was rejected for several reasons. First, the cost to modernize the Specialty Care Pavilion was difficult to quantify. Silver Cross Hospital's consultants determined that the cost to modernize the Specialty Care Pavilion could be from approximately \$21 million to \$27 million because the Specialty Care Pavilion is currently shuttered and was originally built as an outpatient structure. In other words, it is nearly impossible to anticipate all of unknown expenses and contingencies that would be incurred to convert/modern the Specialty Care Pavilion. Second, there was a very real fear that EMS dispatchers and drivers would be confused as to which campus could best accommodate psychiatric patients. Third, Silver Cross Hospital currently lacks the expertise to own and operate a stand-alone behavioral health hospital. Fourth, Silver Cross has already experienced difficulties in recruiting psychiatrists and other behavioral health specialists. Fifth, Silver Cross Hospital would need to hire and retain additional administrative and executive staff to operate the new hospital, thereby adding to the overall overhead structure at Silver Cross Hospital. And finally, a 67 unit new housing development for homeless veterans is opening on the former Silver Cross Campus in 2017, which would further adversely impact traffic and parking for a new psychiatric hospital.

Alternative No. 4: Establish a Separately Licensed Behavioral Health Hospital on the Silver Cross Hospital Campus Through the Formation of a Joint Venture between Silver Cross Hospital and USHV.

Under this Alternative, Silver Cross Hospital would partner with a known AMI expert and build a new, stand-alone behavioral health hospital on the Silver Cross Campus in New Lenox, Illinois. This option was determined to be the best for the community overall due to several reasons. First, this Alternative would attract new expertise and the capacity to deliver specialized services to target segments within the mental health spectrum of diagnoses. Second, the AMI service line remains on the Silver Cross Campus and is shifted to a less crowded area with ample parking. Third, building a new facility provides more opportunities to incorporate all the known best practices and safety features for an AMI inpatient facility. Fourth, this Alternative would attract medical and mid-level providers dedicated to serving mental health patients on a larger scale. Fifth, a partnership between two organizations known for high quality, patient satisfaction and community services would better serve the community. Sixth, Silver Cross Hospital can expand services to the Medicaid and uninsured populations in AMI Planning Area A-13. Seventh, psychiatrists at the Hospital could also easily consult on Med/Surg patients at Silver Cross Hospital with behavioral health issues (with minimally travel and down time). Finally, the two hospitals could better coordinate ambulance runs in the EMS network.

Alternative	Meet community need	Expand expertise, recruit more mental health professionals	Expand medical/surgical beds at Silver Cross Hospital	Efficiency	Cost
1	No	No	Yes	No	\$0
2	No. There is not enough space to add the beds and parking required. A maximum of 20 beds could be added which does not meet the demand for AMI services in the Planning Area. 35 parking spaces would be lost.	No. Silver Cross Hospital's Behavioral Health Department would remain as a general unit not offering specialized care.	No	Yes	\$4,250,000
3	Yes	No. Silver Cross Hospital does not have the expertise to manage a 100 bed AMI hospital with additional substance abuse services.	Yes	No. Additional overhead would be incurred.	\$21,000,000 to \$27,000,000 because of unknown expenses associated with converting a shuttered outpatient facility to an inpatient facility.
4	Yes	Yes. Silver Oaks Hospital will be able to offer specialized services and will be able to attract more mental health professionals.	Yes	Yes	\$24,299,948 to construct a state-of-the-art facility which will include all the safety measures needed in a mental health facility.

Based on the above analysis, the Applicants are prepared to make the investment required to provide the best service to patients in AMI Planning Area A-13 requiring substance abuse or mental health care. This Project, if approved, will expand inpatient and outpatient services and meet the needs described in the 102 letters of support from health care providers and the community.

Section IV
Attachment 14
Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(a), Size of Project

Silver Oaks Hospital will have 100 AMI beds. The floor plan for Silver Oaks Hospital is attached at ATTACHMENT 14. A detailed space program for Silver Oaks Hospital is attached at ATTACHMENT 14.

The following chart summarizes the sizing analysis of the clinical and non-clinical portions of Silver Oaks Hospital:

Department/Area	Proposed DGSF	State Standard DGSF	Difference DGSF	Meets State Standard?
AMI – Clinical Portions	49,789 DGSF	440 to 560 DGSF Per Bed 100 Beds * 560 DGSF = 56,000 DGSF	56,000 – 49,789 = 6,211 DGSF Below State Norm	Yes
AMI – Non Clinical Portions	17,541 DGSF	No Standard	N/A	N/A
Total	67,330 DGSF			Yes

Silver Oaks Behavioral Hospital

Clinical Service Area	1st	2nd	Total
Psychiatric Inpatient	17,488	17,488	34,976
Intake	1,890		1,890
Dining	2,287		2,287
Kitchen/Food Service	2,505		2,505
Physical Therapy	2,066	2,018	4,084
Outpatient Programs	2,422		
Soiled/Clean Utility	220	220	440
Eq Storage	146	146	292
Patient Activity		893	893
Total	29,024	20,765	49,789

Non Clinical Service Area	1st	2nd	Total
Lobby/Wait	1,536		1,536
Business/Administration		4,353	4,353
Pharmacy		572	572
Medical Records		435	435
Offices	754	386	1,140
Staff breakroom/lockers	405	405	810
Mechanical/Electrical	1,325		1,325
Maintainace/Storage	1,932		1,932
Janitor	147	138	285
Core Circulation	1,423	1,350	2,773
Stairwells	690	690	1,380
Elevators	320	320	640
Electrical	180	180	360
Total	8,712	8,829	17,541

Building Total	37,736	29,594	67,330

Total beds =100
673 gsf/bed

74% Clinical Spaces as a % total
26% Non-clinical as a % total

Section IV
Attachment 15
Criterion 1110.234(b), Project Services Utilization

The Applicants are proposing, and can easily justify, 100 AMI beds at Silver Oaks Hospital.

In sizing Silver Oaks Hospital, the Applicants reviewed the patient data for the Behavioral Health Department at Silver Cross Hospital and the patient data for Chicago Behavioral Hospital in Des Plaines (which is currently owned and operated by an affiliate of US Healthvest).

Silver Cross Hospital AMI Data

Silver Cross Hospital currently has 20 AMI beds. Silver Cross Hospital has been experiencing tremendous growth in the number of patients who need in-patient and out-patient behavioral health services. Between 2014 and 2016, the number of patients admitted to Silver Cross Hospital's Behavioral Health Department has increased by 30.6%. The below table summarizes Silver Cross Hospital's most recent AMI figures:

Silver Cross Hospital Behavioral Health Department AMI Statistics			
	2014	2015	2016
Admissions	730	907	974
Patient Days	4,573	5,430	6,213
Average Length of Stay	6.3	6.0	6.4
Average Daily Census	12.5	14.95	17.0
Peak Census	14	20	20
Licensed Beds	14*	20*	20
Occupancy	89%	75%	85%

To accommodate the increasing demand for behavioral health services at Silver Cross Hospital, Silver Cross Hospital increased the number of its licensed AMI beds from 14 to 20 in 2015, with notice and approval of the Board and IDPH.

Chicago Behavioral Hospital AMI Data

Chicago Behavioral Hospital currently has 138 AMI beds. Since Chicago Behavioral Hospital acquired Maryville Behavioral Health Hospital from Maryville Academy on November 3, 2014, Chicago Behavioral Hospital has also been experiencing tremendous growth in the number of patients seeking in-patient and out-patient behavioral health services. Between 2014 and 2016, the number of patients admitted to Chicago Behavioral Hospital has increased by 1,137%. The below table summarizes Chicago Behavioral Hospital's most recent patient data:

Chicago Behavioral Hospital			
	2014	2015	2016
Admissions	309	1,700	3,822
Patient Days	5,893	18,742	36,762
Average Length of Stay	19.1	11.0	9.6
Average Daily Census	16.1	51.3	100.4
Peak Census	49	77	115
Licensed Beds	125	125	138*
Occupancy	12.9%	41.0%	72.8%

To accommodate the increasing demand for behavioral health services at Chicago Behavioral Hospital, Chicago Behavioral Hospital increased the number of its licensed AMI beds from 125 to 138 in 2016, with notice and approval of the Board and IDPH.

Silver Oaks Hospital

The Applicants have received commitment letters for 2,856 annual, in-patient AMI referrals for 2019. The Applicants have received commitment letters for 5,700 annual, in-patient AMI referrals for 2020.

Using those referral letters as a starting point, the Applicants then applied the more conservative Silver Cross Hospital 6.4 average length of stay figure to the projected admissions. The below chart details and summarizes the projected occupancy for Silver Oaks Hospital.

Silver Oaks Hospital AMI Projections (Using Silver Cross Hospital Behavioral Health Department AMI ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	6.4	6.4
Patient Days	18,278	36,480
Average Daily Census	50.1	99.9
Licensed Beds	100	100
Occupancy	50%	100%
State Standard	85%	85%
Meets State Standard?	No	Yes

That said, the Applicants firmly believe the Chicago Behavioral Hospital 9.6 average length of stay figure is probably the better gauge of future performance because Silver Oaks Hospital will offer the same behavioral health services as are currently being offered by Chicago Behavioral Hospital (which are far more robust than the behavioral health services currently being offered in the Silver Cross Hospital Behavioral Health Department). The below chart shows the impact on the projected occupancy at Silver Oaks Hospital if the Chicago Behavioral Hospital 9.6 average length of stay figure is applied.

Silver Oaks Hospital AMI Projections (Using Chicago Behavioral Hospital ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	9.6	9.6
Patient Days	27,418	54,720
Average Daily Census	75.1	149.9
Licensed Beds	100	100
Occupancy	75%	150%
State Standard	85%	85%
Meets State Standard?	No	Yes

Section VI
Attachment 21
Specific Service Review Criteria
Acute Mental Illness and Chronic Mental Illness
Criterion 1110.730(b)(1), Background of the Applicants

The Applicants have the qualifications, background, character and financial resources to adequately provide services at the proposed Hospital. All relevant information regarding this Criterion is set forth in Section III, Criterion 1110.230 (Background) and at ATTACHMENT 11.

Section VI

Attachment 21

Specific Service Review Criteria

Acute Mental Illness and Chronic Mental Illness

Criterion 1110.730(c)(1), Planning Area Need, Formula Calculation

1. The Applicants are proposing to construct and establish Silver Oaks Hospital, a 100 bed behavioral health hospital, on the Silver Cross Hospital Campus, which is located in AMI Planning Area A-13. AMI Planning Area A-13 covers Will County and Gundy County. The primary service area for the Hospital will be the same as AMI Planning Area A-13.
2. AMI Planning Area A-13 currently shows a need for 16 additional AMI beds. See Board's Addendum to Inventory of Healthcare Facilities (January 25, 2017).
3. Silver Cross Hospital will also be discontinuing its 20 bed Behavioral Health Department and will be converting those 20 AMI beds to medical/surgical beds.
4. Thus, at the outset, AMI Planning Area A-13, shows a need for 36 AMI beds. However, as set forth in this Application, and as witnessed by the 30 referral letters from physicians and other providers and the 72 letters of support from community leaders received to date, there is a much greater demand for behavioral health services in AMI Planning Area A-13.
5. In 2016, 738,684 residents lived in Will County and Grundy County (i.e., AMI Planning Area A-13).
6. See Section III, Purpose of the Project, Background, for additional support for this Criterion.

Section VI

Attachment 21

Specific Service Review Criteria

Acute Mental Illness and Chronic Mental Illness

Criterion 1110.730(c)(2), Planning Area Need, Service to Planning Area Residents

1. The local, state and national behavioral health data demonstrates that this Project is desperately needed. According to the American Hospital Association, one in four Americans suffer from mental illness or substance abuse disorder each year, and the majority also have a comorbid physical condition.
2. This mental health crisis is even more severe in Will County (the home of Silver Cross Hospital for the past 122 years), because Will County has seen explosive population growth in the past two decades and there are so few mental health providers relative to the number of residents. According to a report from the 2016 Robert Wood Johnson Foundation County Health Rankings, access to mental health services in Will County is among the worst in the country.
3. More specifically, the top large counties in the United States have 1 mental health provider for every 370 residents. In Illinois, the average large county has 1 mental health provider for every 560 residents. In comparison, Will County only has 1 mental health provider for every 1,063 residents. In other words, Will County only has 35% of the number of mental health providers that are needed.
4. Not only are mental health providers needed in Will County; but so are AMI beds. Experts in the field of behavioral health recommend a range of 40 to 50 AMI beds per 100,000 residents.
5. IDPH's own data demonstrates this same glaring need for AMI beds in Will County (which is Planning Area A-13). On average, in Illinois, there are 35 AMI beds per 100,000 residents. In Planning Area A-13, there are only 10.15 AMI beds per 100,000 residents. In other words, Planning Area A-13 only has 29% of the AMI beds that are needed.
6. And while the AMI bed to population ratio is bad in Will County, it is even worse in Grundy County. Grundy County (which, along with Will County, comprises Planning Area A-13), has **NO** AMI beds.
7. Will County and Grundy County have a significantly lower rate of mental health beds per 100,000 residents as compared to its neighboring counties. In Cook County, there are 40.52 AMI beds per 100,000 residents. In DuPage County, there are 30.89 AMI beds per 100,000 residents. In Kane County, there are 72.55 AMI beds per 100,000 residents.
8. In 2016, 738,684 residents lived in Will County and Grundy County (i.e., Planning Area A-13). Applying a ratio of 40 AMI beds per 100,000 residents, Planning Area A-13 should have 295 AMI beds. Applying a ratio of 45 AMI beds per 100,000 residents, Planning Area A-13 should have 332 AMI beds. Applying a ratio of 50 AMI beds per 100,000 residents, Planning Area A-13 should have 369 AMI beds.

9. But, in 2016, there were only 75 existing AMI beds in Planning Area A-13. Those 75 AMI beds were distributed as follows: Silver Cross Hospital: 20 AMI beds; Presence Saint Joseph's Hospital in Joliet ("Saint Joseph"): 31; and AMITA Health Adventist Medical Center-Bolingbrook ("Adventist Bolingbrook"): 24. And based on conversations with the team at Adventist Bolingbrook, Adventist Bolingbrook is primarily focused on serving the behavioral health needs of a geriatric population.

10. Morris Hospital, located in Grundy County, and the only other hospital in Planning Area A-13 does not have any AMI beds.

11. Using the methodology recommended by mental health experts demonstrates that the 75 beds available in Will County is sub-standard and that Planning Area A-13 requires literally hundreds of AMI beds to meet the mental health needs of the residents in Planning Area A-13.

12. The lack of adequate AMI beds have required the residents of Planning A-13 to either go without treatment or leave the Planning Area for treatment. Accessing programs outside AMI Planning Area A-13 presents obstacles for coordination of care and long travel times for family and support.

13. In calendar year 2015, there were 7,260 AMI discharges associated with residents that live in Planning Area A-13. Of these, 61%, or 4,404 times, an individual was forced to leave to the Planning Area to receive inpatient AMI services. This poses an undue burden on family members and other supporters who must travel long distances to visit and support their loved one. In addition, it complicates follow-up support services and adds to confusion and a disjointed approach to care. Having continuity of care for the patients with the same physicians and support staff are all important to bringing patients to stable status.

14. Years ago, Will County and the Will County Department of Public Health organized the Mobilizing for Action through Planning and Partnerships (the "MAPP Collaborative") to assess the healthcare needs of residents in Will County on an annual basis. According to the Behavioral Health Capacity Assessment Report conducted by the MAPP Collaborative in March of 2016, 58% of the respondents noted issues with behavioral health access, more specifically, expressing the great difficulty associated with accessing psychiatric services. Diagnostic, crisis care, inpatient, outpatient, residential and follow-up/after care were also services respondents mentioned as hard to access.

15. Indeed, that same survey concluded that mental health services (as compared to any other health service) were the hardest to access in Will County (as measured by cost of needed services, wait for services and distance to services).

16. Because there has been a lack of inpatient AMI beds and adequate outpatient behavioral health services in Planning Area A-13, the Emergency Departments at the hospitals in Planning Area A-13 have been besieged with patients that have substance abuse or mental health issues.

17. In 2015, there were 8,437 emergency room visits from residents in need of behavioral health services who live in Planning Area A-13. 1,541 of those 8,437 (or 18%) patients presented in Silver Cross Hospital's Emergency Department with psychiatric or substance abuse diagnoses, distributed as follows: (a) 416 or 27.0% related to alcohol and drugs; (b) 423 or 27.4% related to affective mood disorder; (c) 512 or 33.2% related to anxiety and stress; and

(d) 190 or 12.0% related to personality disorder, schizophrenia, mental disorder, behavioral/emotional.

18. In the 2016 MAPP Behavioral Health Survey, 70% of healthcare providers surveyed said they refer people to the hospital emergency room when they are unable to access appropriate community-based services. Across the country, many hospitals are seeing the same issues due to a critical shortage in psychiatric beds forcing mentally ill patients with severe symptoms to be held in emergency rooms, hospitals and jails while they wait for a bed, sometimes for weeks.

19. Clearly, emergency departments are ill-equipped to deal with the overwhelming number of patients with mental illness diagnoses.

20. In addition, due to the ongoing budget crisis in the State of the Illinois, the State of Illinois has not provided any Eligibility Disposition and Assessment Grant Program (the "EDA Program") funding since July of 2015. Under the EDA Program, hospital emergency departments were reimbursed for performing psychiatric screenings to unfunded individuals. The EDA Program was very successful as it identified the unfunded and linked them to register for Medicaid expansion or other insurance. The EDA Program also guaranteed an inpatient placement for a psychiatric patient within 24 hours. Since 2015, hospital emergency departments have experienced an increase in the number of patients that remain in the emergency department awaiting placements. While emergency departments have added "sitter staff" to ensure patients' safety, an emergency department is not the proper setting for patients in behavioral healthcare.

21. Budget issues also led to the closure of the Tinley Park Mental Health Center ("TPMHC") in 2012, leaving a vast scarcity of mental health services in Will County, Grundy County and Cook County. TPMHC, a 75 bed inpatient AMI hospital, admitted and treated 2,000 behavioral health patients on an annual. In 2011, 24% of the patients that were admitted to TPMHC resided in Will County and Grundy County. The closure of TPMHC created more difficulty in accessing appropriate care and longer trips to remaining facilities which had a significant impact on family support.

22. In 2015 at Silver Cross Hospital, behavioral health patients who presented in the Silver Cross Emergency Department, and subsequently became an inpatient at Silver Cross Hospital, waited on average 380 minutes or 6.3 hours from arrival to departure with the longest wait time being 51.57 hours or 2+ days.

23. In 2015, the Silver Cross Hospital Emergency Department also transferred 390 in-patients to other healthcare facilities.

24. In addition, from July 1, 2015 to June 30, 2016, Morris Hospital treated 600 patients in its Emergency Department for mental health and substance abuse. Of the 600 AMI patients, 477 were from Planning Area A-13.

25. Furthermore, during 2015, 61% of acute mental illness care was provided to residents of Planning Area A-13 by hospitals outside of Planning Area A-13.

26. All of the above shortcomings led Will County and the Will County Health Department to organize a Behavioral Health Action Team to develop a plan to solve the mental health crisis in

Will County. Silver Cross Hospital, Saint Joseph and Adventist Bolingbrook are members of the Behavioral Health Action Team. The Behavioral Health Action Team was tasked with: (a) enhancing access to behavioral health and substance abuse disorder services; (b) decreasing the number of emergency room visits in Will County due to mental illness or substance abuse disorders; and (3) decreasing the number of mentally "unhealthy days" for Will County residents afflicted by mental illness.

27. Although the Review Board's rules contemplate that a behavioral health hospital could have a service area that reaches up to 45 minutes (time travel) in any direction of the behavioral health hospital, the proposed Hospital will primarily provide behavioral health services to residents located in AMI Planning Area A-13, which covers Will County and Grundy County. Set forth below are the zip codes and the communities that fell within 45 minutes unadjusted travel time from the proposed Hospital.

**Zip Codes within 45 Minutes Travel of Proposed
Project (unadjusted)**

Zip	City	State
46303	Cedar Lake	IN
46304	Chesterton	IN
46307	Crown Point	IN
46310	Demotte	IN
46311	Dyer	IN
46312	East Chicago	IN
46319	Griffith	IN
46320	Hammond	IN
46321	Munster	IN
46322	Highland	IN
46323	Hammond	IN
46324	Hammond	IN
46327	Hammond	IN
46341	Hebron	IN
46342	Hobart	IN
46347	Kouts	IN
46349	Lake Village	IN
46356	Lowell	IN
46368	Portage	IN
46373	Saint John	IN
46375	Schererville	IN
46383	Valparaiso	IN
46385	Valparaiso	IN
46392	Wheatfield	IN
46394	Whiting	IN
46402	Gary	IN
46403	Gary	IN
46404	Gary	IN
46405	Lake Station	IN
46406	Gary	IN
46407	Gary	IN
46408	Gary	IN
46409	Gary	IN
46410	Merrillville	IN
47943	Fair Oaks	IN
60004	Arlington Heights	IL
60005	Arlington Heights	IL
60007	Elk Grove Village	IL
60008	Rolling Meadows	IL
60010	Barrington	IL
60016	Des Plaines	IL
60018	Des Plaines	IL

**Zip Codes within 45 Minutes Travel of Proposed
Project (unadjusted)**

Zip	City	State
60025	Glenview	IL
60026	Glenview	IL
60029	Golf	IL
60043	Kenilworth	IL
60053	Morton Grove	IL
60056	Mount Prospect	IL
60067	Palatine	IL
60068	Park Ridge	IL
60070	Prospect Heights	IL
60076	Skokie	IL
60077	Skokie	IL
60082	Techny	IL
60091	Wilmette	IL
60093	Winnetka	IL
60101	Addison	IL
60103	Bartlett	IL
60104	Bellwood	IL
60106	Bensenville	IL
60107	Streamwood	IL
60108	Bloomington	IL
60110	Carpentersville	IL
60111	Clare	IL
60112	Cortland	IL
60115	Dekalb	IL
60118	Dundee	IL
60119	Elburn	IL
60120	Elgin	IL
60123	Elgin	IL
60124	Elgin	IL
60126	Elmhurst	IL
60130	Forest Park	IL
60131	Franklin Park	IL
60133	Hanover Park	IL
60134	Geneva	IL
60135	Genoa	IL
60136	Gilberts	IL
60137	Glen Ellyn	IL
60139	Glendale Heights	IL
60140	Hampshire	IL
60141	Hines	IL
60143	Itasca	IL
60145	Kingston	IL
60148	Lombard	IL
60150	Malta	IL
60151	Maple Park	IL
60153	Maywood	IL
60154	Westchester	IL
60155	Broadview	IL
60157	Medinah	IL
60160	Melrose Park	IL
60162	Hillside	IL
60163	Berkeley	IL
60164	Melrose Park	IL
60165	Stone Park	IL
60169	Hoffman Estates	IL
60171	River Grove	IL
60172	Roselle	IL
60173	Schaumburg	IL
60174	Saint Charles	IL
60175	Saint Charles	IL
60176	Schiller Park	IL
60177	South Elgin	IL
60178	Sycamore	IL

**Zip Codes within 45 Minutes Travel of Proposed
Project (unadjusted)**

Zip	City	State
60181	Villa Park	IL
60184	Wayne	IL
60185	West Chicago	IL
60187	Wheaton	IL
60188	Carol Stream	IL
60190	Winfield	IL
60191	Wood Dale	IL
60192	Hoffman Estates	IL
60193	Schaumburg	IL
60194	Schaumburg	IL
60195	Schaumburg	IL
60201	Evanston	IL
60202	Evanston	IL
60203	Evanston	IL
60208	Evanston	IL
60301	Oak Park	IL
60302	Oak Park	IL
60304	Oak Park	IL
60305	River Forest	IL
60401	Beecher	IL
60402	Berwyn	IL
60403	Crest Hill	IL
60404	Shorewood	IL
60406	Blue Island	IL
60407	Braceville	IL
60408	Braidwood	IL
60409	Calumet City	IL
60410	Channahon	IL
60411	Chicago Heights	IL
60415	Chicago Ridge	IL
60416	Coal City	IL
60417	Crete	IL
60419	Dolton	IL
60420	Dwight	IL
60421	Elwood	IL
60422	Flossmoor	IL
60423	Frankfort	IL
60424	Gardner	IL
60425	Glenwood	IL
60426	Harvey	IL
60428	Markham	IL
60429	Hazel Crest	IL
60430	Homewood	IL
60431	Joliet	IL
60432	Joliet	IL
60433	Joliet	IL
60435	Joliet	IL
60436	Joliet	IL
60437	Kinsman	IL
60438	Lansing	IL
60439	Lemont	IL
60440	Bolingbrook	IL
60441	Lockport	IL
60442	Manhattan	IL
60443	Matteson	IL
60444	Mazon	IL
60445	Midlothian	IL
60446	Romeoville	IL
60447	Minooka	IL
60448	Mokena	IL
60449	Monee	IL
60450	Morris	IL
60451	New Lenox	IL

**Zip Codes within 45 Minutes Travel of Proposed
Project (unadjusted)**

Zip	City	State
60452	Oak Forest	IL
60453	Oak Lawn	IL
60455	Bridgeview	IL
60456	Hometown	IL
60457	Hickory Hills	IL
60458	Justice	IL
60459	Burbank	IL
60460	Odell	IL
60461	Olympia Fields	IL
60462	Orland Park	IL
60463	Palos Heights	IL
60464	Palos Park	IL
60465	Palos Hills	IL
60466	Park Forest	IL
60467	Orland Park	IL
60468	Peotone	IL
60469	Posen	IL
60470	Ransom	IL
60471	Richton Park	IL
60472	Robbins	IL
60473	South Holland	IL
60475	Steger	IL
60476	Thornton	IL
60477	Tinley Park	IL
60478	Country Club Hills	IL
60479	Verona	IL
60480	Willow Springs	IL
60481	Wilmington	IL
60482	Worth	IL
60487	Tinley Park	IL
60490	Bolingbrook	IL
60491	Homer Glen	IL
60501	Summit Argo	IL
60502	Aurora	IL
60503	Aurora	IL
60504	Aurora	IL
60505	Aurora	IL
60506	Aurora	IL
60510	Batavia	IL
60511	Big Rock	IL
60512	Bristol	IL
60513	Brookfield	IL
60514	Clarendon Hills	IL
60515	Downers Grove	IL
60516	Downers Grove	IL
60517	Woodridge	IL
60520	Hinckley	IL
60521	Hinsdale	IL
60523	Oak Brook	IL
60525	La Grange	IL
60526	La Grange Park	IL
60527	Willowbrook	IL
60531	Leland	IL
60532	Lisle	IL
60534	Lyons	IL
60538	Montgomery	IL
60539	Mooseheart	IL
60540	Naperville	IL
60541	Newark	IL
60542	North Aurora	IL
60543	Oswego	IL
60544	Plainfield	IL

**Zip Codes within 45 Minutes Travel of Proposed
Project (unadjusted)**

Zip	City	State
60545	Plano	IL
60546	Riverside	IL
60548	Sandwich	IL
60549	Serena	IL
60550	Shabbona	IL
60551	Sheridan	IL
60552	Somonauk	IL
60554	Sugar Grove	IL
60555	Warrenville	IL
60556	Waterman	IL
60558	Western Springs	IL
60559	Westmont	IL
60560	Yorkville	IL
60561	Darien	IL
60563	Naperville	IL
60564	Naperville	IL
60565	Naperville	IL
60585	Plainfield	IL
60586	Plainfield	IL
60601	Chicago	IL
60602	Chicago	IL
60603	Chicago	IL
60604	Chicago	IL
60605	Chicago	IL
60606	Chicago	IL
60607	Chicago	IL
60608	Chicago	IL
60609	Chicago	IL
60610	Chicago	IL
60611	Chicago	IL
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60626	Chicago	IL
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60629	Chicago	IL
60630	Chicago	IL
60631	Chicago	IL
60632	Chicago	IL
60633	Chicago	IL
60634	Chicago	IL
60636	Chicago	IL
60637	Chicago	IL
60638	Chicago	IL
60639	Chicago	IL
60640	Chicago	IL
60641	Chicago	IL
60643	Chicago	IL
60644	Chicago	IL
60645	Chicago	IL
60646	Chicago	IL
60647	Chicago	IL

**Zip Codes within 45 Minutes Travel of Proposed
Project (unadjusted)**

Zip	City	State
60649	Chicago	IL
60651	Chicago	IL
60652	Chicago	IL
60653	Chicago	IL
60654	Chicago	IL
60655	Chicago	IL
60656	Chicago	IL
60657	Chicago	IL
60659	Chicago	IL
60660	Chicago	IL
60661	Chicago	IL
60666	Chicago	IL
60706	Harwood Heights	IL
60707	Elmwood Park	IL
60712	Lincolnwood	IL
60714	Niles	IL
60803	Alsip	IL
60804	Cicero	IL
60805	Evergreen Park	IL
60827	Riverdale	IL
60901	Kankakee	IL
60913	Bonfield	IL
60914	Bourbonnais	IL
60915	Bradley	IL
60917	Buckingham	IL
60935	Essex	IL
60940	Grant Park	IL
60941	Herscher	IL
60950	Manteno	IL
60954	Momence	IL
60961	Reddick	IL
60964	Saint Anne	IL
61311	Ancona	IL
61313	Blackstone	IL
61319	Cornell	IL
61325	Grand Ridge	IL
61341	Marseilles	IL
61350	Ottawa	IL
61360	Seneca	IL
61364	Streator	IL

29. The Board provided the Applicants with the following list of hospitals with AMI beds within 45 minutes travel time of the proposed Hospital. The Mapquest travel time printouts for the below referenced hospitals are attached at ATTACHMENT 21.

NAME	STREET	CITY	AMI Beds	ZIP
Presence Saint Joseph Medical Center	333 North Madison Street	Joliet	31	60435-0000
Linden Oaks Hospital	852 S West St	Naperville	108	60540-6400
Adventist Bolingbrook Hospital	400 Medical Center Drive	Bolingbrook	24	60440
Silver Cross Hospital	1900 Silver Cross Boulevard	New Lenox	20	60432-0000
Advocate Good Samaritan Hospital	3815 Highland Avenue	Downers Grove	41	60515-0000
Adventist Hinsdale Hospital	120 North Oak Street	Hinsdale	17	60521-0000

Palos Community Hospital	12251 South 80th Avenue	Palos Heights	40	60463-0000
Advocate Christ Hospital and Medical Center	9500 South Kenneth Ave	Oak lawn	39	60453-0000
MacNeal Memorial Hospital	3249 South Oak Park Avenue	Berwyn	68	60402-0000
MetroSouth Medical Center	12935 South Gregory Street	Blue Island	14	60406-0000
Ingalls Memorial Hospital	One Ingalls Drive	Harvey	78	60426-0000
Little Company of Mary Hospital and Health Care Center	2800 West 95th Street	Evergreen Park	24	60642-0000
Holy Cross Hospital	2701 West 68th Street	Chicago	24	60629-0000
St. Bernard Hospital	326 West 64th Street	Chicago	40	60621-0000
Roseland Community Hospital	45 West 111th Street	Chicago	30	60628-0000
Jackson Park Hosp. Foundation	7531 Stony Island Avenue	Chicago	86	60649-0000
South Shore Hospital	8012 South Crandon Avenue	Chicago	15	60617
Riveredge Hospital	8311 West Roosevelt Road	Forest Park	210	60130-2500
University of Illinois Hospital	1740 West Taylor Avenue	Chicago	53	60612-0000
Mercy Hospital & Medical Center	2525 South Michigan Avenue	Chicago	39	60616-2477

30. The Applicants have received commitment letters for 2,856 annual, in-patient AMI referrals for 2019 from inside AMI Planning Area A-13. The Applicants have received commitment letters for 5,700 annual, in-patient AMI referrals for 2020 from inside AMI Planning A-13. Copies of those referral letters are attached at ATTACHMENT 21.

31. The attached referral letters are signed, notarized and have been verified as not being used for another pending or approved Certificate of Need for AMI services.

32. Using those referral letters as a starting point, the Applicants then applied the more conservative Silver Cross Hospital Behavioral Health Department 6.4 average length of stay figure to the projected admissions. The below chart details and summarizes the projected occupancy for Silver Oaks Hospital. Silver Oaks Hospital will achieve target utilization within two years.

Silver Oaks Hospital AMI Projections (Using Silver Cross Hospital Behavioral Health Department AMI ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	6.4	6.4
Patient Days	18,278	36,480
Average Daily Census	50.1	99.9
Licensed Beds	100	100
Occupancy	50%	100%
State Standard	85%	85%

Meets State Standard?	No	Yes

33. That said, the Applicants firmly believe the Chicago Behavioral Hospital 9.6 average length of stay figure is probably the better gauge of future performance because Silver Oaks Hospital will offer the same behavioral health services as are currently being offered by Chicago Behavioral Hospital (which are far more robust than the behavioral health services currently being offered in the Silver Cross Hospital Behavioral Health Department). The following chart shows the impact on the projected occupancy at Silver Oaks Hospital if the Chicago Behavioral Hospital 9.6 average length of stay figure is applied.

Silver Oaks Hospital AMI Projections (Using Chicago Behavioral Hospital ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	9.6	9.6
Patient Days	27,418	54,720
Average Daily Census	75.1	149.9
Licensed Beds	100	100
Occupancy	75%	150%
State Standard	85%	85%
Meets State Standard?	No	Yes

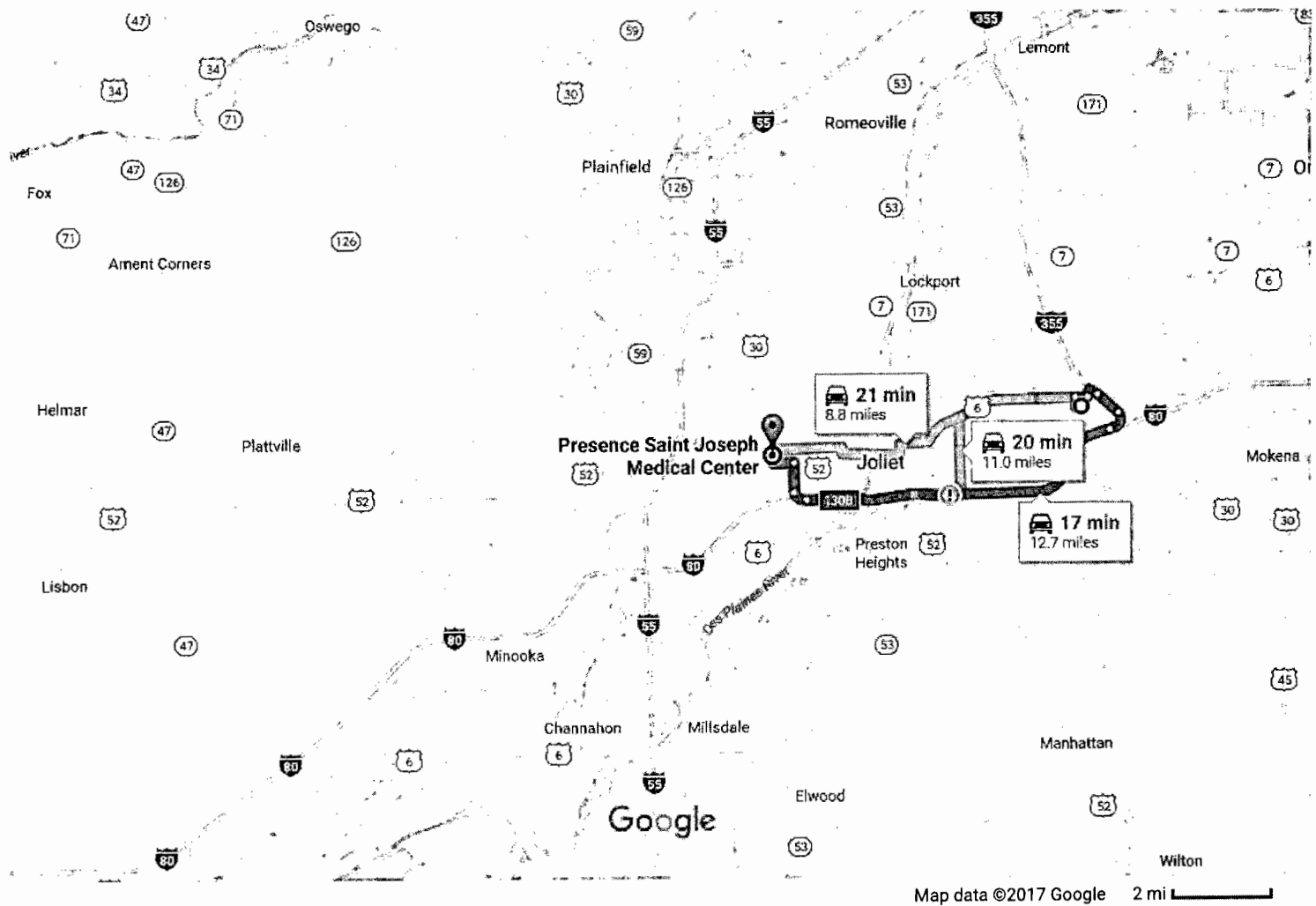
34. See Section III, Purpose of the Project, Background, and Section IV, Criterion 1110.234(b), Project Services Utilization, for additional support for this Criterion.

NAME	STREET	CITY	AMI	STATE	ZIP
Presence Saint Joseph Medical Center	333 North Madison Street	Joliet	31	IL	60435-0000
Linden Oaks Hospital	852 S West St	Naperville	108	IL	60540-6400
Adventist Bolingbrook Hospital	400 Medical Center Drive	Bolingbrook	24		60440
Silver Cross Hospital	1900 Silver Cross Boulevard	New Lenox	20	IL	60432-0000
Advocate Good Samaritan Hospital	3815 Highland Avenue	Downers Grove	41	IL	60515-0000
Adventist Hinsdale Hospital	120 North Oak Street	Hinsdale	17	IL	60521-0000
Palos Community Hospital	12251 South 80th Avenue	Palos Heights	40	IL	60463-0000
Advocate Christ Hospital and Medical Center	4440 W. 95 th Street	Oak Lawn	39	IL	60453-0000
MacNeal Memorial Hospital	3249 South Oak Park Avenue	Berwyn	68	IL	60402-0000
MetroSouth Medical Center	12935 South Gregory Street	Blue Island	14	IL	60406-0000
Ingalls Memorial Hospital	One Ingalls Drive	Harvey	78	IL	60426-0000
Little Company of Mary Hospital and Health Care Center	2800 West 95th Street	Evergreen Park	24	IL	60642-0000
Holy Cross Hospital	2701 West 68th Street	Chicago	24	IL	60629-0000
St. Bernard Hospital	326 West 64th Street	Chicago	40	IL	60621-0000
Roseland Community Hospital	45 West 111th Street	Chicago	30	IL	60628-0000
Jackson Park Hosp. Foundation	7531 Stony Island Avenue	Chicago	86	IL	60649-0000
South Shore Hospital	8012 South Crandon Avenue	Chicago	15	IL	60617
Riveredge Hospital	8311 West Roosevelt Road	Forest Park	210	IL	60130-2500
University of Illinois Hospital	1740 West Taylor Avenue	Chicago	53	IL	60612-0000
Mercy Hospital & Medical Center	2525 South Michigan Avenue	Chicago	39	IL	60616-2477

Google Maps

1900 Silver Cross Blvd to Presence Saint Joseph Medical Center

Drive 12.7 miles, 17 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

1. Head north on Silver Cross Blvd toward Maple Rd 2 min (1.0 mi)
2. Turn right onto Maple Rd 0.2 mi
3. Turn left onto the Interstate 355 S ramp to Interstate 80 0.3 mi
0.5 mi
Partial toll road

Take I-80 W to IL-7 N/S Larkin Ave in Joliet. Take exit 130B from I-80 W

4. Merge onto I-355 S 10 min (10.2 mi)
Toll road

0259

Attachment

21

-  5. Take the Interstate 80 W exit toward Iowa
 Toll road 0.6 mi
-  6. Merge onto I-80 W 8.5 mi
-  7. Take exit 130B to merge onto IL-7 N/S Larkin Ave 0.4 mi

Continue on IL-7 N/S Larkin Ave. Take Oneida St to Madison St

- 5 min (1.5 mi)
-  8. Merge onto IL-7 N/S Larkin Ave 0.8 mi
-  9. Turn left onto Oneida St 0.5 mi
-  10. Turn right onto Madison St
 Destination will be on the left 0.2 mi

Presence Saint Joseph Medical Center

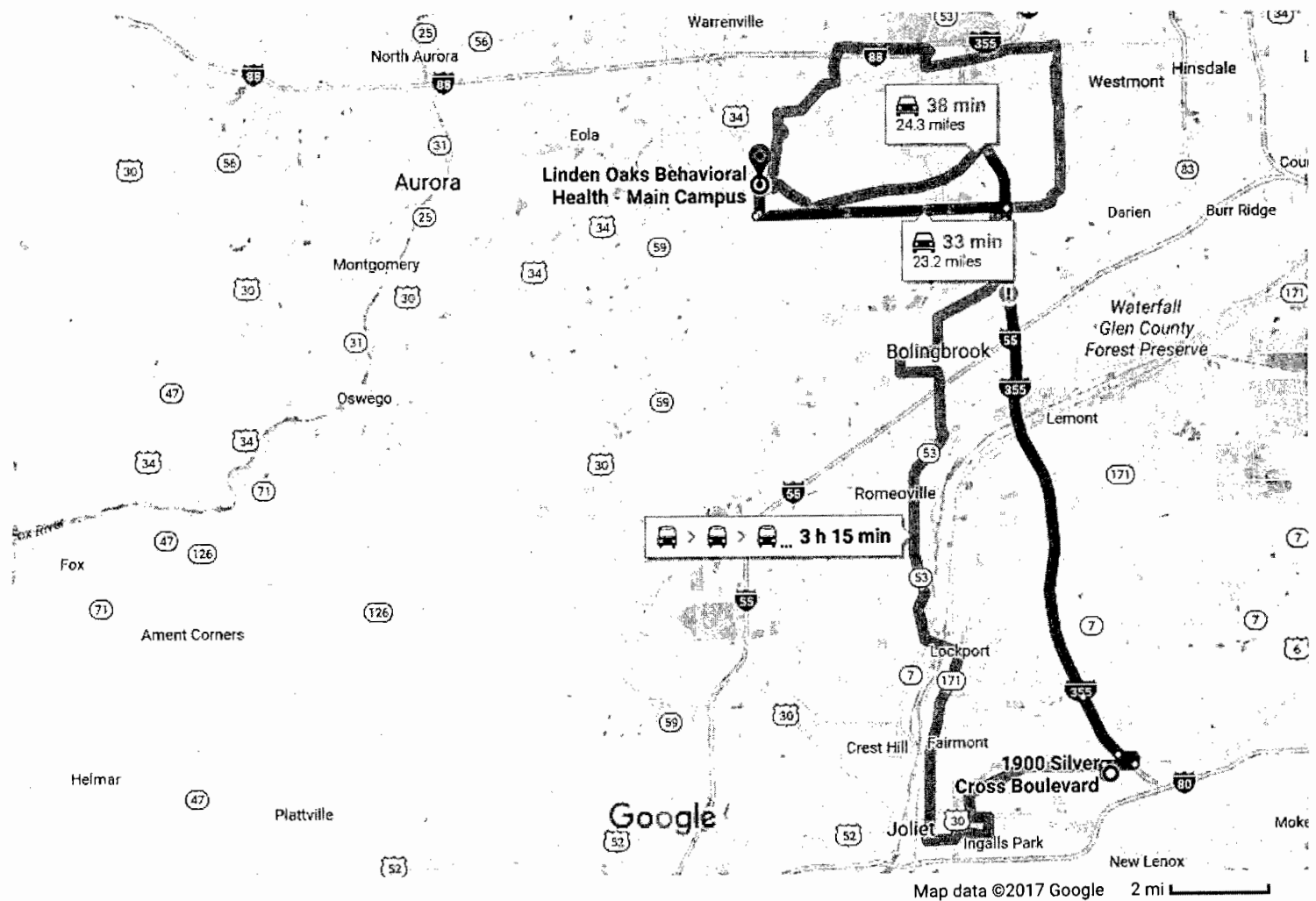
333 Madison St, Joliet, IL 60435

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps

1900 Silver Cross Blvd to Linden Oaks Behavioral Health - Main Campus

Drive 23.2 miles, 33 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 N

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd 3 min (1.6 mi)
- ➡ 2. Turn right onto Maple Rd 0.2 mi
- ➡ 3. Turn left to merge onto I-355 N 0.8 mi
 ▲ Partial toll road 0.6 mi

Follow I-355 N to 75th St in Woodridge. Take the 75th St exit from I-355 N

- ➡ 4. Merge onto I-355 N 13 min (14.4 mi)
 ▲ Toll road 1.7 mi

5. Keep left at the fork to stay on I-355 N
Toll road 10.9 mi
6. Keep left at the fork to stay on I-355 N
Toll road 1.4 mi
7. Take the 75th St exit
Toll road 0.3 mi

Continue on 75th St. Drive to S West St in Naperville

8. Use the left 2 lanes to turn left onto 75th St (signs for Woodridge)
Partial toll road 14 min (7.2 mi)
9. Turn right onto Gartner Rd 6.4 mi
10. Turn left onto Emerald Dr 0.1 mi
11. Turn right onto S West St 0.7 mi
- 404 ft

Linden Oaks Behavioral Health - Main Campus

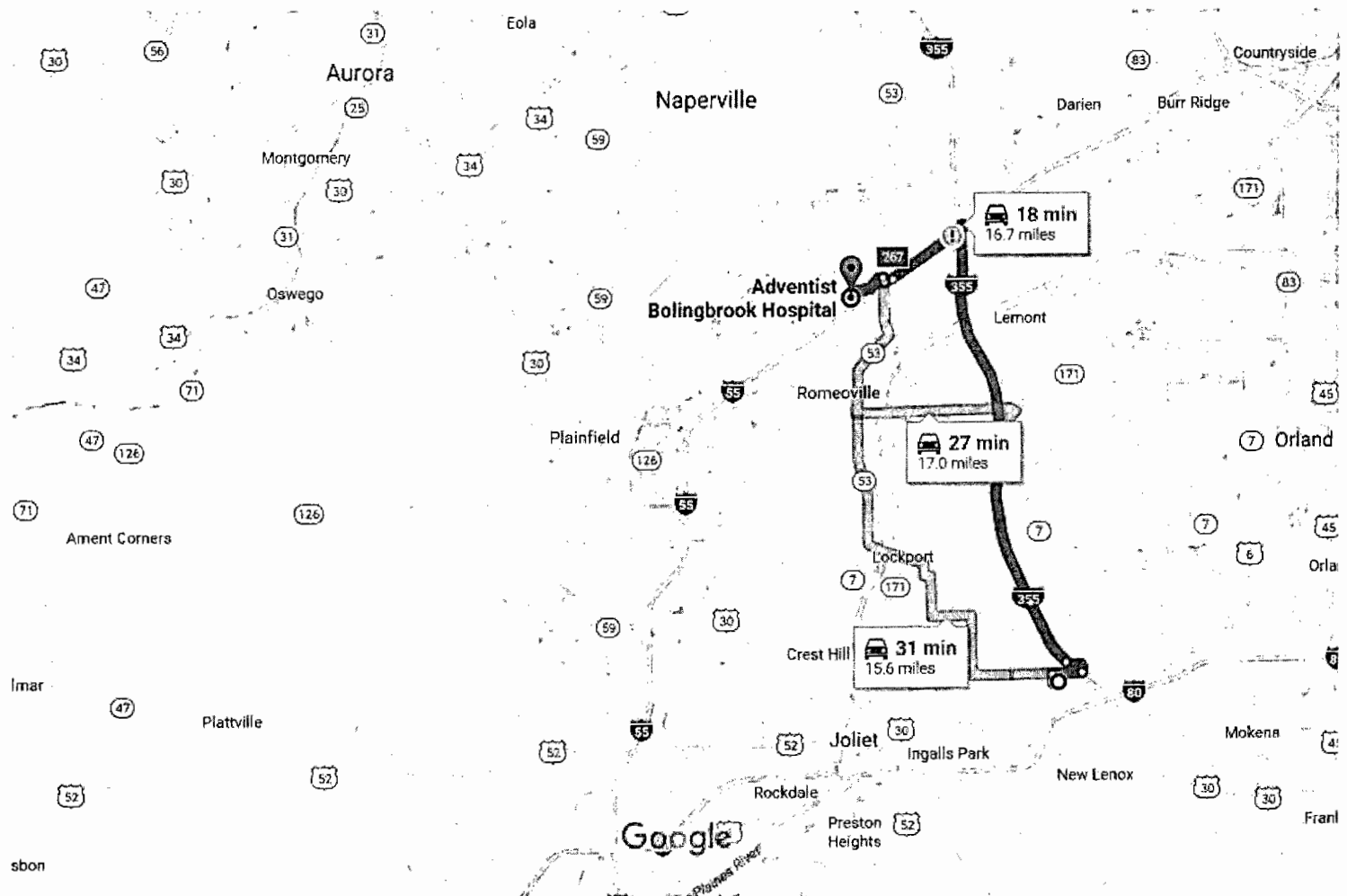
Edward Hospital - Main Campus, 852 West St, Naperville, IL 60540

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps

1900 Silver Cross Blvd to Adventist Bolingbrook Hospital

Drive 16.7 miles, 18 min



Map data ©2017 Google 2 mi

1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 N

3 min (1.6 mi)

↑ 1. Head north on Silver Cross Blvd toward Maple Rd

0.2 mi

➡ 2. Turn right onto Maple Rd

0.8 mi

⬅ 3. Turn left to merge onto I-355 N

⚠ Partial toll road

0.6 mi

Continue on I-355 N to Bolingbrook. Take exit 267 from I-55 S

13 min (13.9 mi)

⬆ 4. Merge onto I-355 N

⚠ Toll road

0263**Attachment****21**

5.  Keep left at the fork to stay on I-355 N
 Toll road 9.5 mi
6.  Take the exit onto I-55 S toward St Louis
 Partial toll road 2.4 mi
7.  Use the right 2 lanes to take exit 267 toward Bolingbrook 0.3 mi

Drive to Remington Blvd

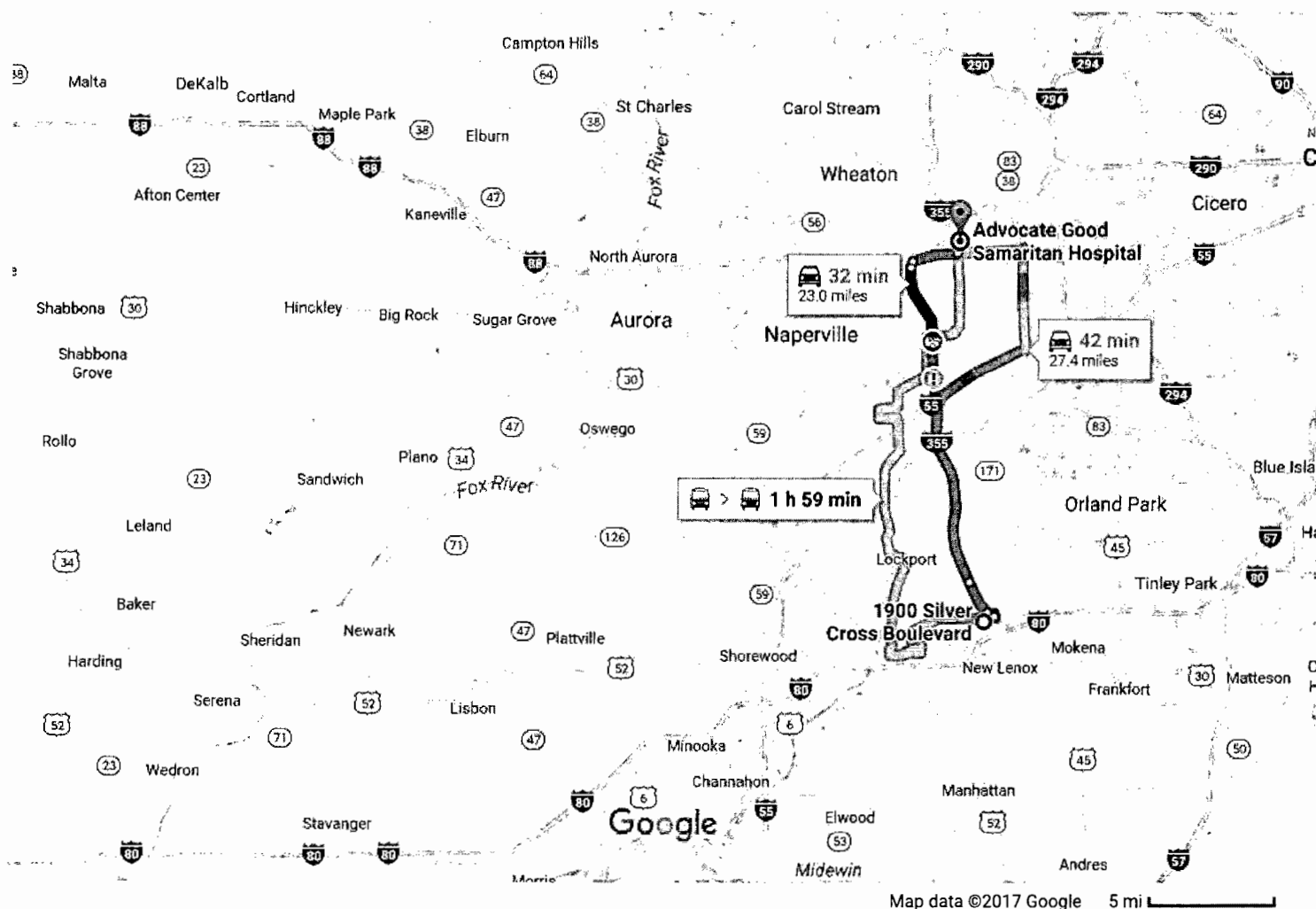
8.  Merge onto S Bolingbrook Dr 3 min (1.1 mi)
0.1 mi
9.  Use the left 2 lanes to turn left onto Remington Blvd
 Destination will be on the right 1.0 mi

Adventist Bolingbrook Hospital

500 Remington Blvd, Bolingbrook, IL 60440

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

1900 Silver Cross Blvd to Advocate Good Samaritan Hospital Drive 23.0 miles, 32 min



New Lenox, IL 60451

↑ 1. Head north on Silver Cross Blvd toward Maple Rd

3 min (1.6 mi)

➡ 2. Turn right onto Maple Rd

0.2 mi

 3. Turn left to merge onto I-355 N

0.8 mi

 Partial toll road

0.6 mi

Follow I-355 N to US-34 E/Ogden Ave in Lisle Township. Take the US-34/Ogden Ave exit from I-355 N

- 17 min (18.4 mi)

4. Merge onto I-355 N

 Toll road

0265

1.7 mi

Attachment

5. Keep left at the fork to stay on I-355 N
Toll road 10.9 mi
6. Keep right at the fork to stay on I-355 N
Toll road 5.4 mi
7. Take the US-34/Ogden Ave exit 0.3 mi

Continue on US-34 E/Ogden Ave. Drive to Highland Ave in Downers Grove

8. Turn right onto US-34 E/Ogden Ave 7 min (3.0 mi)
9. Turn left onto Main St 2.3 mi
10. Continue onto Highland Ave 0.5 mi
Destination will be on the right 0.1 mi

Advocate Good Samaritan Hospital

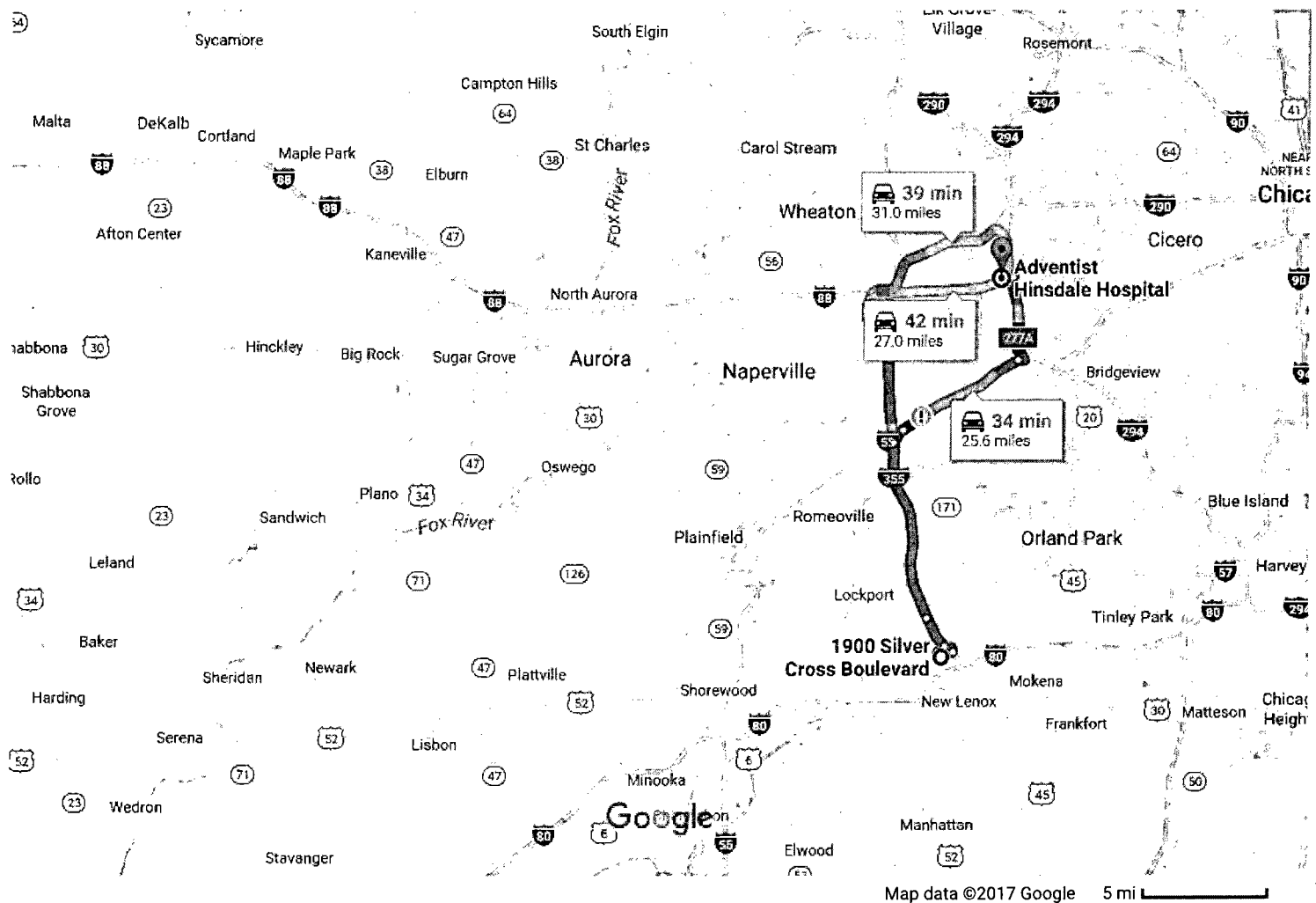
3815 Highland Ave, Downers Grove, IL 60515

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps

1900 Silver Cross Blvd to Adventist Hinsdale Hospital

Drive 25.6 miles, 34 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 N

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd 3 min (1.6 mi)
- ➡ 2. Turn right onto Maple Rd 0.2 mi
- ⬅ 3. Turn left to merge onto I-355 N 0.8 mi
- ⚠ Partial toll road 0.6 mi

Continue on I-355 N. Take I-55 N to US-34 W/Ogden Ave in Proviso Township. Take the US-34 W/Ogden Ave exit from I-294 N

22 min (23.4 mi)

0267

Attachment

21

-  4. Merge onto I-355 N
 Toll road 1.7 mi
-  5. Keep left at the fork to stay on I-355 N
 Toll road 9.2 mi
-  6. Take the Interstate 55 N exit toward Chicago
 Partial toll road 0.9 mi
-  7. Merge onto I-55 N 6.8 mi
-  8. Take exit 277A to merge onto I-294 N toward Wisconsin
 Toll road 4.7 mi
-  9. Exit onto US-34 W/Ogden Ave
 Partial toll road 0.2 mi

Continue on US-34 W/Ogden Ave. Drive to N Elm St in Hinsdale

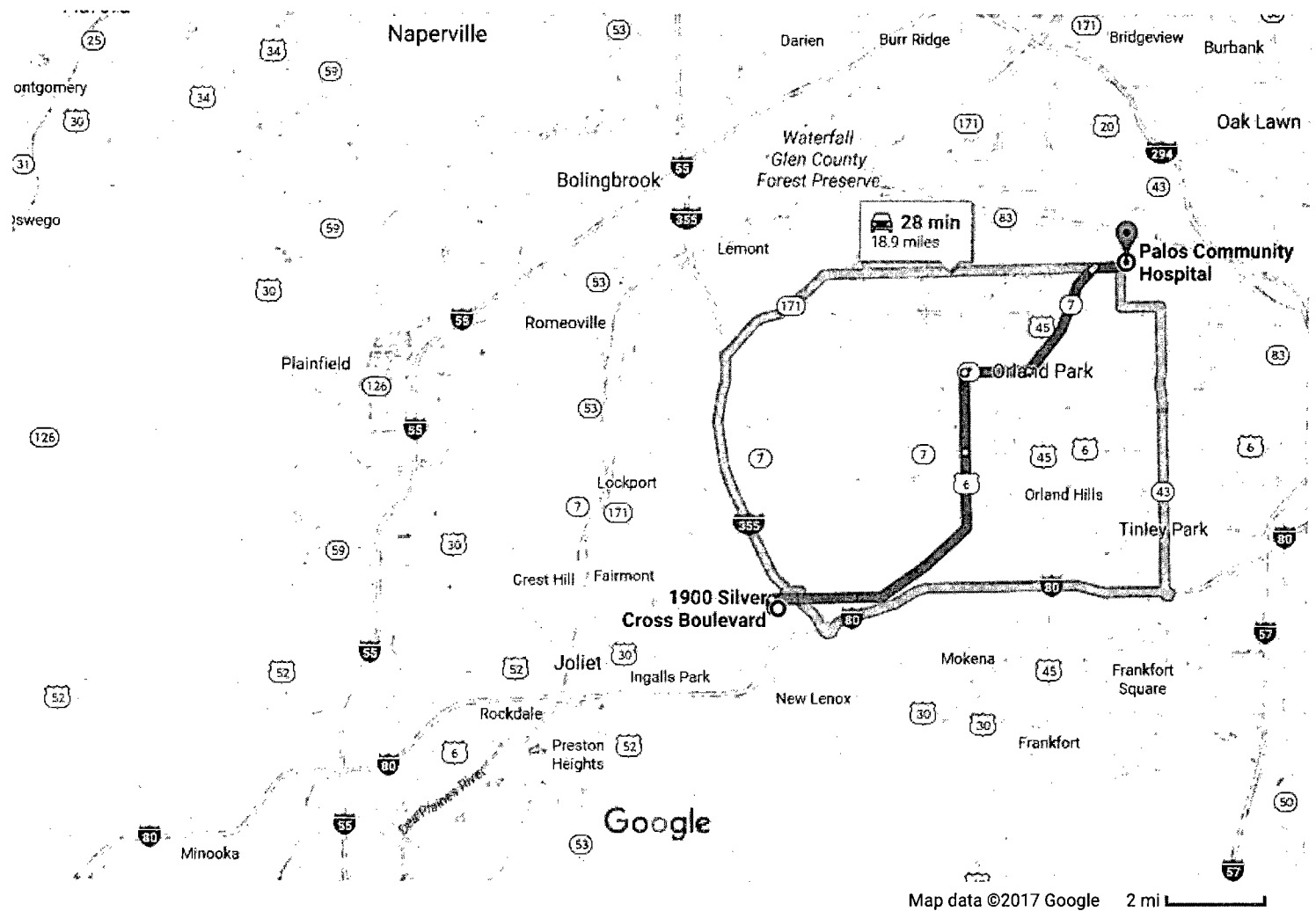
-  10. Merge onto US-34 W/Ogden Ave 2 min (0.6 mi)
0.5 mi
-  11. Turn right onto N Elm St 420 ft

Adventist Hinsdale Hospital

908 N Elm St #112, Hinsdale, IL 60521

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to Palos Community Hospital Drive 15.3 miles, 28 min



1900 Silver Cross Blvd

New Lenox, IL 60451

1. Head north on Silver Cross Blvd toward Maple Rd

35 s (0.2 mi)

Follow US-6 E and IL-7 N to Palos Park

26 min (14.1 mi)

2. Turn right onto US-6 E/Maple Rd

Continue to follow US-6 E

7.4 mi

3. Continue straight onto IL-7 N/Wolf Rd

2.0 mi

4. Turn right onto IL-7 N/W 143rd St

1.6 mi

5. Turn left onto IL-7 S

3.0 mi

0269

Attachment

21

Take W 123rd St/McCarthy Rd to your destination in Palos Heights

-  6. Slight right toward W 123rd St/McCarthy Rd 2 min (0.9 mi)
-  7. Slight right onto W 123rd St/McCarthy Rd 0.1 mi
-  8. Turn left onto S 80th Ave 0.6 mi
-  9. Turn right 217 ft
- 0.2 mi

Palos Community Hospital

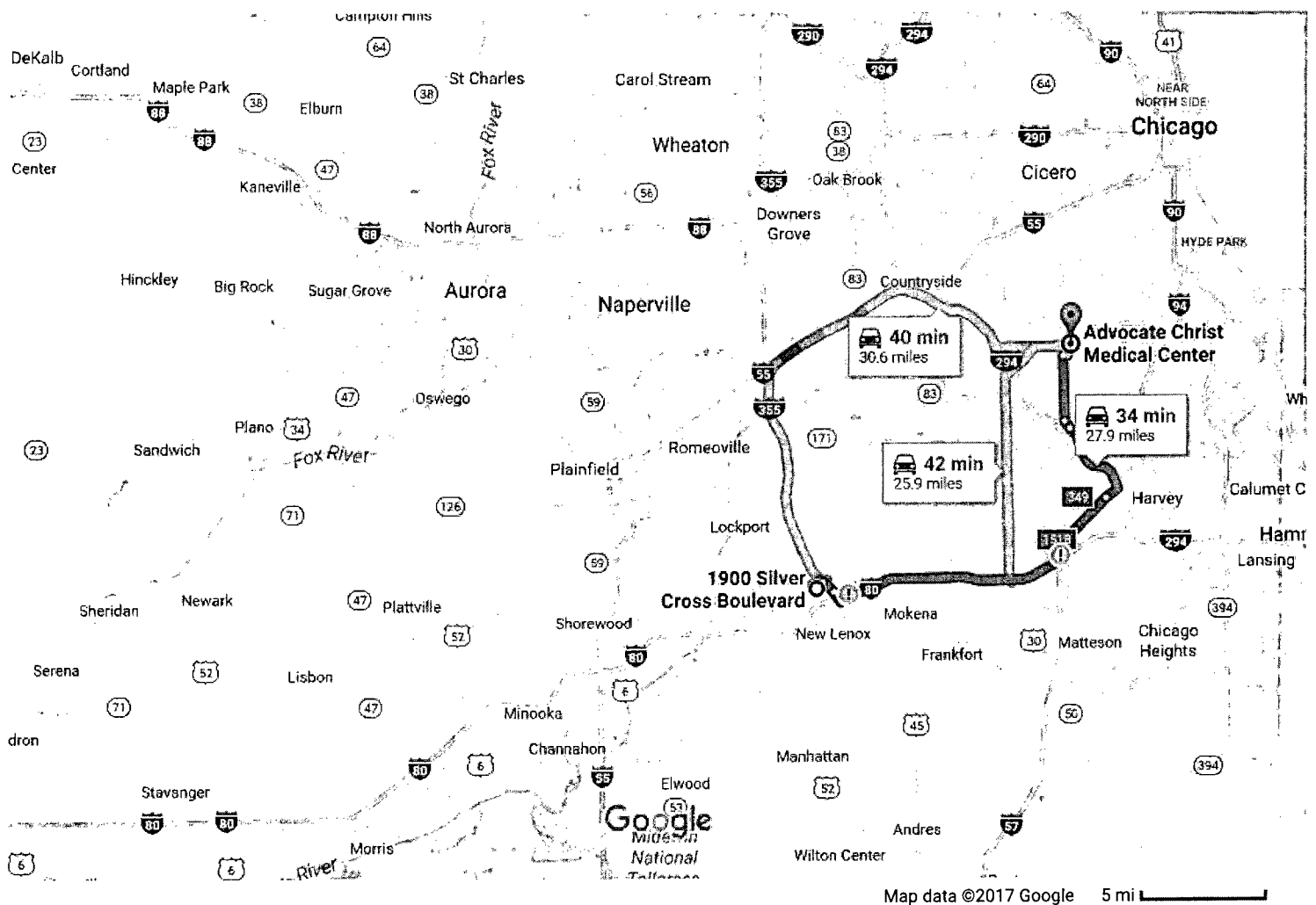
12251 S 80th Ave, Palos Heights, IL 60463

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps

1900 Silver Cross Blvd to Advocate Christ Medical Center

Drive 27.9 miles, 34 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd
0.2 mi
- ➡ 2. Turn right onto Maple Rd
0.3 mi
- ⤴ 3. Turn left onto the Interstate 355 S ramp to Interstate 80
 ⚠ Partial toll road
0.5 mi

Take I-80 E, I-57 N and I-294 N/Tri-State Tollway to IL-50 N/S Cicero Ave in Alsip. Take the IL-50 N/Cicero Ave exit from I-294 N/Tri-State Tollway

21 min (22.6 mi)

0271

Attachment

21

-  4. Merge onto I-355 S
 Toll road

0.7 mi
-  5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
 Toll road

1.2 mi
-  6. Merge onto I-80 E

11.0 mi
-  7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago

4.2 mi
-  8. Take exit 349 to merge onto I-294 N/Tri-State Tollway toward Wisconsin
 Partial toll road

5.0 mi
-  9. Exit onto IL-50 N/S Cicero Ave

0.5 mi

Continue on IL-50 N/S Cicero Ave. Drive to S Kilbourn Ave in Oak Lawn

-  10. Merge onto IL-50 N/S Cicero Ave

11 min (4.3 mi)
-  11. Turn right onto 99th St

3.3 mi
-  12. Turn left at the 2nd cross street onto S Kenton Ave

0.2 mi
-  13. Turn left at the 2nd cross street onto S Kenton Ave

0.5 mi
-  14. Turn right onto 95th St

0.1 mi
-  15. Turn left onto S Kilbourn Ave
 Destination will be on the right

449 ft

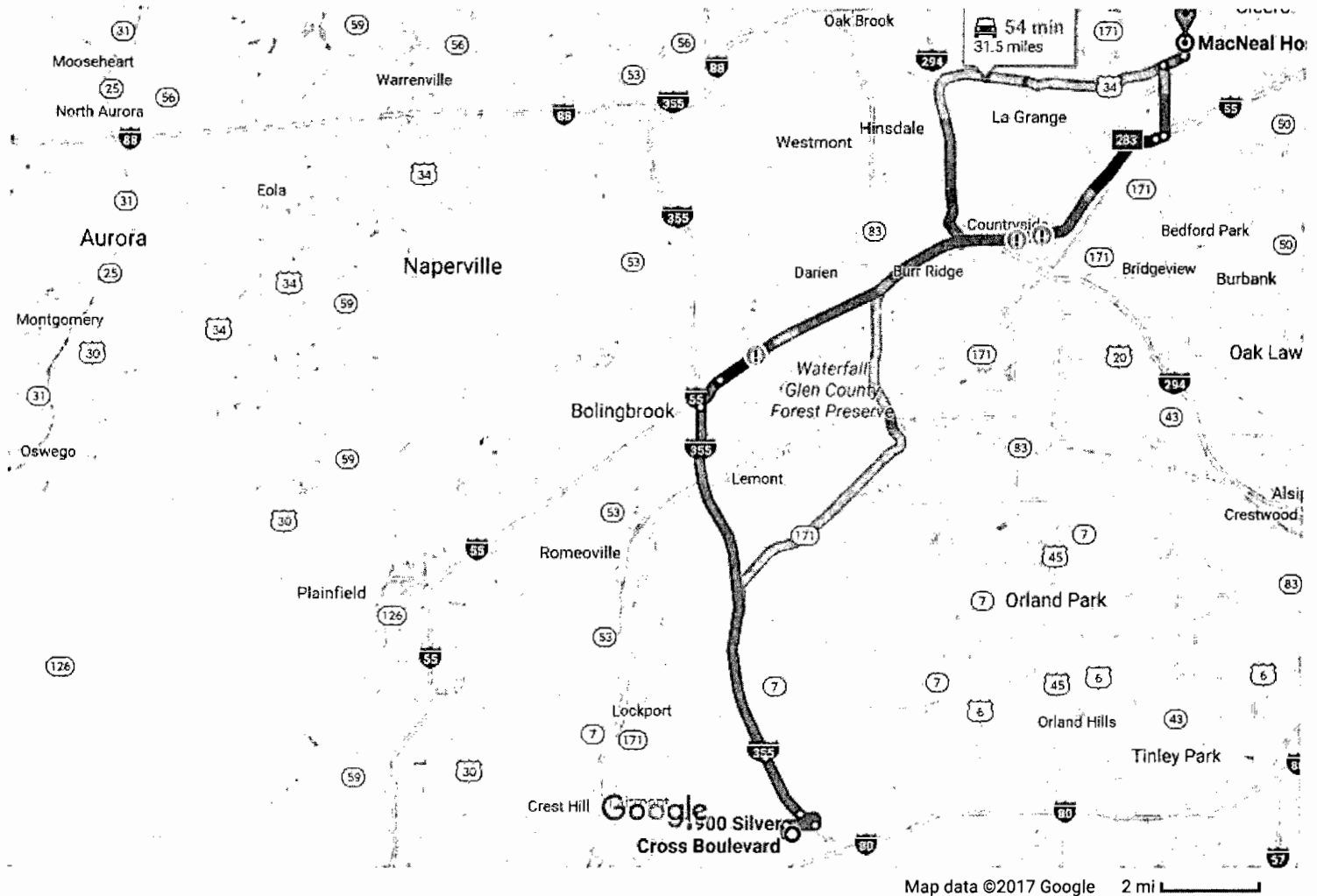
Advocate Christ Medical Center

4440 95th St, Oak Lawn, IL 60453

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to MacNeal Hospital

Drive 29.4 miles, 46 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 N

↑ 1. Head north on Silver Cross Blvd toward Maple Rd

3 min (1.6 mi)

➡ 2. Turn right onto Maple Rd

0.2 mi

⬅ 3. Turn left to merge onto I-355 N
 ▲ Partial toll road

0.8 mi

0.6 mi

Follow I-355 N and I-55 N to IL-43 N/Harlem Ave in Summit. Take exit 283 from I-55 N

⬆ 4. Merge onto I-355 N
 ▲ Toll road

24 min (25.1 mi)

0273

1.7 mi

Attachment

5. Keep left at the fork to stay on I-355 N
▲ Toll road
9.2 mi
6. Take the Interstate 55 N exit toward Chicago
▲ Partial toll road
0.9 mi
7. Merge onto I-55 N
13.1 mi
8. Take exit 283 for IL-43/Harlem Ave
0.2 mi

Continue on IL-43 N/Harlem Ave. Drive to S Oak Park Ave in Berwyn

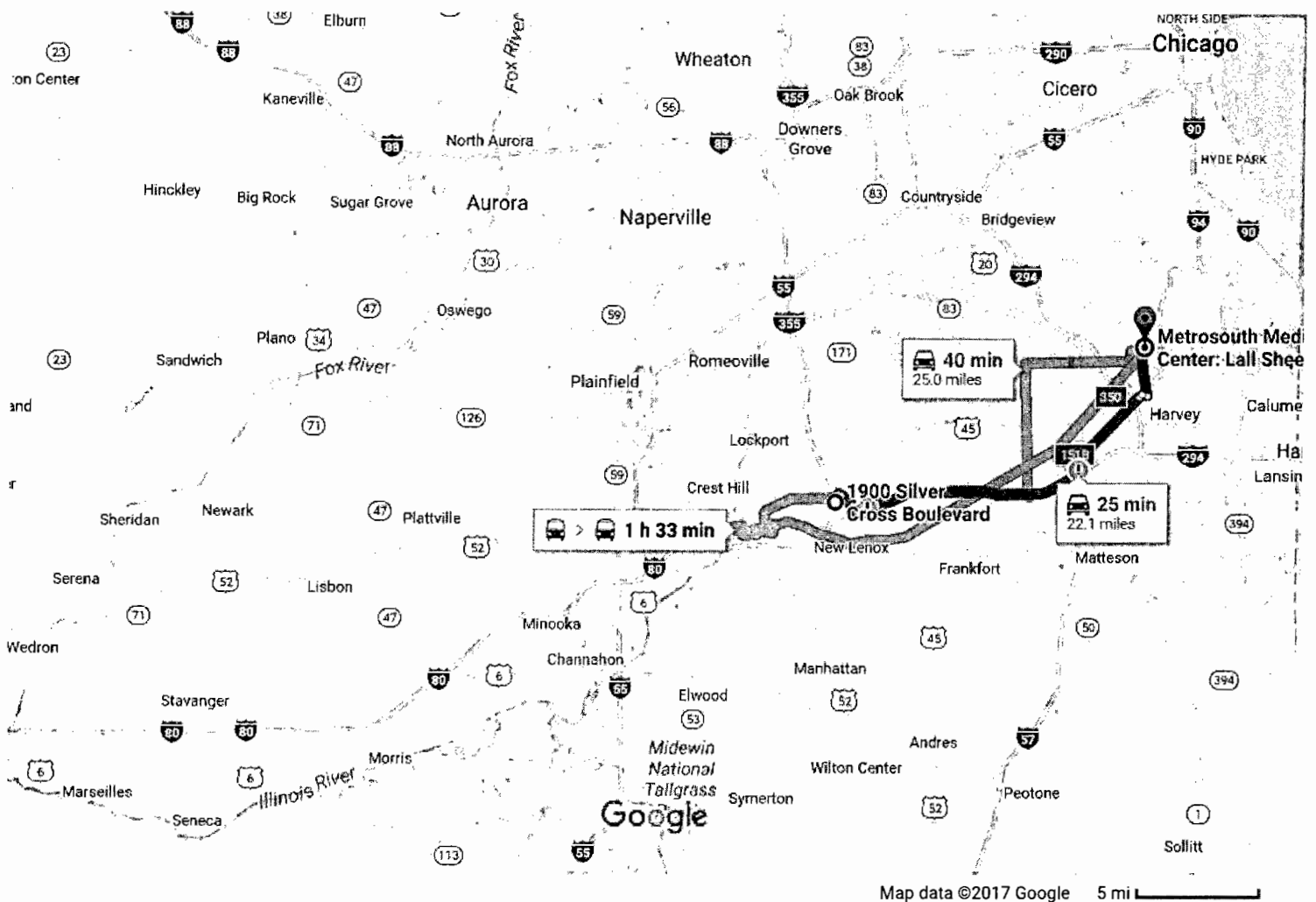
9. Use the left 2 lanes to turn left onto IL-43 N/Harlem Ave
10 min (2.7 mi)
10. Turn right onto Historic U.S. 66 E/Ogden Ave
1.8 mi
11. Turn left onto S Oak Park Ave
Destination will be on the right
0.6 mi
- 0.3 mi

MacNeal Hospital

3249 S Oak Park Ave, Berwyn, IL 60402

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Drive 22.1 miles, 25 min



New Lenox, IL 60451

1. Head north on Silver Cross Blvd toward Maple Rd
2. Turn right onto Maple Rd
3. Turn left onto the Interstate 355 S ramp to Interstate 80
 Partial toll road

4. Merge onto I-355 S
Toll road

0275

Attachment

5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
▲ Toll road 1.2 mi
6. Merge onto I-80 E 11.0 mi
7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago 5.3 mi
8. Take exit 350 for IL-83/147th St toward Sibley Blvd 0.2 mi

Take S Western Ave to Gregory St in Blue Island

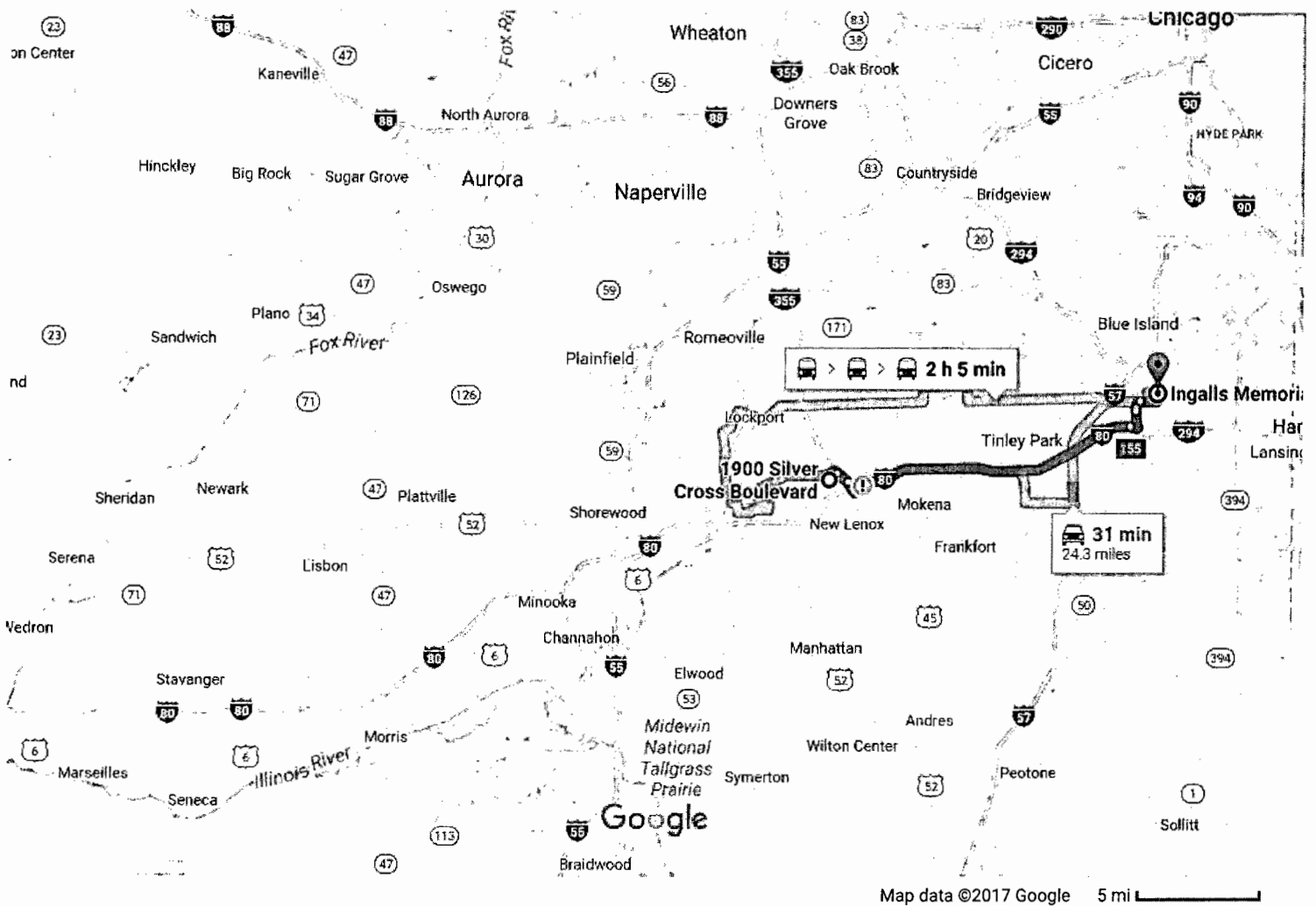
9. Turn right onto IL-83 S/147th St (signs for Harvey) 7 min (2.7 mi)
10. Turn left onto S Western Ave 0.2 mi
11. Continue onto Gregory St 2.2 mi
- 0.3 mi

Metrosouth Medical Center: Lall Sheera DO

12935 Gregory St, Blue Island, IL 60406

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to Ingalls Memorial Hospital Drive 20.5 miles, 24 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

1. Head north on Silver Cross Blvd toward Maple Rd 2 min (1.0 mi)
2. Turn right onto Maple Rd 0.2 mi
3. Turn left onto the Interstate 355 S ramp to Interstate 80 0.3 mi
 ⚠ Partial toll road 0.5 mi

Take I-80 E to US-6 E/W 159th St in Bremen Township. Take the U.S. 6 E exit from I-294 N

4. Merge onto I-355 S 18 min (18.2 mi)
 ⚠ Toll road

0277

0.7 mi

Attachment

-  5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
 Toll road

1.2 mi
-  6. Merge onto I-80 E
 Partial toll road

14.5 mi
-  7. Use the left lane to take exit 155 for Interstate 294 North Tollway toward Wisconsin
 Toll road

1.2 mi
-  8. Use the right lane to merge onto I-294 N
 Toll road

0.2 mi
-  9. Exit onto US-6 E/W 159th St
 Toll road

0.5 mi

Follow US-6 E/W 159th St and S Wood St to Ingalls Dr in Harvey

-  10. Merge onto US-6 E/W 159th St

4 min (1.3 mi)
-  11. Turn left onto S Wood St

0.8 mi
-  12. Turn right onto Ald Taylor Way

0.4 mi
-  13. Turn left onto Ingalls Dr

348 ft
- 157 ft

Ingalls Memorial Hospital

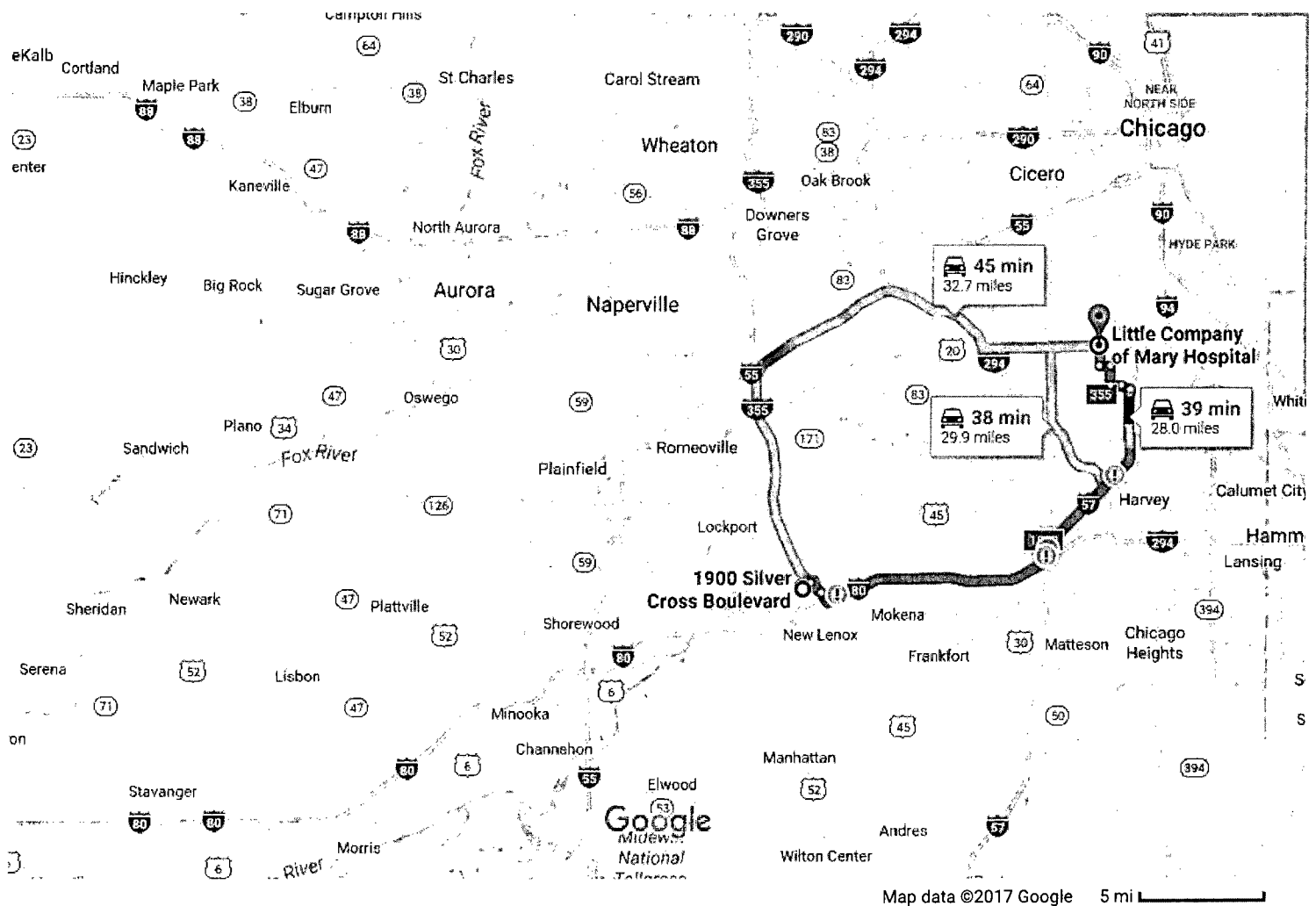
1 Ingalls Dr, Harvey, IL 60426

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps

1900 Silver Cross Blvd to Little Company of Mary Hospital

Drive 28.0 miles, 39 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd
- ➡ 2. Turn right onto Maple Rd
- ⤴ 3. Turn left onto the Interstate 355 S ramp to Interstate 80

⚠ Partial toll road

Take I-80 E and I-57 N to S Hamlet Ave in Chicago. Take exit 355 from I-57 N

- ⤴ 4. Merge onto I-355 S

⚠ Toll road

0279

Attachment

-  5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
 Toll road
 1.2 mi
-  6. Merge onto I-80 E
 11.0 mi
-  7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago
 10.2 mi
-  8. Take exit 355 toward Monterey Ave/111th St
 0.2 mi

Take W 111th St, Western Ave, W 103rd St and S California Ave to 95th St in Evergreen Park

-  9. Continue onto S Hamlet Ave
 14 min (3.7 mi)
-  10. Use the left 2 lanes to turn left onto W 112th Pl
 328 ft
-  11. Continue onto W Monterey Ave
 410 ft
-  12. Continue onto W 111th St
 0.5 mi
-  13. Turn right onto Western Ave
 0.6 mi
-  14. Turn left onto W 103rd St
 1.0 mi
-  15. Turn right onto S California Ave
 0.5 mi
-  16. Turn left onto 95th St
 1.0 mi
- 69 ft

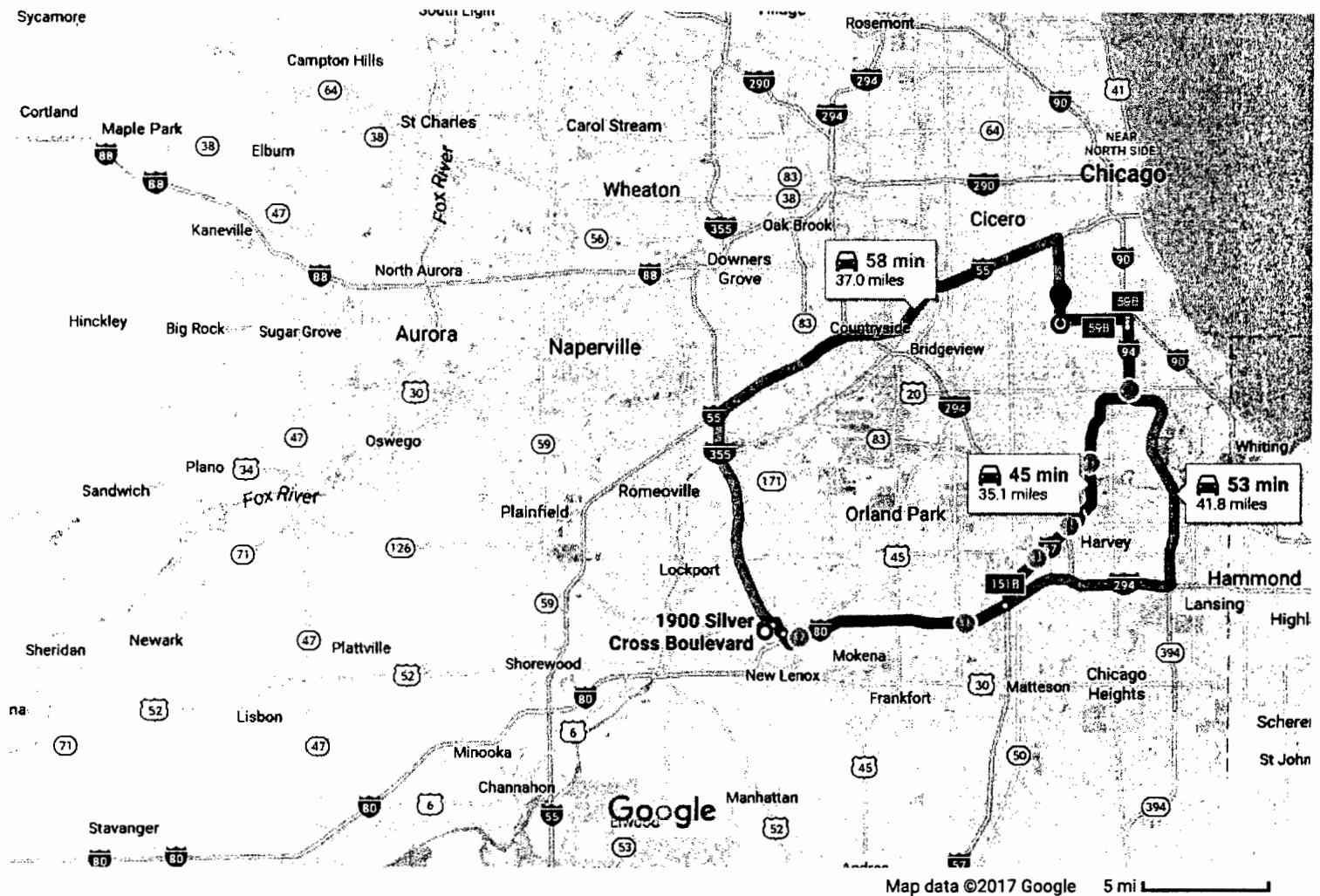
Little Company of Mary Hospital

2800 95th St, Evergreen Park, IL 60805

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to Holy Cross Hospital

Drive 35.1 miles, 45 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd
- ➡ 2. Turn right onto Maple Rd
- ⤴ 3. Turn left onto the Interstate 355 S ramp to Interstate 80

⚠ Partial toll road

2 min (1.0 mi)

0.2 mi

0.3 mi

0.5 mi

Take I-80 E and I-57 N to W Marquette Rd in Chicago. Take exit 59B from I-94 W

- ⤴ 4. Merge onto I-355 S

⚠ Toll road

29 min (30.5 mi)

0.7 mi

0281

Attachment

5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
▲ Toll road
6. Merge onto I-80 E 1.2 mi
7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago 11.0 mi
8. Merge onto I-94 W 13.9 mi
9. Take exit 59B for Marquette Road toward 67th Street 3.2 mi
10. Keep right to stay on Exit 59B 0.2 mi

Follow W Marquette Rd to W 68th St

11. Turn left onto W Marquette Rd 14 min (3.7 mi)
12. Turn left onto S California Ave 3.5 mi
13. Turn left onto W 68th St 0.1 mi
- Destination will be on the right
- 194 ft

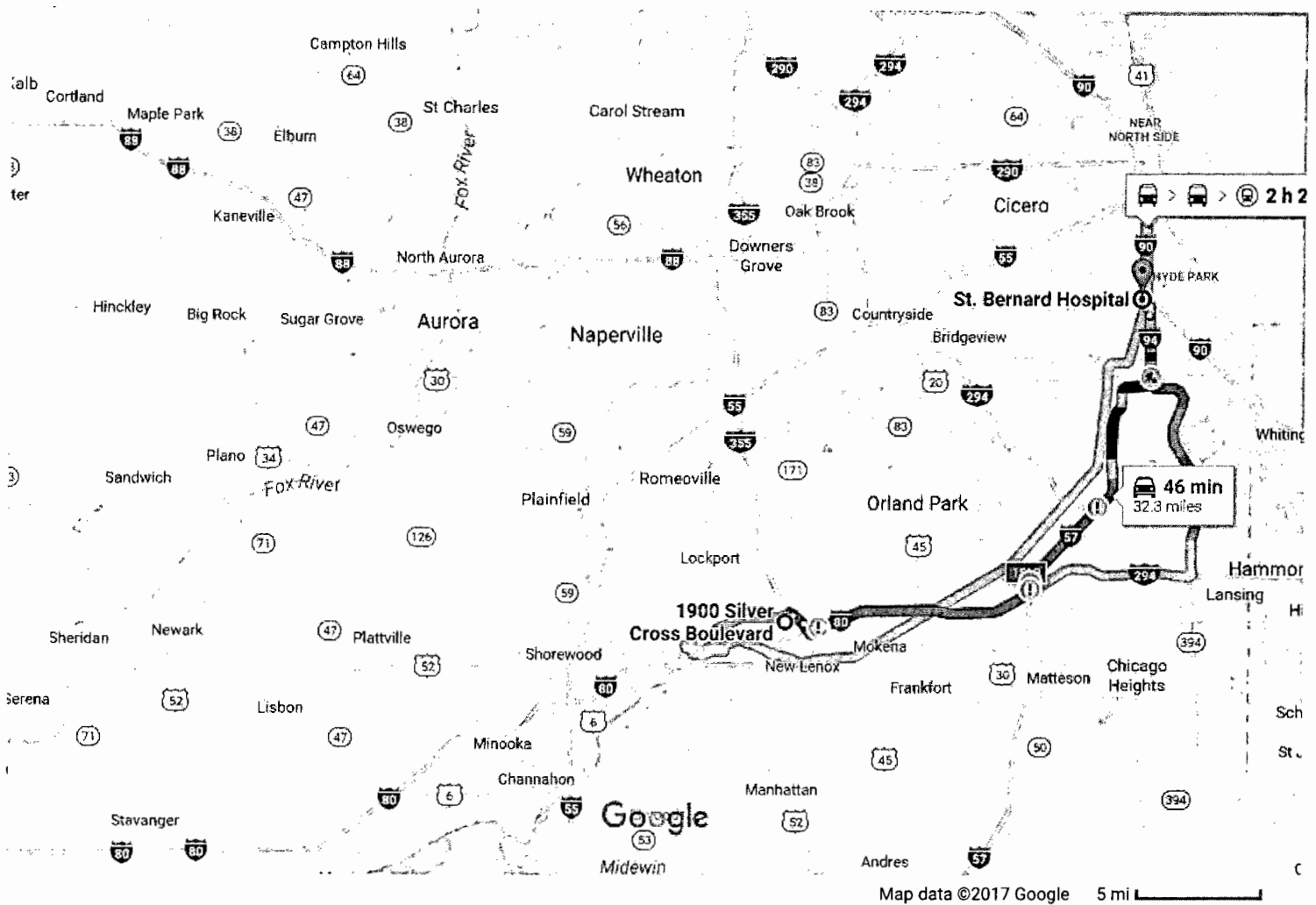
Holy Cross Hospital

2701 W 68th St, Chicago, IL 60629

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to St. Bernard Hospital

Drive 32.3 miles, 46 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd
2 min (1.0 mi)
- ➔ 2. Turn right onto Maple Rd
0.2 mi
- ⤴ 3. Turn left onto the Interstate 355 S ramp to Interstate 80
0.3 mi
⚠ Partial toll road
0.5 mi

Take I-80 E and I-57 N to W Marquette Rd in Chicago. Take exit 59B from I-94 W

- ⤴ 4. Merge onto I-355 S
29 min (30.5 mi)
⚠ Toll road

0283

0.7 mi

Attachment

-  5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
 Toll road
-  6. Merge onto I-80 E
-  7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago
-  8. Merge onto I-94 W
-  9. Take exit 59B for Marquette Road toward 67th Street
-  10. Keep right to stay on Exit 59B

Continue on W Marquette Rd. Take S Wentworth Ave to W 64th St

-  11. Turn left onto W Marquette Rd
 -  12. Turn right at the 3rd cross street onto S Wentworth Ave
 -  13. Turn left onto W 65th St
 -  14. Turn right onto S Yale Ave
 -  15. Turn left onto W 64th St
-  Destination will be on the right

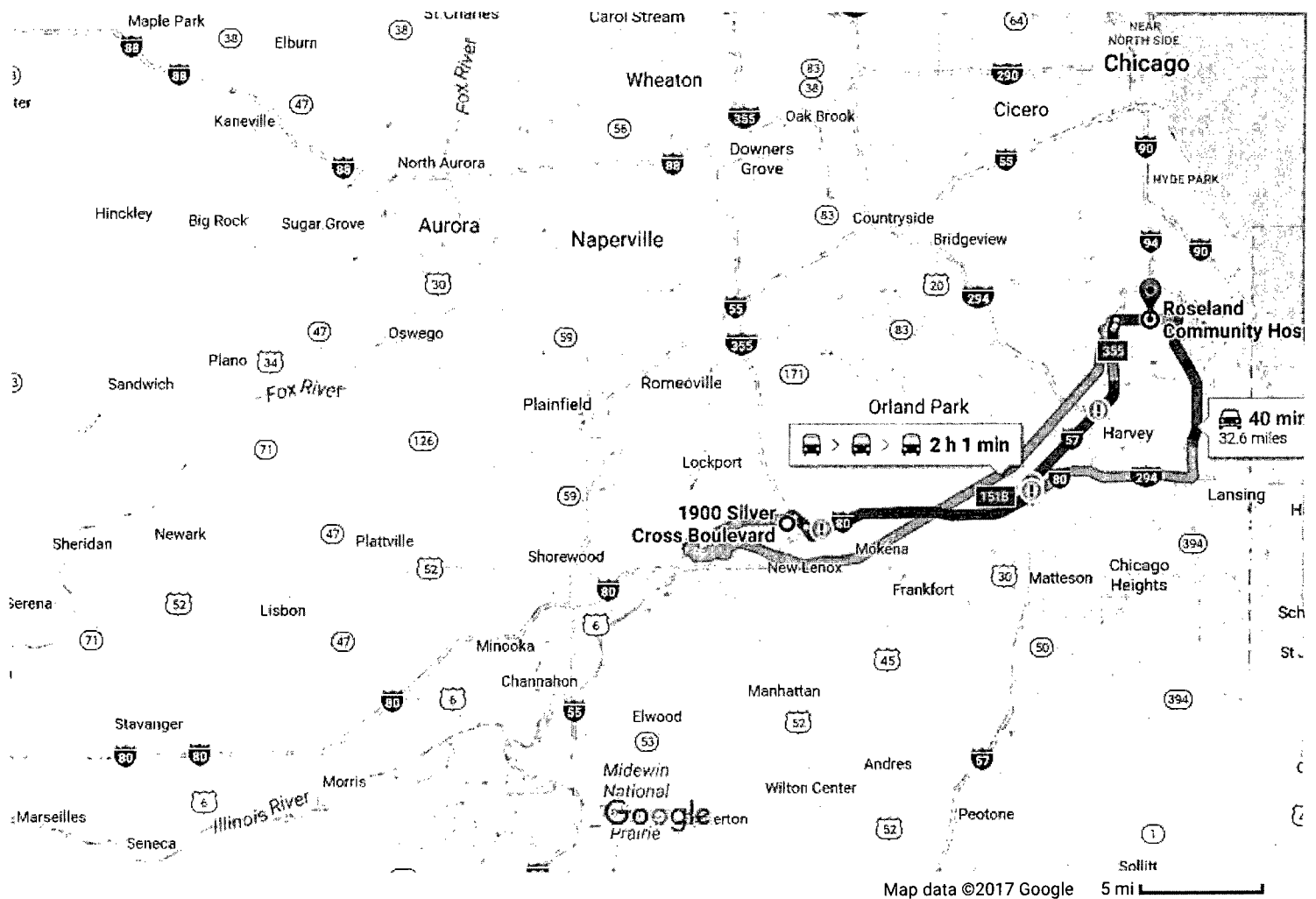
St. Bernard Hospital

326 W 64th St, Chicago, IL 60621

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to Roseland Community Hospital

Drive 26.3 miles, 34 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd
0.2 mi
- ➡ 2. Turn right onto Maple Rd
0.3 mi
- ⤴ 3. Turn left onto the Interstate 355 S ramp to Interstate 80
⚠ Partial toll road
0.5 mi

Take I-80 E and I-57 N to S Hamlet Ave in Chicago. Take exit 355 from I-57 N

- ⤴ 4. Merge onto I-355 S
⚠ Toll road
0.7 mi

0285

Attachment

-  5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
 Toll road 1.2 mi
-  6. Merge onto I-80 E 11.0 mi
-  7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago 10.2 mi
-  8. Take exit 355 toward Monterey Ave/111th St 0.2 mi

Drive to W 111th St

-  9. Continue onto S Hamlet Ave 8 min (2.0 mi)
-  10. Turn right onto W 111th St 0.3 mi
-  Destination will be on the right 1.8 mi

Roseland Community Hospital

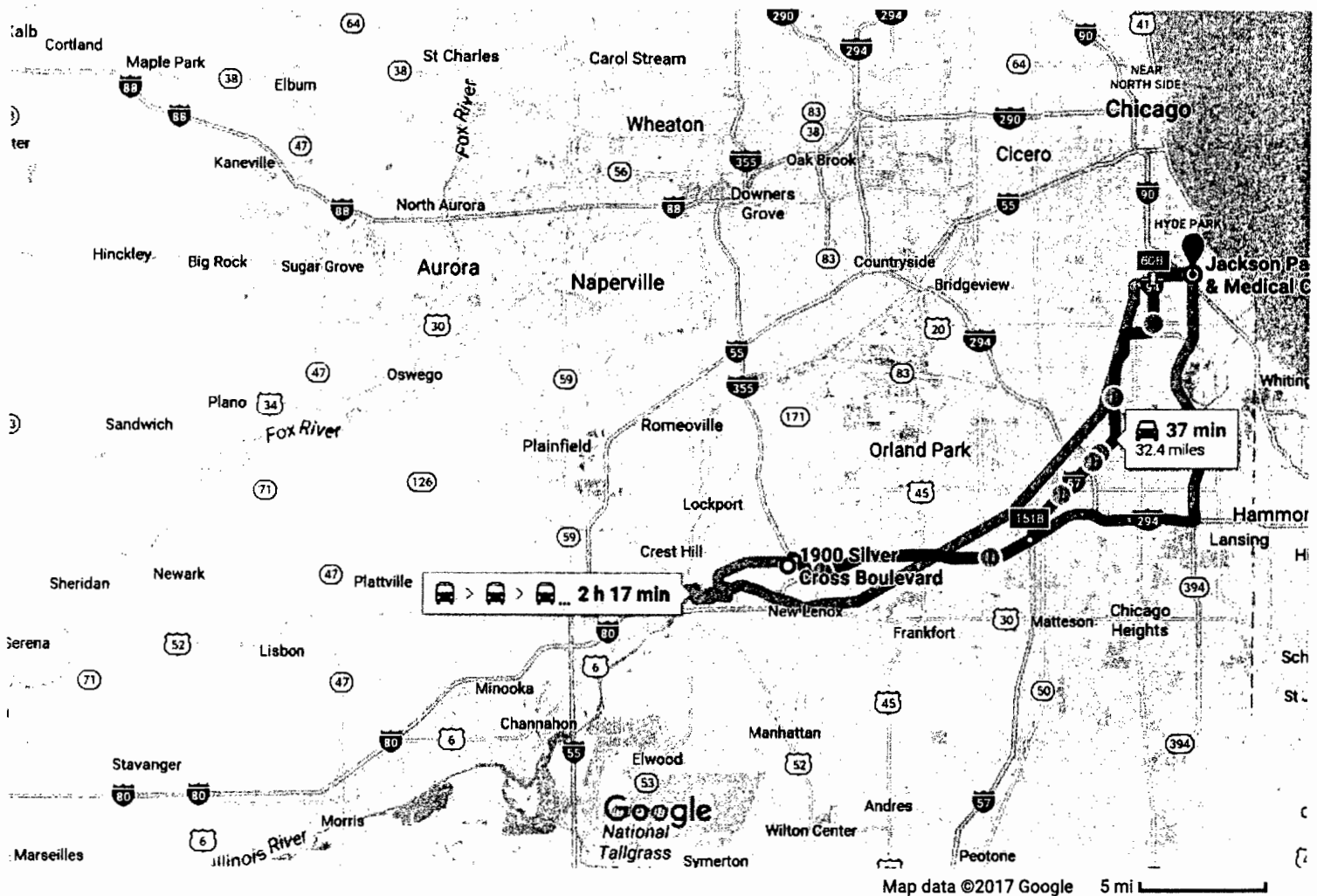
45 W 111th St, Chicago, IL 60628

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps

1900 Silver Cross Blvd to Jackson Park Hospital & Medical Center

Drive 32.4 miles, 37 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

↑ 1. Head north on Silver Cross Blvd toward Maple Rd

2 min (1.0 mi)

➡ 2. Turn right onto Maple Rd

0.2 mi

⤴ 3. Turn left onto the Interstate 355 S ramp to Interstate 80

⚠ Partial toll road

0.3 mi

0.5 mi

Take I-80 E and I-57 N to S State St in Chicago. Take exit 60B from I-94 W

⤴ 4. Merge onto I-355 S

⚠ Toll road

27 min (29.3 mi)

0287

Attachment

21

5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
▲ Toll road 1.2 mi
6. Merge onto I-80 E 11.0 mi
7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago 13.9 mi
8. Merge onto I-94 W 2.2 mi
9. Take exit 60B for 76th St 0.2 mi
10. Keep right at the fork and merge onto S State St 0.1 mi

Follow E 76th St to 1600 E/S Stony Island Ave

11. Merge onto S State St 8 min (2.1 mi)
12. Turn right onto E 76th St 203 ft
13. Turn left onto 1600 E/S Stony Island Ave 2.0 mi
- 164 ft

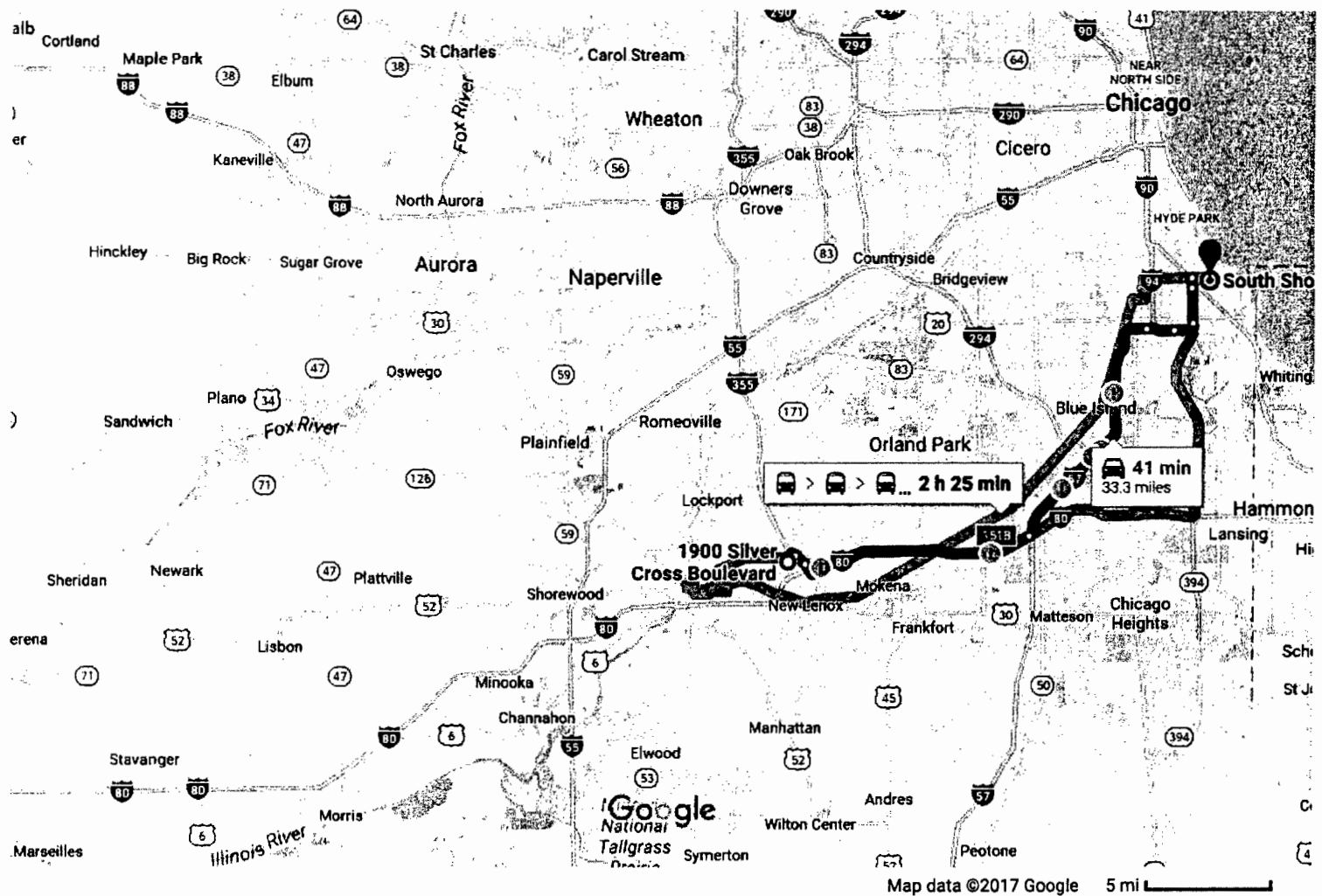
Jackson Park Hospital & Medical Center

7531 South Stony Island Avenue, 7531 S Stony Island Ave, Chicago, IL 60649

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to South Shore Hospital

Drive 33.3 miles, 41 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd
- ➡ 2. Turn right onto Maple Rd
- ⤴ 3. Turn left onto the Interstate 355 S ramp to Interstate 80

⚠ Partial toll road

2 min (1.0 mi)

0.2 mi

0.3 mi

0.5 mi

Take I-80 E and I-57 N to S Stony Island Ave in Chicago. Take exit 65 from I-94 E

27 min (29.0 mi)

- ⤴ 4. Merge onto I-355 S

⚠ Toll road

0.7 mi

0289

Attachment

21

-  5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
 Toll road
 1.2 mi
-  6. Merge onto I-80 E
 11.0 mi
-  7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago
 13.3 mi
-  8. Use the right 2 lanes to merge onto I-94 E toward Indiana
 1.4 mi
-  9. Take exit 65 to merge onto S Stony Island Ave
 1.3 mi

Follow S Stony Island Ave and E 79th St to S Crandon Ave

-  10. Merge onto S Stony Island Ave
 12 min (3.3 mi)
-  11. Continue straight to stay on S Stony Island Ave
 1.7 mi
-  12. Slight right toward E 79th St
 0.5 mi
-  13. Turn right onto E 79th St
 167 ft
-  14. Turn right onto S Crandon Ave
 0.9 mi
-  Destination will be on the right
 0.2 mi

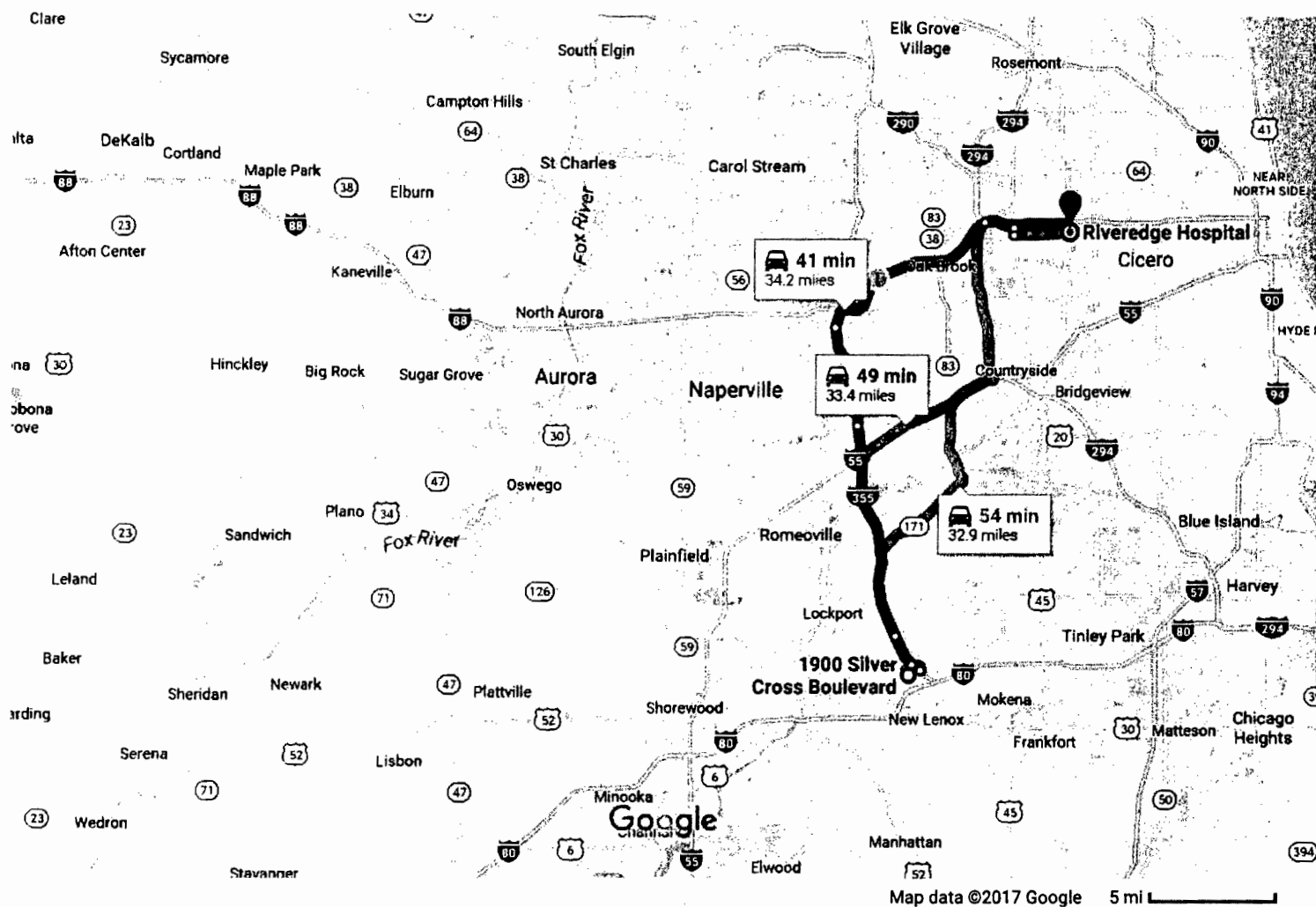
South Shore Hospital

8012 S Crandon Ave, Chicago, IL 60617

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to Riveredge Hospital

Drive 34.2 miles, 41 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 N

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd

- ➡ 2. Turn right onto Maple Rd

- ⤴ 3. Turn left to merge onto I-355 N

⚠ Partial toll road

3 min (1.6 mi)

0.2 mi

0.8 mi

0.6 mi

Follow I-355 N and I-88 E to US-12 E/US-20 E/US-45 S/S Mannheim Rd in Hillside. Take the US-12 S/US-20 S/US-45 S/Mannheim Rd exit from I-88 E

27 min (29.5 mi)

0291

Attachment

21

-  4. Merge onto I-355 N
 Toll road

1.7 mi
-  5. Keep left at the fork to stay on I-355 N
 Toll road

10.9 mi
-  6. Keep left at the fork to stay on I-355 N
 Toll road

5.2 mi
-  7. Use the right 2 lanes to take the exit toward Chicago
 Toll road

1.2 mi
-  8. Merge onto I-88 E
 Partial toll road

8.8 mi
-  9. Take the US-12 S/US-20 S/US-45 S/Mannheim Rd exit

1.5 mi

Drive to W Roosevelt Rd

-  10. Use any lane to turn right onto US-12 E/US-20 E/US-45 S/S Mannheim Rd

10 min (3.1 mi)
-  11. Use the left 2 lanes to turn left onto W Roosevelt Rd

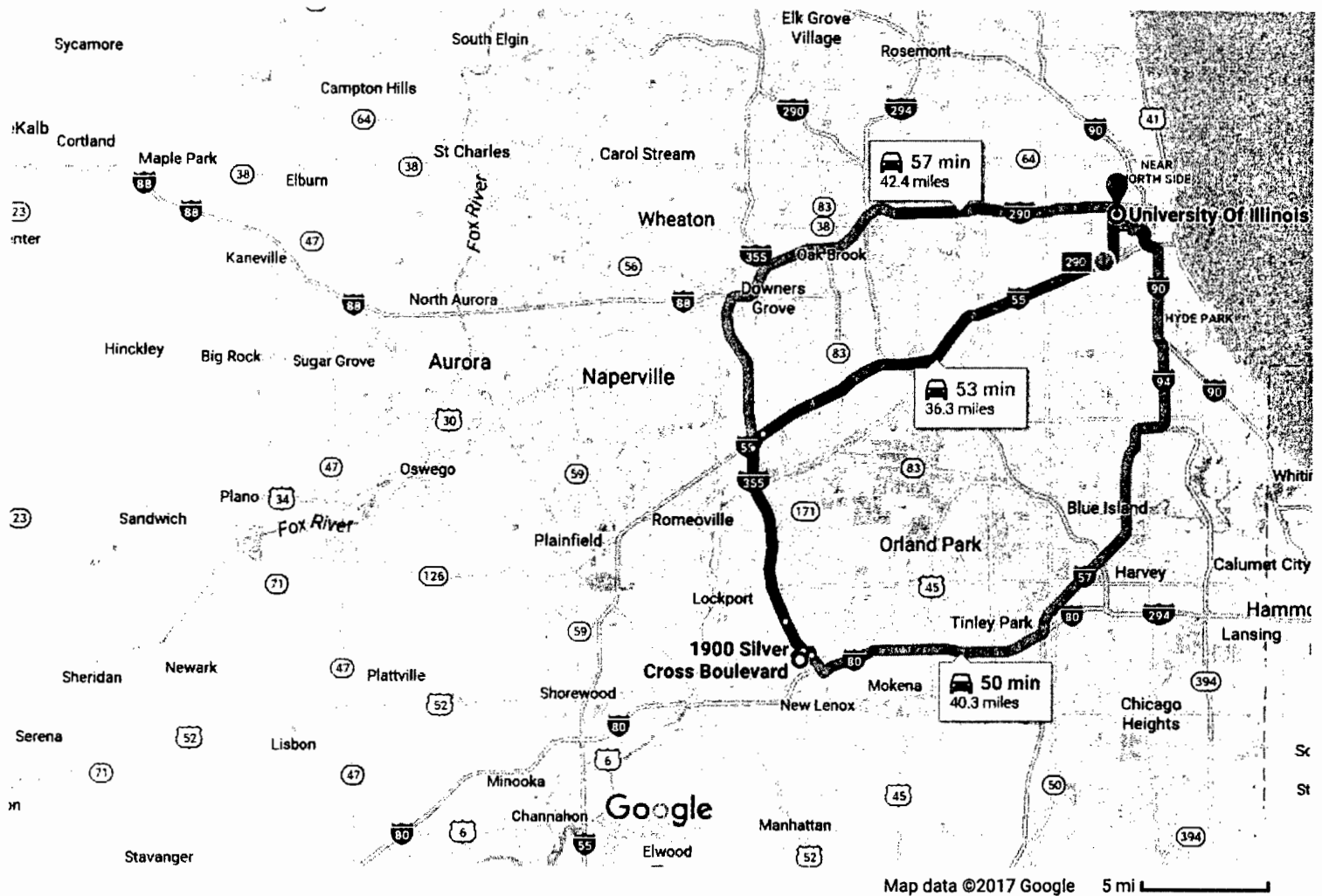
0.3 mi
- 2.8 mi

Riveredge Hospital

8311 W Roosevelt Rd, Forest Park, IL 60130

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps 1900 Silver Cross Blvd to University Of Illinois Onc Drive 36.3 miles, 53 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 N

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd 3 min (1.6 mi)
- ➡ 2. Turn right onto Maple Rd 0.2 mi
- ⬅ 3. Turn left to merge onto I-355 N 0.8 mi
 Partial toll road 0.6 mi

Follow I-355 N and I-55 N to S Damen Ave in Chicago. Take exit 290 from I-55 N

- ⬆ 4. Merge onto I-355 N 31 min (32.2 mi)
 Toll road

0293

17 mi

Attachment

-  5. Keep left at the fork to stay on I-355 N
 Toll road 9.2 mi
-  6. Take the Interstate 55 N exit toward Chicago
 Partial toll road 0.9 mi
-  7. Merge onto I-55 N 20.0 mi
-  8. Use the right 2 lanes to take exit 290 for Damen Ave 0.4 mi
-  9. Keep left at the fork to continue toward S Damen Ave 213 ft

Follow S Damen Ave to your destination

-  10. Use any lane to turn slightly left onto S Damen Ave 11 min (2.5 mi)
-  11. Turn right onto W Taylor St 2.2 mi
-  12. Turn left 0.2 mi
- 161 ft

University Of Illinois Onc

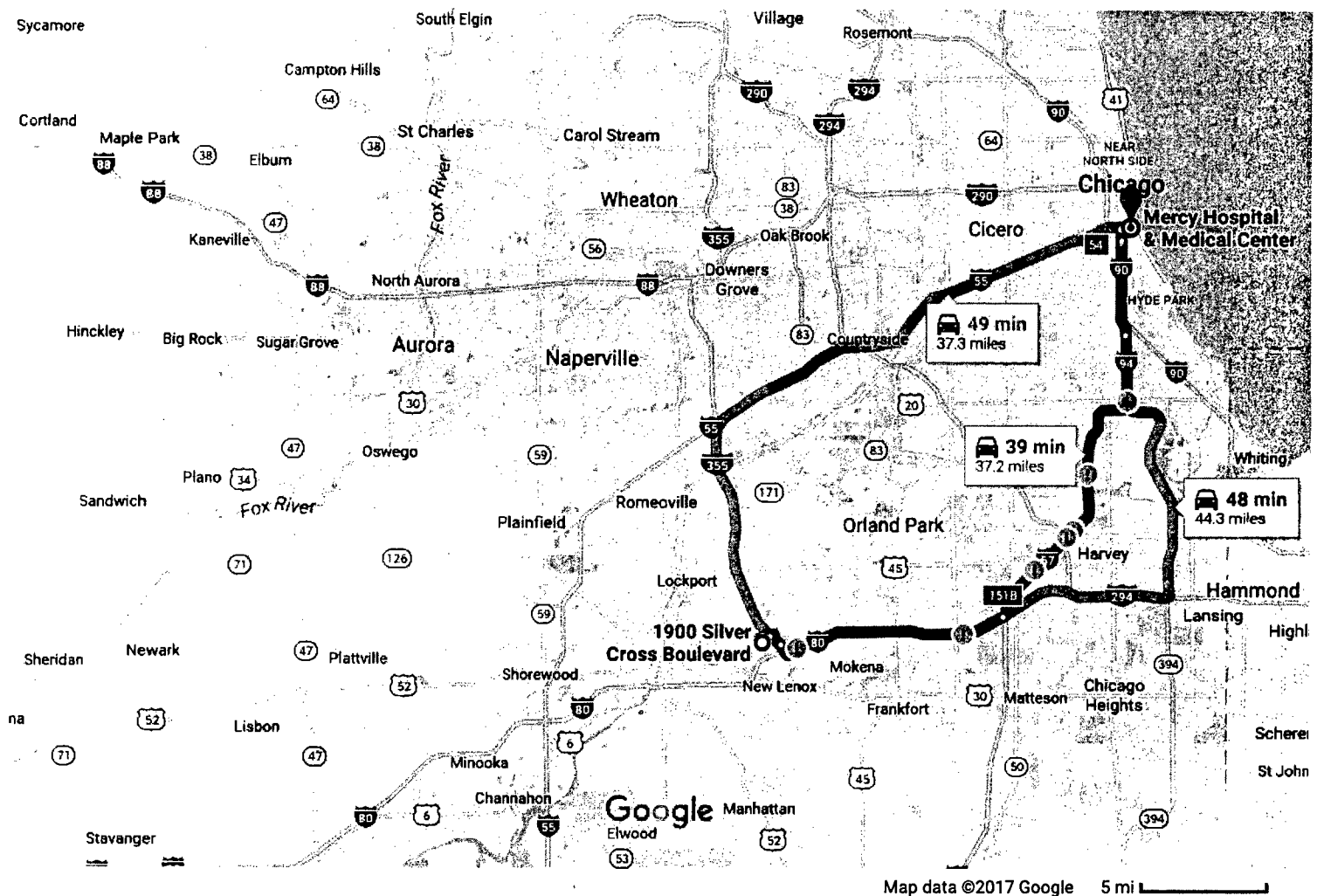
1801 W Taylor St, Chicago, IL 60612

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Google Maps

1900 Silver Cross Blvd to Mercy Hospital & Medical Center

Drive 37.2 miles, 39 min



1900 Silver Cross Blvd

New Lenox, IL 60451

Get on I-355 S

- ↑ 1. Head north on Silver Cross Blvd toward Maple Rd
- ➡ 2. Turn right onto Maple Rd
- ⬆ 3. Turn left onto the Interstate 355 S ramp to Interstate 80
 ▲ Partial toll road

2 min (1.0 mi)

0.2 mi

0.3 mi

0.5 mi

Follow I-80 E, I-57 N and I-94 W to S La Salle St in Chicago. Take exit 54 from I-94 W

- ⬆ 4. Merge onto I-355 S
 ▲ Toll road

33 min (35.1 mi)

0295

Attachment

-  5. Use the left 2 lanes to take the Interstate 80 E exit toward Indiana
 Toll road 1.2 mi
-  6. Merge onto I-80 E 11.0 mi
-  7. Use the left 2 lanes to take exit 151B to merge onto I-57 N toward Chicago 13.9 mi
-  8. Merge onto I-94 W 3.3 mi
-  9. Keep right at the fork to stay on I-94 W 4.7 mi
-  10. Take exit 54 toward 31st St 0.2 mi

Follow S La Salle St and W 26th St to S Prairie Ave

-  11. Merge onto S La Salle St 5 min (1.2 mi)
-  12. Turn right onto W 26th St 0.6 mi
-  13. Turn left onto S Prairie Ave 0.6 mi
- 20 ft

Mercy Hospital & Medical Center

2525 S Michigan Ave, Chicago, IL 60616

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

February 12, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Affidavit Regarding Past & Future AMI Admissions

Dear Mr. Constantino:

I am currently the Medical Director of the Behavioral Health Department at Silver Cross Hospital & Medical Centers ("Silver Cross Hospital") in New Lenox, Illinois. I am writing to express my strong support for the joint effort by Silver Cross Hospital and US Healthvest LLC ("US Healthvest") to construct and establish a 100 bed behavioral health hospital (to be known as Silver Oaks Hospital) on the Silver Cross Campus.

Between January 1, 2015 and December 31, 2015, I can attest that the Medical Staff at Silver Cross Hospital admitted a total of 907 Acute Mental Illness ("AMI") patients to the Behavioral Health Department at Silver Cross Hospital. Between January 1, 2016 and December 31, 2016, I can attest that the Medical Staff at Silver Cross Hospital admitted a total of 974 AMI patients to the Behavioral Health Department at Silver Cross Hospital. A HIPAA compliant list of those cases by zip code is attached hereto as Exhibit A.

If the Illinois Health Facilities and Services Review Board (the "Review Board") does not authorize Silver Cross Hospital and US Healthvest to construct and establish Silver Oaks Hospital, it is my professional opinion that the Medical Staff at Silver Cross Hospital will admit: (a) a total of 1,050 patients to the Behavioral Health Department at Silver Cross Hospital in 2017; (b) a total of 1,130 patients to the Behavioral Health Department at Silver Cross Hospital in 2018; (c) a total of 1,216 patients to the Behavioral Health Department at Silver Cross Hospital in 2019; and (d) a total of 1,308 patients to the Behavioral Health Department at Silver Cross Hospital in 2020. In other words, based on the historical growth of the AMI admissions to the Behavioral Health Department at Silver Cross Hospital, the Behavioral Health Department at Silver Cross Hospital will be running at a 115% occupancy rate by 2020.

On the other hand, if the Review Board authorizes Silver Cross Hospital and US Healthvest to construct and establish Silver Oaks Hospital, it is my professional opinion that the Medical Staff at Silver Cross Hospital will admit even more AMI patients to Silver Oaks Hospital on an annual basis because: (a) there is a severe shortage and lack of behavioral health services in AMI Planning Area A-13; (b) Silver Cross Hospital only offers a limited scope of behavioral health services because it is a general acute care hospital; and (c) the other hospitals in AMI Planning Area A-13 only offer a limited scope of behavioral health services because they are general acute care hospitals.

Attachment

21

I certify, under oath and penalties as provided by law pursuant to 735 ILCS 5/1-109, that the information contained in this letter is true and correct to the best of my knowledge.

Sincerely,


Dr. Paulette Trum

Subscribed and Sworn to before me
this 13 day of February, 2017.


Notary Public



Behavioral Health Patients - by Zip - FY16

	ZIP CODE	# OF PTS	% OF PTS
1	60441	92	9.4%
2	60451	86	8.8%
3	60432	61	6.3%
4	60435	58	6.0%
5	60433	57	5.9%
6	60439	40	4.1%
7	60448	37	3.8%
8	60423	32	3.3%
9	60467	29	3.0%
10	60487	27	2.8%
11	60491	26	2.7%
12	60436	23	2.4%
13	60481	23	2.4%
14	60442	22	2.3%
15	60450	17	1.7%
16	60477	17	1.7%
17	60403	16	1.6%
18	60404	13	1.3%
19	60462	13	1.3%
20	60431	12	1.2%
21	60440	10	1.0%
22	60446	10	1.0%
23	60586	9	0.9%
24	60411	7	0.7%
25	60449	7	0.7%
26	60468	7	0.7%
27	60544	6	0.6%
28	60410	5	0.5%
29	60447	5	0.5%
30	60452	5	0.5%
31	60115	4	0.4%
32	60188	4	0.4%
33	61301	4	0.4%
34	61443	4	0.4%
35	20876	3	0.3%
36	60050	3	0.3%
37	60178	3	0.3%
38	60401	3	0.3%
39	60417	3	0.3%
40	60420	3	0.3%
41	60434	3	0.3%
42	60438	3	0.3%

	ZIP CODE	# OF PTS	% OF PTS
43	60445	3	0.3%
44	60464	3	0.3%
45	60466	3	0.3%
46	60482	3	0.3%
47	60532	3	0.3%
48	60540	3	0.3%
49	60543	3	0.3%
50	60548	3	0.3%
51	19312	2	0.2%
52	45431	2	0.2%
53	48811	2	0.2%
54	60062	2	0.2%
55	60187	2	0.2%
56	60415	2	0.2%
57	60416	2	0.2%
58	60419	2	0.2%
59	60421	2	0.2%
60	60443	2	0.2%
61	60455	2	0.2%
62	60559	2	0.2%
63	60560	2	0.2%
64	60563	2	0.2%
65	60611	2	0.2%
66	60620	2	0.2%
67	60623	2	0.2%
68	60638	2	0.2%
69	60919	2	0.2%
70	61081	2	0.2%
71	61322	2	0.2%
72	61764	2	0.2%
73	77429	2	0.2%
74	92054	2	0.2%
75	10128	1	0.1%
76	11598	1	0.1%
77	14905	1	0.1%
78	20147	1	0.1%
79	20854	1	0.1%
80	27603	1	0.1%
81	28786	1	0.1%
82	30248	1	0.1%
83	32162	1	0.1%
84	32828	1	0.1%
85	34986	1	0.1%
86	39110	1	0.1%
87	44236	1	0.1%

	ZIP CODE	# OF PTS	% OF PTS
88	45249	1	0.1%
89	45324	1	0.1%
90	46323	1	0.1%
91	46368	1	0.1%
92	46545	1	0.1%
93	46835	1	0.1%
94	48306	1	0.1%
95	48880	1	0.1%
96	49341	1	0.1%
97	50613	1	0.1%
98	53216	1	0.1%
99	53219	1	0.1%
100	55912	1	0.1%
101	60056	1	0.1%
102	60090	1	0.1%
103	60101	1	0.1%
104	60103	1	0.1%
105	60134	1	0.1%
106	60135	1	0.1%
107	60143	1	0.1%
108	60145	1	0.1%
109	60146	1	0.1%
110	60148	1	0.1%
111	60154	1	0.1%
112	60174	1	0.1%
113	60193	1	0.1%
114	60302	1	0.1%
115	60402	1	0.1%
116	60407	1	0.1%
117	60408	1	0.1%
118	60422	1	0.1%
119	60426	1	0.1%
120	60429	1	0.1%
121	60430	1	0.1%
122	60463	1	0.1%
123	60502	1	0.1%
124	60510	1	0.1%
125	60517	1	0.1%
126	60523	1	0.1%
127	60545	1	0.1%
128	60555	1	0.1%
129	60561	1	0.1%
130	60565	1	0.1%
131	60585	1	0.1%
132	60608	1	0.1%

	ZIP CODE	# OF PTS	% OF PTS
133	60609	1	0.1%
134	60626	1	0.1%
135	60634	1	0.1%
136	60644	1	0.1%
137	60647	1	0.1%
138	60661	1	0.1%
139	60804	1	0.1%
140	60950	1	0.1%
141	61061	1	0.1%
142	61108	1	0.1%
143	61313	1	0.1%
144	61341	1	0.1%
145	61356	1	0.1%
146	61360	1	0.1%
147	61704	1	0.1%
148	61734	1	0.1%
149	61748	1	0.1%
150	61769	1	0.1%
151	63026	1	0.1%
152	63129	1	0.1%
153	65203	1	0.1%
154	66063	1	0.1%
155	66209	1	0.1%
156	67114	1	0.1%
157	67208	1	0.1%
158	72833	1	0.1%
159	78613	1	0.1%
160	80907	1	0.1%
161	92336	1	0.1%
162	95684	1	0.1%
163	97487	1	0.1%
164	98433	1	0.1%
	TOTAL	974	100.0%



ALDEN ESTATES-COURTS OF NEW LENOX, INC.

January 17, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need Application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US Health Vest.

As a new skilled nursing facility which will be built adjacent to Silver Cross Hospital in the Village of New Lenox, Will County; we believe, patients in the area have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

As the population continues to age and grow in and around the New Lenox area, these services are very much needed. Specifically, there is a shortage of appropriate care for residents in accessing inpatient psychiatric care.

We anticipate being able to refer approximately 10 patients per month for psychiatric care to your facility within a 12 month period after the project is completed and anticipate the referral volume to remain similar or grow for the next two years.

Please note that these patient referrals have not been used to support any other pending or approved certificate of need application for a behavioral hospital.

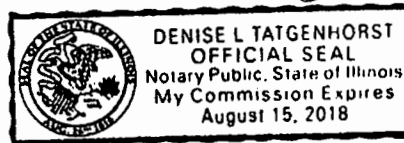
I urge you to support the approval of Certificate of Need Application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

ALDEN ESTATES-COURTS OF NEW LENOX, INC.

By: 
Randi Schlossberg-Schulz
Vice President

January 17, 2017
Denise L. Tatgenhorst



4200 WEST PETERSON AVENUE CHICAGO, ILLINOIS 60646 773-286-3883



WILL COUNTY HEALTH DEPARTMENT & COMMUNITY HEALTH CENTER

January 17, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Cross Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a Federally Qualified Community Health Center, the Will County Community Health Center in Joliet, IL has been serving the Will County community for the last 21 years, with approximately 13,000 patients and 45,000 patient visits in the last year. We provide fully integrated medical, behavioral health and dental care to all ages, without regard for ability to pay. We currently have 2.4 FTE psychiatry providers and 1.0 FTE psychology, with plans for psychiatric expansion in the next couple of months. Our patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages, or have had to be referred to hospitals as much as 50 miles away, in downtown Chicago. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

We have a long-established reciprocal relationship with Silver Cross Hospital, for care of our patients with medical and behavioral health needs. Through Electronic Health Record electronic messaging, we are notified of the admission and discharge of our patients at Silver Cross Hospital, as well as those without an identified source of care. Thus timely follow-up is accomplished, especially for the neediest of patients. We have embedded one of our Affordable Care Counselors in the Silver Cross Hospital Emergency Dept. in order to enroll any uninsured patient who is eligible into health insurance in the Marketplace.

In 2016 we provided psychiatric care to 1029 patients, from zip codes through Will County. The 10 most common zip codes were: Joliet 60435 (163 patients), Joliet 60433 (114), Joliet 60432 (98), Bolingbrook



www.willcountyhealth.org

Main Office
501 Ella Avenue
Joliet, IL 60433
Ph 815.727.8480
Fx 815.727.8484

Community Health Center
1106 Neal Avenue
Joliet, IL 60433
Ph 815.727.8670
Fx 815.727.8852

Eastern Branch Office
44 Towncenter
University Park, IL 60466
Ph 815.727.8803
Ph 708.534.0800
Fx 708.534.3455

Northern Branch Office
323 Quadrangle Dr.
Bolingbrook, IL 60440
Ph 630.679.7000
Fx 630.679.7015



WILL COUNTY HEALTH DEPARTMENT & COMMUNITY HEALTH CENTER

60440 (79); Joliet 60436 (76), Plainfield 60544 (57), Romeoville 60446 (57), Lockport 60441 (55), Crest Hill 60403 (28), and Shorewood (24).

Many if not the majority of our patients rely on public transportation or transportation services from their Medicaid or Medicare Insurance, in order to get to and from their primary care and specialty appointments. The hardship created when a patient or family member has to be sent to a hospital that is not local weighs considerably on this population. Recently we had a local family who struggled because their adolescent child had to be transported to River Edge Hospital in Naperville. The family did not have transportation available to visit him while he was in the hospital and then struggled to make arrangements to pick him up at the time of discharge. In the last year we have seen an increased need for Substance Abuse Counseling among our existing and new patients. The challenge is to find a local inpatient substance abuse program accepting uninsured patients or those with public insurance, or any program that is actively accepting new patients. Patients with Medicaid and/ or Medicare often need to be referred to resources in Chicago, making it difficult if not impossible to follow up or complete the therapy they need for recovery. The safety of this vulnerable population is at risk, as local resources are challenged to meet their needs and public transportation is grossly inadequate.

The estimated number of psychiatric patients our medical and mental health providers will refer annually to Silver Cross Hospital within 24 months after the new facilities are open is at least 250, and expected to grow as our own program expands to include new providers and locations.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

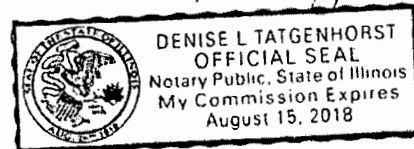
I urge you to support the approval of certificate of need application for Silver Cross Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Mary Maragos

Mary Maragos, MS, APN
Chief Executive Officer
Will County Community Health Center
1106 Neal Avenue, Joliet, IL 60433
815-740-7635

January 17, 2017
Denise L. Tatgenhorst



www.willcountyhealth.org

Main Office
501 Ella Avenue
Joliet, IL 60433
Ph 815.727.8480
Fax 815.727.8484

Community Health Center
1106 Neal Avenue
Joliet, IL 60433
Ph 815.727.8670
Fax 815.727.8852

Eastern Branch Office
44 Towncenter
University Park, IL 60466
Ph 815.727.8803
Ph 708.534.0800
Fax 708.534.3455

Not
3
Be



Mokena Fire Protection District

January 18, 2017

Emergency 9-1-1

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Administrative Offices
19853 S. Wolf Road
Mokena, IL 60448
Adm. (708) 479-5371
Fax (708) 479-2970

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

Fire Station #1
19853 S. Wolf Road
Mokena, IL 60448
(708) 479-3781

As a Fire Chief, as well as a Paramedic, representing the Mokena Fire Protection District providing 24-7 emergency 9-1-1 response, medical and mental health care for residents located within the villages of Mokena, Frankfort, Homer Glen and Orland Park, in both Will County and Cook County Illinois; our patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

Fire Station #2
10000 W. 191st Street
Mokena, IL 60448
(708) 479-3782

The current practice of simply quietly transporting the patient to the hospital for evaluation has proven to be ineffective, as illustrated by patients' repeated suicide attempts; we clearly see more is required to improve their mental health and overwhelming desire to end their lives. The current amount of training for emergency responders in identification and evaluation of patients at risk for suicide has done nothing to address the increased rate of suicides throughout the Mokena community (60448, 60423, 60491 and 60462 zip codes).

Fire Station #3
10855 W. 183rd Street
Orland Park, IL 60467
(708) 479-3785

According to the Will County, Illinois, Coroner reports, suicide was the leading cause of unnatural death in the past few years. The Mokena Fire Protection District has experienced a huge increase in responses to suicides and suicide related events within the community. The Mokena, Illinois community has experienced a 60% increase in the incidence of suicides with no coordinated efforts to reduce the incidence of suicide.

www.mokenafire.org

Established 1883
Organized 1917

Over the past five years, the Mokena community has experienced an increased number of suicides and attempted suicides. A 60% increase in completed suicides was noted since 2008. Suicide was the leading cause of unnatural death in the Mokena community, and second only to accidental drug overdoses in Will County, Illinois. The Mokena Fire Protection District has responded to an increasing number of psychological emergencies,



*Serving Portions of the Communities of
Mokena, Homer Glen, Orland Park, Frankfort*

0306

Attachment



Mokena Fire Protection District

Emergency 9-1-1

Administrative Offices
19853 S. Wolf Road
Mokena, IL 60448
Adm. (708) 479-5371
Fax (708) 479-2970

Fire Station #1
19853 S. Wolf Road
Mokena, IL 60448
(708) 479-3781

Fire Station #2
10000 W. 191st Street
Mokena, IL 60448
(708) 479-3782

Fire Station #3
10855 W. 183rd Street
Orland Park, IL 60467
(708) 479-3785

www.mokenafire.org

*Established 1883
Organized 1917*



many of which can ultimately lead to suicide. Based on historical data, the Mokena Fire Protection District estimates that we will continue to transfer at least 125 patients annually (and the number is continually rising) for the purpose of psychiatric care.

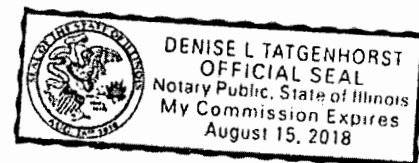
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of Certificate of Need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Howard Stephens
Fire Chief / Administrator

*January 18, 2017
Denise L. Tatgenhorst*



*Serving Portions of the Communities of
Mokena, Homer Glen, Orland Park, Frankfort*

0307

Attachment



Alden Estates of Shorewood, Inc.

January 20, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a skilled nursing facility located in Shorewood, Will County; we believe, patients in the area have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

The population will continue to age and grow in our community, and these services are very much needed. Specifically, there is a shortage of appropriate care for residents in accessing inpatient psychiatric care.

We anticipate being able to refer approximately 7 patients per month for psychiatric care to Silver Oaks Hospital within a 12 month period after the project is completed and anticipate the referral volume to remain similar or grow with the upcoming years.

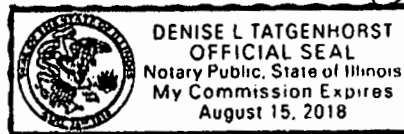
Please note that these patient referrals have not been used to support any other pending or approved certificate of need application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Annette Akerman
Administrator
Alden Estates-Courts of Shorewood

January 20, 2017
Denise L. Tatgenhorst





Wilmington Coalition for a Healthy Community
1095 S. Water Street, Suite 1
Wilmington, IL 60481
(815) 476-1660
www.wilmington-coalition.org
wchc@wilmington-coalition.org

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

On behalf of the Wilmington Coalition for a Healthy Community (WCHC), a community coalition located in Wilmington, Illinois, I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a community organization located in Southern Will County, serving a population of approximately 5,700 people, where there are very few behavioral health services available, the WCHC urges the approval of this application. From the WCHC office located at 1095 S. Water Street, we provide ongoing referrals (approximately 5 per week) to residents for services ranging from counseling to detox. We offer free drug testing kits to residents who are concerned about loved ones who may be suffering from an addiction disorder. We also provide office space for a local mental health provider, AMT Counseling, to offer the only behavioral health services currently available in the community of Wilmington. As our Logistic Industry grows along with our population over the next few years we expect see a 10% increase of referrals for Behavioral Health services in our area.

Our coalition works collaboratively with healthcare providers, as well as law enforcement and other first responders, and so we are acutely aware of the shortage of inpatient behavioral health services in Will County. This greatly affects our residents who need inpatient services, leading to long travel times and much greater difficulties in staying engaged in the care they need to resume lives as healthier and more productive individuals.

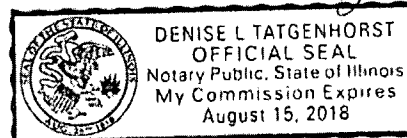
Thank you for considering this support letter. The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Paula Ekstrom, President
Wilmington Coalition for a Healthy Community

January 18, 2017
Denise L. Tatgenhorst





January 20, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As the Executive Director of Smith Crossing a Continuing-Care Retirement Community that serves over 300 residents on our campus. There have many times that we have experienced delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

In the last 12 months, we have needed/referred approximately 20 residents to receive support for mental health services.

We estimate that the need for mental health services will grow as our campus matures and our residents age. So we anticipate the future caseload need to grow to 35-40 by 2019.

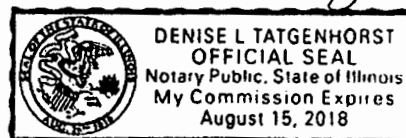
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Frank Guajardo
Executive Director

January 20, 2017
Denise L. Tatgenhorst



STEPPING STONES

1621 Theodore Street • Joliet, IL 60435
(815) 744-4555 • (815) 744-4670
www.steppingstonesrecovery.com



January 20, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

Stepping Stones is a not for profit community based residential and outpatient substance use disorder treatment provider located in Joliet, IL. We serve approximately 700 people a year in our programs. Nearly half of these are individuals with a mental health diagnosis who do not require hospitalization. Those we serve do on occasion require hospitalization for a psychiatric emergency. This is probably 5 or 6 a year. In addition to these instances, we typically have another 4 or 5 individuals who we refer for emergency psychiatric services at the time they are contacting us for help.

I do not have data available on numbers served by zip code. The majority we serve are from Will County.

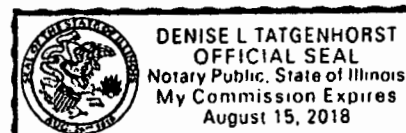
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

Stepping Stones supports the application for Silver Oaks Hospital which will increase access to psychiatric hospital services in our area.

Sincerely,

Paul Lauridsen
Executive Director
Stepping Stones

January 20, 2017
Denise L. Tatgenhorst



TWELFTH JUDICIAL CIRCUIT

CIRCUIT COURT OF WILL COUNTY



14 West Jefferson Street
Joliet, Illinois 60432
(815) 727-8793
Fax (815) 727-8817

Chambers of
CARLA ALESSIO POLICANDRIOTES
Circuit Judge

January 23, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street
Springfield, IL 62761

RE: Silver Cross Hospital/US HealthVest's Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

As the presiding Judge of the felony court division, Veteran's and Service Members Court, and also Adult Redeploy Illinois Court and former presiding judge of the Will County Drug Court, I enthusiastically support Silver Cross Hospital and US HealthVest to build and open a behavioral health hospital. This new facility will provide much needed access to new services and treatment programs for non-violent drug and alcohol abusers involved in criminal behavior.

It has been proven that there is an increase of criminal behavior as it relates to drug and alcohol abuse. And, drug-related offences are the most common crimes (theft, forgery, prostitution, and burglary) in our community. According to the 2016 Will County Community Status Assessment, in 2014, there were 3822 drug crime arrests and 653 controlled substance act arrests. Statistics show that by offering the offender counseling, drug treatment, career guidance, support and close supervision, recidivism rates drop drastically.

As it relates to adults that have been placed on probation in 2016, 150 individuals were identified as having emotional or mental health issues as defined by the risk assessment known as LSIR. Each individual would then have been attempted to be referred for mental health assessment and care.

Currently, within the Will County Adult detention facility, I have received data indicating that in 2016 on the average per month 185 individuals were receiving some form of psychotropic medications.

As of January, 2017, we currently have 195 clients participating in our specialty courts: 100 Drug Court, 42 Mental Health Court, 30 Adult Redeploy Illinois Court, and 22 Veterans. The number of Veterans does not reflect the seven veterans that just successfully graduated last week. We generally have as many as 10 new applications to our specialty courts each week and we must assess our abilities to provide care

on whether the respective applications are accepted. With the assistance of Silver Oaks Hospital, we can service so many others.

Additionally, our records indicate that 80 % of the juveniles in custody of the juvenile detention facility are prescribed mental health medications during their detention.

Our culture is experiencing a crisis in the misuse of opioids so much so that in Will County the crisis has been properly labeled a medical epidemic.

In the past, those with no insurance had access to both residential and outpatient services through DASA. Access to managed care treatment plans has given many the opportunity for insurance that was previously not available to them. While this could be a great thing, it turns out that the availability of treatment beds in residential settings is severely limited as insurance plans routinely deny treatment as not medically necessary. In addition, with the state budget crisis, and resulting lack of payments to providers, most facilities will not accept managed care plans for outpatient services either.

The Will County Specialty Courts have also seen a rise in those with mental health diagnoses involved in the criminal justice system. Their access to care is also limited both by insurance plans or lack of insurance. In Illinois, we are increasingly moving toward a treatment based criminal justice system. The Will County court system is uniquely prepared for this change. The four specialty courts uniquely address individuals with substance and mental health issues.

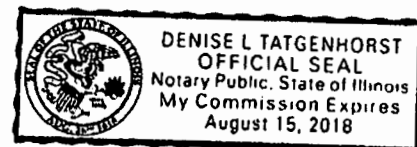
On behalf of the Will County judiciary we are thrilled that Silver Cross Hospital and US Health/Vest will partner in our battles for our community's most in need of services. Their efforts will create and maintain a continuum of care for those suffering of unaddressed inpatient and outpatient needs. After having reviewed our respective court dockets, unresolved cases of those in custody, current probationers' needs, I am certain that the 100 bed facility will be at maximum capacity for those in need of inpatient care. Since 2000, through our specialty courts we have assisted hundreds of offenders break the cycle of addiction and integrate back into society as law-abiding citizens. We will be able to assist so many more for so many years once Silver Oaks Hospital is operational.

Sincerely,

Carla Alessio Policandriotes

Circuit Judge of the 12th Judicial Circuit Illinois
Presiding Judge of the Felony Division
Presiding Judge of Veterans and Service Members Court
Presiding Judge of Adult Redeploy Illinois Court

January 23, 2017
Denise L. Tatgenhorst





Advocate South Suburban Hospital

17800 South Kedzie Avenue || Hazel Crest, Illinois 60429 || P 708.799.8000 || advocatehealth.com

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

I have worked for Advocate South Suburban Hospital for the past four years as a Psychiatric Consultant Liaison and I completed my doctoral internship in clinical psychology at Will County Health Department (2012-2013). My work experience at both places have exposed me to the vast needs of the mental health and substance abuse population in the Cook (South Suburban), Will, and Grundy Counties. Due to the limited mental health and substance abuse resources in these areas, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. At Advocate South Suburban Hospital we treat at least 80 to 100 patients a month, who are in need of mental health services and/or substance abuse resources. It is estimated that 85% of the patients evaluated are in need of inpatient psychiatric services and since we do not offer that level of care, patients are transferred to another hospital.

During most transfers, patients have had to wait to access care leading to poor outcomes in their mental healthcare. The average wait time for many patients at Advocate South Suburban Hospital Emergency Room for inpatient psychiatric placement varies from eight hours to two days. The few local hospitals that are able to service the above areas are overwhelmed and usually at capacity, which causes patients to be transferred to other service areas. Many patients are transferred to hospitals in the Chicagoland, Des Plaines, Illinois, and West Suburban areas for treatment. Unfortunately, the limited mental health resources in the above areas increases the recidivism due to lack of aftercare services located near the patient's home and limits family involvement in treatment due to distance/ travel time.

In addition, mental health and substance abuse services for children, adolescents, and seniors are at a greater disadvantage because the number of inpatient psychiatric hospitals that accept these patients are little to none. The wait list for substance abuse services for children, adolescents, and seniors are extremely long and many patients relapse before treatment is received and/ or unable to access local aftercare options. With keeping this enormous need in mind, I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

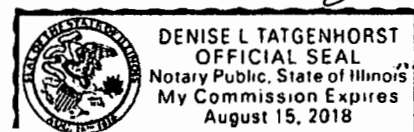
Thank you for your assistance in providing access to care.

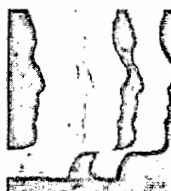
Sincerely,

Latrece Dickerson, Psy.D., LCSW

Latrece Dickerson, Psy.D., LCSW
Psychiatric Consultant Liaison
Advocate South Suburban Hospital

January 18, 2017
Denise L. Tatgenhorst





Associates in Behavioral Science

Quality Behavioral Healthcare

January 23, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL. through the joint venture between Silver Cross Hospital and US HealthVest.

As an interdisciplinary psychiatric practice of psychiatrists, psychologists, social workers and LCPCs located in Berwyn, Cook County, Illinois, we often receive referrals of patients needing inpatient psychiatry from hospital emergency departments and long term care facilities in Will and Grundy Counties, as well as others areas surrounding and south of them, due to the lack of availability of psychiatric beds in those areas. Patients wait unreasonable amounts of time to be placed because of these bed shortages, and then they are transferred far out of the area so that a practice such as ours can locate an inpatient bed for them in Chicago and its surrounding suburbs. Families often complain about moving their loved ones to treatment so far from them. We are not the only practice or organization being referred patients from that area; this is a large problem. It is unreasonable that individuals should have to travel such a distance to receive care. Waiting long periods of time in an emergency department is not an appropriate level/ type of care for someone needing acute inpatient psychiatry. Since two of our physicians live in the southwest suburbs, when Silver Oaks opens we will be excited to privilege one of our psychiatrists there; no longer needing to treat these patients so far from home.

Of the 100-120 patients that we hospitalize in inpatient psychiatry monthly, a significant number are from within Will and Grundy Counties. We do not track the zip codes but they are clearly being referred out of the area from hospitals and long term care inside of these counties. Once this hospital is open, we will refer approximately 21 patients per month, or 252 annually, over the initial 24 month period. I can only imagine that there is potential for this to increase since the Joliet and Grundy County area is growing exponentially.

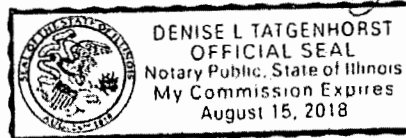
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Edgar Ramos, Psy.D.
Licensed Psychologist
Clinical Director

January 23, 2017
Denise L. Tatgenhorst



Plainfield
Counseling Center

24012 W. Renwick Rd. Unit 204A
Plainfield, IL 60544
P: 815-676-4688
F: 815-676-4498
www.plainfieldcounselingcenter.com

January 24th, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a Clinical Psychologist and President at Plainfield Counseling Center, LLC located in Plainfield, Illinois my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

Plainfield Counseling Center, LLC is not DHS-funded and does not track patients by their zip code. However, on a yearly basis our Center serves approximately 1,200 different individuals and many more whom we refer out to other community resources due to being overcapacity and not accepting new patients. Within a 12-month period, I would expect our Center to refer to the proposed facility at least 75 of our patients who need inpatient level of care and refer many more who call in to our Center whom we are not able to service.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

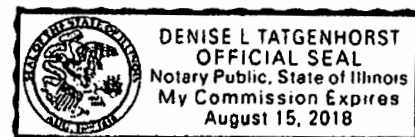
Sincerely,



Gregory T. Oswald, PsyD, MA, CADC

Gregory T. Oswald, PsyD, M.A. CADC
President/Board Member of Plainfield Counseling Center, LLC
Licensed Clinical Psychologist: 071.008941
Licensed Clinical Professional Counselor: 180.007747
Certified Alcohol and Drug Counselor: 30336

January 24, 2017
Denise L. Tatgenhorst





251 North Center Street, Joliet, IL 60435-7144 (815) 723-9713 www.willcountyseniors.org

Social Services

Case Management
Information/Assistance
Title XX

Health Screenings

Diabetes
Blood Pressure
Bone Density
Wellness Education
Podiatry Care

Outreach

Township Programs
Mobility Equipment Loan
Tax Preparation
Educational Programs
Safe at Home
The Senior Express

Classes

Yoga
Line Dancing
Artist Guild
Woodworking
Facebook
Exercise
Smart Driving

Recreation

Dances
Parties
Bus Trips
Card Players
Dominoes
Wii Bowling
Knit and Crochet
Bingo



Agency on
AGING

Joliet Township

January 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As Executive Director for Senior Services of Will County, located in Joliet, we serve older Americans throughout the county and our clients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

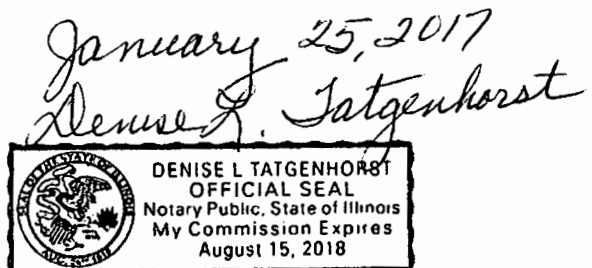
The senior population in Will County is growing and will exceed over 100,000 within the next three years. Depression and opioid abuse is rampant and with the rate of suicide highest among those over 65 we have grave concerns. Further 75% of all elderly suicides took place within 30 days of visiting their primary care physician, making this partnership critical. Our case managers currently refer between 50 and 75 clients for residential help each year outside of Will County.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Barry Kolanowski
Executive Director



Supported by Illinois Department on Aging, Northeastern Illinois Area Agency on Aging, United Way and Voluntary Contributions

January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

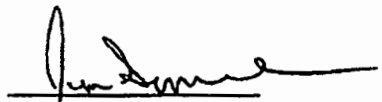
I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

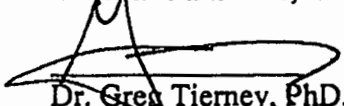
As the Executive Director at Gateway Foundation located in both Aurora and Joliet Illinois, we experience approximately 75 clients a year that require evaluation and assessment for psychiatric and behavioral health needs. Although we do not track admissions to these facilities by client zip codes, we do know that there is a significant need in the New Lenox and Will county community for additional inpatient psychiatric behavioral health programs.

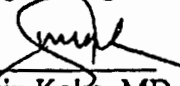
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

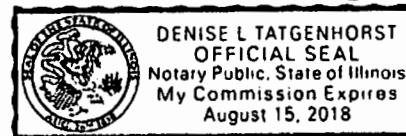
Sincerely,


Jim Scarpace, LCPC
Executive Director, Gateway Foundation


Dr. Greg Tierney, PhD, LPC
Psychologist/Program Director, Gateway Foundation


Dr. Melvin Koko, MD
Attending Psychiatrist, Gateway Foundation

January 19, 2017
Denise L. Tatgenhorst





The Kennedy Center for Counseling
1938 E. Lincoln Hwy., Suite 219
New Lenox, IL 60451
(815) 320-3749 PHONE
(815) 320-3825 FAX

January 25, 2017
Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US Health Vest.

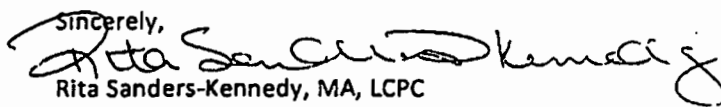
As a mental health professional and owner of The Kennedy Center for Counseling, P.C. located in New Lenox, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

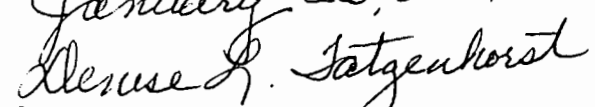
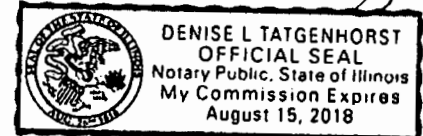
Over the last twelve months our total number of patients at The Kennedy Center for Counseling, P.C. who have received care at existing facilities located in the area has been approximately 25 (by zip code: 60451-11, 60448- 2, 60441- 4, 60423 -2, 60403- 3, 60586- 3).

An estimated number of patients providers at The Kennedy Center for Counseling, P.C. will refer annually to the facility within a 24-month period after the hospital is open and accepting patients will be 25 or above per year.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Rita Sanders-Kennedy, MA, LCPC
Owner- The Kennedy Center for Counseling, P.C.
rita@thekennedycenter.net
Office: 815-320-3749 ext.223, Fax: 815-320-3825

January 25, 2017





CORNERSTONE SERVICES

Administrative Offices
777 Joyce Rd.
Joliet, IL 60436
Phone: 815-727-6666
Fax: 815-723-1177
cornerstoneservices.org

President/CEO
Benjamin T. Stortz

January 18, 2017

Board of Directors
Chairperson
Vincent A. Benigni

Joliet

Behavioral Health
800 Black Rd.

Community Services
134 E. Van Buren St.

Community Services
777B Joyce Rd.

Employment Services
2174 Oneida St.

Industrial Operations
2401 W. Jefferson St.

Residential Services
777 Joyce Rd.

Kankakee

Behavioral Health
1475 Harvard Dr.

Community Services
1475 Harvard Dr.

Employment Services
150 N. Schuyler Ave.

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral health hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

Cornerstone Services, Inc. is a social services agency that serves individuals with disabilities with programs located primarily in Joliet and Kankakee. We have DHS licensed community mental health services and serve approximately 400 individuals annually, the majority of whom are diagnosed with a severe and persistent mental illness. In addition, we also have DHS licensed group homes and day treatment programs which serve approximately 600 individuals with developmental disabilities, 35% of whom have a co-occurring mental illness. Our consumers regularly experience difficulty in accessing inpatient psychiatric care, mainly due to bed shortages and a lack of appropriate programming in Will County, particularly lack of services for individuals dually diagnosed with MI/DD. Furthermore, even when our consumers are admitted to a local unit, there have been many times our consumers have had to wait upwards of 24 hours in the emergency room because the local emergency rooms themselves are overwhelmed. We frequently experience that our consumers are deflected from local psychiatric units due to a bed shortage or even more often due to the lack of appropriate programming for our dually diagnosed individuals with MI/DD. Delays in admission, deflection outside the community or even back to Cornerstone as the residential provider leads to poorer outcomes in our consumer's mental health care.

In the past 12 months, our consumers have needed 77 psychiatric hospitalizations and 20 of them were hospitalized outside of Will County due to the lack of local resources. Additionally, we have had 100 consumers receive services in the emergency room for psychiatric needs but were not admitted. Based on estimated growth in consumers served, we anticipate that approximately 90 consumers will need psychiatric hospitalizations in 2019 and 95 in 2020. We strongly believe that not only is there is a severe shortage of psychiatric beds in Will County, there is little to no appropriate programming to serve our most vulnerable consumers, namely those with co-occurring developmental disability/mental illness and those with co-occurring mental illness/substance use disorders. In the past year, we have also had 10 consumers in our MISA substance abuse



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to the letter
and spirit of
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the
achievement of equal
housing opportunity
throughout the nation. We
encourage and support an
affirmative advertising and
marketing program in which
there are no barriers to
obtaining housing
because of race, color,
religion, sex, handicap,
familial status,
or national origin.



treatment program who needed inpatient detox services and we anticipate that number would increase to 15-20 people by 2020.

We strongly urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application is critical to increase access to these important services in our area and to meet the needs of the most vulnerable individuals in our community. Underserving individuals with psychiatric needs does not just affect the individual but it has a widespread impact on the community as the burden of support is placed on treatment providers as well as law enforcement, EMS services and even the jails.

Please note that this information has not been used to support another pending or approved CON application for a behavioral hospital.

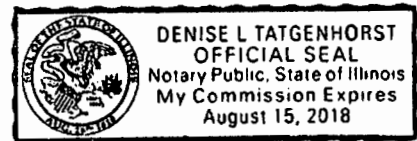
We hope this proposal becomes a reality as it would provide a tremendous benefit to our community and the people we provide services to.

Sincerely,



Ben Stortz
President/Chief Executive Officer

January 18, 2017
Denise L. Tatgenhorst



AUNT MARTHA'S
IMPROVING LIVES SINCE 1972

January 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

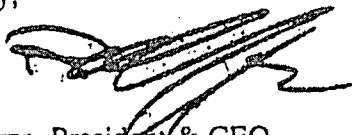
I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

Currently two (2) physicians, Dr Fred Moss, MD Psychiatrist (adult and child), and Dr Richard Bongard (child only), MD Psychiatrist, and one (1) mental health professional, Krista Raaties, LCSW are employed by Aunt Martha's and serve patients in the city of Joliet in Will County and throughout our service area. These providers have patients who have experienced delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare. Based on our 2015 behavioral health patient volume, Aunt Martha's primary care and mental health providers in the south suburban area refer between 60-80 children and adolescents for assessments and/or hospitalizations annually. Accordingly, we anticipate our providers would refer twice this number of patients to the proposed facility within a 24 month period after the hospital is open and accepting patients.

The information I have included above has not been used to support another pending or approved CON application for a behavioral hospital.

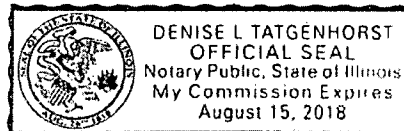
I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Raul Garza, President & CEO
Aunt Martha's

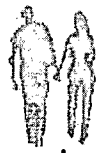
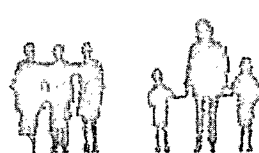
January 25, 2017
Denise L. Tatgenhorst



19990 Governors Hwy
Olympia Fields, IL 60461
t. 708 747 7100
f. 708 747 0710
auntmarthas.org



0322



Attachment



Easterseals Joliet Region, Inc.

Creating solutions, changing lives.

Serving Children and Adults with Disabilities, those with Special Needs & Thier Families

*Speech & Language Therapy • Physical Therapy • Occupational Therapy • Development Therapy
Early Childhood Services • Early Intervention Services • Autism • Diagnostic & Support Services
Inclusive Child Care-6 weeks to 48 months • Foster Care & Adoptive Services • Family Support
24 Hour & Intermittent Residential Services*

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, Illinois through the joint venture between Silver Cross Hospital and US Health Vest.

As a community-based organization serving children and adults with disabilities and their families, Easterseals Joliet Region, with headquarters in Will County, has and continues to have great difficulty in accessing behavioral health services critical to the individuals that we serve. There is a lack of providers, limited access to inpatient care, and limited access for those with Illinois Medicaid as their primary source of payment. These challenges have disproportionately affected some of the most vulnerable people whose health deteriorates due to lack of access and consistency in behavioral health services.

On an annual basis, Easterseals Joliet Region, on behalf of our clients, seek in-patient and out-patient behavioral health services for more than 200 children and adults with disabilities. The primary zip codes for these individuals are: Bolingbrook, Channahon, Crest Hill, Joliet, Lockport, Minooka, Naperville, Plainfield, and Shorewood.

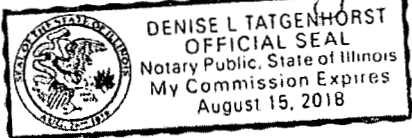
Easterseals Joliet Region provides life span services to include Early Intervention, Outpatient physical, occupational and speech therapy, Autism services, Foster-adoptive care, Community residential homes, Social work, Child care, Caregiver education and support and other services to more than 3,200 individuals on an annual basis in a 6 county region.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of the certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Debra Condotti
Debra Condotti
President/CEO
Easterseals Joliet Region, Inc.

January 20, 2017
Denise L. Tatgenhorst


Serving, Will, Grundy, Kendall, Kankakee, Ford and Iroquois Counties

Morris
1802 N. Division St.
Suite 202
Morris, IL 60450
(815) 416-6410
(815) 416-6411 Fax

Development Office
212 Barney Drive
Joliet, IL 60435
(815) 730-2052
(815) 725-5150 Fax

Regional Pediatric Center
Corporate Office
212 Barney Drive
Joliet, IL 60435
(815) 725-2194
(815) 725-5150 Fax

Residential & Social Services
991 Essington Road
Joliet, IL 60435
(815) 741-5531
(815) 741-5537 Fax

Human Resources
991 Essington Road
Joliet, IL 60435
(815) 773-9353
(815) 773-9357 Fax

Bradley
521 E. North St.
Bradley, IL 60915
(815) 932-0623
(815) 928-7334 Fax

www.joliet.easterseals.com

Hearing Impaired Call the
Illinois Relay Center • Dial 711



0323



Attachment

January 26, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

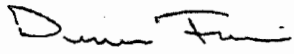
As the COO for DuPage Medical Group, we have consistently found our patients have experience frequent delays in accessing inpatient psychiatric care mainly due to bed shortages and facilities in their community. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare. With more than 600 physicians and in more than 75 locations, DuPage Medical Group is the largest independent, multi-specialty physician group in the Chicago area, providing physician-directed health care focused on quality, efficiency and access.

Over the past twelve months, we have referred over 484 patients within the zip codes around Silver Oaks Hospital who have received care at existing facilities. We would expect this number to increase to over 1200 patients within a 24-month period after the hospital is open and accepting patients.

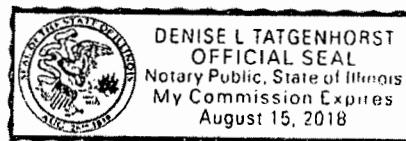
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,


Dennis Fine
COO, DuPage Medical Group

January 26, 2017
Denise L. Tatgenhorst



Suburban Counseling Associates

404 W. Boughton Road, Suite B
Bolingbrook, IL 60440
(830)759-1732
Fax # (830)759-5220

January 24, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

I am writing this letter in support of the Certificate of Need Application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a Licensed Clinical Social Worker at Suburban Counseling Associates located in Bolingbrook, my patients have experienced frequent delays in accessing inpatient psychiatric care in Will County due to bed shortages. The time between getting a patient to agree to hospitalization and getting them into treatment is brief. If I am not able to access treatment quickly, the opportunity is often gone.

Suburban Counseling Associates makes 10-15 referrals a year to hospitals and substance abuse facilities. We are seeing a rise in addiction rates all across counties in the area. We need to have accessible facilities to quickly refer clients for treatment. Mental health crises are also on the rise. We have seen more clients in the last several years for extreme anxiety and depression as well as dual diagnosis. We see these figures rising over the next several years and possibly doubling our need for immediate access to a bed.

This information has not been used to support another pending or approved CON application for a behavioral hospital. I urge you to support the approval of Certificate of Need application for Silver Oaks Hospital. Approval of the application will increase our ability to access treatment quickly for our patients and increase their ability to return to their families and lives connected to a recovery community.

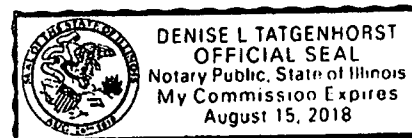
Sincerely,

Gail M. West-Hooper

Gail M. West-Hooper, LCSW

Suburban Counseling Associates

January 24, 2017
Denise L. Tatgenhorst





Station No. 1
16152 W. 143rd St.

NORTHWEST HOMER FIRE PROTECTION DISTRICT

Lockport, Illinois 60491-8595
Phone 815-838-0180 • Fax 815-838-0185



Station No. 2
13010 W. 143rd St.

January 26, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US Health Vest.

As a Fire Chief at Northwest Homer Fire and Ambulance District located in Will and Cook Counties, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

The following data reflects our psychiatric transports for the past 24 months:

2016 (60441) 17, (60439) 7, (60491) 36, (60462) 4 - Total - 64
2015 (60441) 07, (60439) 5, (60491) 33, (60462) 4 - Total - 49

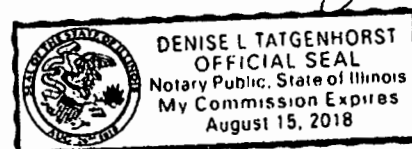
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of Certificate of Need Application for Silver Oaks Hospital, Approval of the application will increase access to these important services in our area.

Sincerely,

Ken Vrba
Fire Chief
Northwest Homer Fire and Ambulance District

January 26, 2017
Denise L. Tatgenhorst





WILL COUNTY HEALTH DEPARTMENT & COMMUNITY HEALTH CENTER

January 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest. There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

In the wake of the closure of Tinley Park Hospital in June of 2012, the Will County Health Department and other community agencies in Will and Grundy Counties received grant money from the State of Illinois to fund a continuum of crisis care services with the goal of placing individuals in the most appropriate level of care. This money created a crisis care safety net for a considerable cost savings in place of supporting the State Operated Facility. In the three years in which the State of Illinois funded the program, the Will County Health Department conducted 1,367 screenings in three Hospital Emergency Departments in Will County. All of these individuals who resided within a zip code in Will County, Illinois zip code. At the time of grant proposal, the number of screenings projected was estimated to be 225 a year. In the first year of the program, we screened 504 clients of which 324 clients (74% of all clients screened) were sent out of Will County to be admitted to a psychiatric hospital. All efforts to hospitalize these patients within the community were exhausted and our screeners had no alternative to send these patients to hospitals outside of the county. We will intend to refer these 324 patients to Silver Oaks Hospital and we anticipate this number will increase by 2019. The first of year of this program, many of these clients were held for at least 72 hours in the Emergency Department before they could be accepted and transported to a hospital with an available bed. In the following 2 years, the program was funded, we sent out approximately 40% of clients outside of the county. It should be noted that as of July 1, 2015, the State of Illinois no longer funds the program to perform crisis screenings in the Emergency Departments and the Community Hospitals are required to perform these services. In total, this program had to hospitalize # of patients

Due to the lack of capacity of Community Hospital Inpatient Psychiatric Stay (CHIPS) beds in Will County, many of these individuals were sent out of the county, further burdening the supportive services and the communities these other hospital systems served. Many families were also affected



Public Health
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Main Office
501 Ella Avenue
Joliet, IL 60433
Ph 815.727.8480
Fx 815.727.8484

Community Health Center
1106 Neal Avenue
Joliet, IL 60433
Ph 815.727.8670
Fx 815.727.8852

0327

Eastern Branch Office
44 Towncenter
University Park, IL 60484
Ph 815.727.8803
Ph 708.534.0800
Fx 708.534.3455

Northern Branch Office
323 Quadrangle Dr.
Bolingbrook, IL 60440
Ph 630.679.7000
Fx 630.679.7015

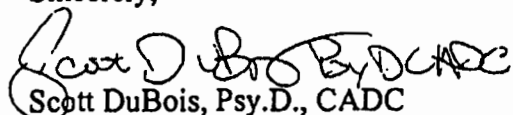
Attachment

as the distance to the services limited their participation and involvement in treatment. Our Acute Community Services (ACS) program was designed to provide rapid access to outpatient community-based services within 24 hours of discharge. We actively performed outreach for individuals discharged back into the community; however, not all these clients were successfully linked to outpatient community-based services given the considerable distance they had to travel to return to their community.

In addition to the Crisis Care programs, the Health Department currently provides behavioral health services at three office locations in Will County to over 800 adult individuals diagnosed with a severe and persistent mental illness. These individuals are provided community-based outpatient behavioral health services per Title 59 Rule 132 services governing the provision of Medicaid Services. The goal of the outpatient program is to provide behavioral health interventions to assist in stabilizing psychiatric symptoms and restoring patients to their optimum level functioning within the community. In 2014, the Health Department had to perform involuntary admission of 14 patients. In 2015, the Health Department had to perform involuntary admission of 18 patients. Through September of 2016, we performed 18 petitions and certificates for involuntary psychiatric hospitalization. When combined with the clients we serviced in the Crisis Care Program, these clients often experienced long waits for a bed approval. These increasing numbers, approximately 20 at present, of patients would be referred to Silver Oaks Hospital as it would be our preference to refer to a hospital within the community.

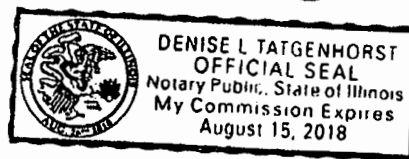
As the Program Manager over the Adult Mental Health Program and the Acute Community Service (ACS) Program, I can certainly attest to the unmet need of a psychiatric hospital in Will County. I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services. Thank you for your assistance in providing access to care.

Sincerely,


Scott DuBois, Psy.D., CADC

Program Manager of Adult Mental Health Programs
Will County Health Department

January 25, 2017



Joliet Public Schools District 86

Theresa R. Rouse, Ed.D.
Superintendent of Schools

Aracelis C. Popadich
Secretary

Board of School Inspectors

Tonya M. Roberts, President

Jeffrey K. Priltz, Vice President

Deborah K. Ziech

Gwendolyn R. Ulmer

Christine Kim

Anthony B. Contos

Quinn X. Adamowski

Stephanie H. T. Phelan
Secretary

January 27, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

There is an unmet need in the surrounding area for specialized psychiatric services that is resulting in patients being deferred or denied treatment. Approval of this application will increase access to these important services in Will & Grundy Counties.

From the 2014 to 2016 school year, Joliet Public Schools District 86 has made 144 SASS calls in which 84 cases resulted in student hospitalizations. Due to the lack of available space in local hospitals to accommodate behavioral health patients, our parents are often left with the choice of having their son or daughter transported to a hospital 45 minutes to an hour away from home. This places a burden on parents who do not have transportation or limits access with their children due to travel time. As our number of behavioral health cases of our students and/or family members continues to increase, Joliet Public Schools District 86 is in full support of the addition of a behavioral hospital in New Lenox.

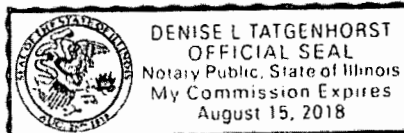
I urge you to support the approval of this certificate of need application for a behavioral hospital in New Lenox. There is a great need in the area to expand behavioral health services.

Thank you for your assistance in providing access to care.

Sincerely,

Theresa R. Rouse, Ed.D.
Superintendent of Schools
Joliet Public Schools District 86

January 27, 2017
Denise L. Tatgenhorst



Will-Grundy
MEDICAL CLINIC
Free Health Care Volunteered by Medical Professionals

January 31, 2017

Re: Silver Cross Hospital

To Whom It May Concern:

I understand that Silver Cross Hospital and US HealthVest are partnering to build a mental health facility in Will County. The Will-Grundy Medical Clinic extends our support for the Silver Cross Hospital and US HealthVest. Silver Cross Hospital is a long-time community partner, our clinic is located in close proximity to Silver Cross Hospital and we work together to achieve health objectives for the medically underserved of our area.

The Will-Grundy Medical Clinic is a not-for-profit 501(c)3 organization that provides free medical and dental care to adults who have no health insurance or are underinsured. The care provided is by physicians, dentists and other professionals who volunteer their time and expertise to the clinic. In a reciprocal manner, we are in operation because of our alliance with other health and community agencies, such as Silver Cross Hospital.

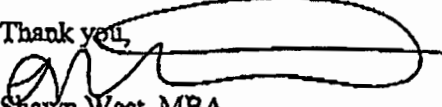
On behalf of the Will Grundy Medical Clinic, I am pleased to support the Silver Cross Hospital. Please see the supporting data below. This data details the number of patients served from each zip code. Patients who present with psychiatric issues are treated by a volunteer internal medicine providers or family physician. We are unable to refer for psychiatric care or secure volunteer psychiatrist. Our patients in need of psychiatric care are treated in house. We manage their medications to the best of our ability.

Patient Zip	Number Served
60403	55
60404	3
60407	5
60408	4
60410	4
60416	4
60417	2

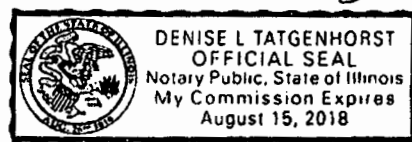


60423	1
60424	1
60426	1
60431	13
60432	332
60433	90
60434	1
60435	156
60436	61
60440	24
60441	26
60444	4
60446	26
60447	7
60448	3
60449	1
60450	14
60451	6
60457	1
60474	1
60475	1
60479	3
60485	3
60490	2
60491	4
60503	1
60544	4
60585	4
60586	17

A large number of our patients report symptoms of depression and other mental health disturbances. If this new facility were to be built, the clinic would refer a significant number of patients annually.

Thank you,

 Shawn West, MBA
 Executive Director
 Will Grundy Medical Clinic

January 31, 2017
 Denise L. Tatgenhorst



January 19, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a psychiatrist at Spectrum Behavioral Health located in New Lenox, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare. Currently, the physicians in our office refer approximately 50 patients annually for hospitalization at facilities in this area. We also provide care to tens of others who have received care at these same facilities prior stepping down to outpatient care at this practice. While we do not track patients by zip code, the wide majority of our patients come from the surrounding communities.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

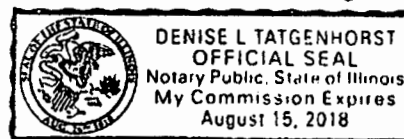
I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Arlene Paden, MD
General Psychiatry
Spectrum Behavioral Health

January 19, 2017
Denise L. Tatgenhorst



Spectrum Behavioral Health 2081 Calistoga Dr. New Lenox, IL 60451
Phone: 815.418.6070 - Fax: 779.803.3119

0332

Attachment

January 17, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

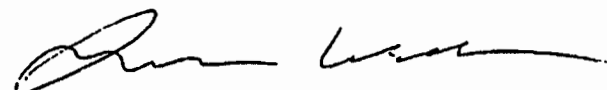
I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a psychiatrist at Spectrum Behavioral Health located in New Lenox, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare. Currently, the physicians in our office refer approximately 50 patients annually for hospitalization at facilities in this area. We also provide care to tens of others who have received care at these same facilities prior stepping down to outpatient care at this practice. While we do not track patients by zip code, the wide majority of our patients come from the surrounding communities.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

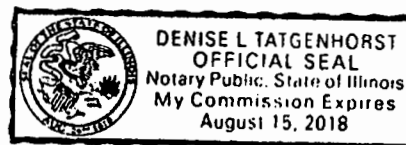
I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,



Semone West, MD
Child and Adolescent Psychiatry
General Psychiatry
Spectrum Behavioral Health

January 17, 2017
Denise L. Tatgenhorst



Spectrum Behavioral Health 2081 Calistoga Dr. New Lenox, IL 60451
Phone: 815.418.6070 - Fax: 779.803.3119

January 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a psychiatrist at Spectrum Behavioral Health located in New Lenox, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare. Currently, the physicians in our office refer approximately 50 patients annually for hospitalization at facilities in this area. We also provide care to tens of others who have received care at these same facilities prior stepping down to outpatient care at this practice. While we do not track patients by zip code, the wide majority of our patients come from the surrounding communities.

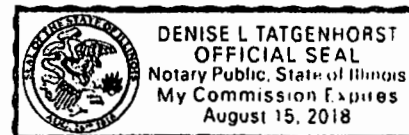
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,


Johnny Williamson, MD
Child and Adolescent Psychiatry
General Psychiatry
Spectrum Behavioral Health

January 21, 2017
Denise L. Tatgenhorst



Spectrum Behavioral Health 2081 Calistoga Dr. New Lenox, IL 60451
Phone: 815.418.6070 - Fax: 779.803.3119



January 30, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, IL 62761

Re: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery:

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As an acute care hospital, our patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

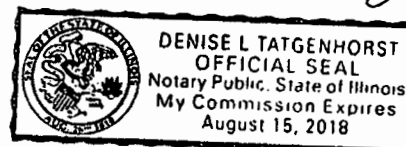
In the past 12 months, Morris Hospital & Healthcare Centers has referred 150 patients to inpatient admission. The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of the certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Mark Steadham
President & CEO

January 30, 2017
Denise L. Tatgenhorst





Crossroads
Counseling Services, LLC

Prompt, Professional, Courteous

- Individual & Family Therapy
- Substance Abuse Treatment
- Medication Management Treatment

January 27, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

As a psychiatrist at Crossroads Counseling Services, LLC located in Morris/Grundy County and Plainfield/Will County, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care leading to poor outcomes in their mental healthcare.

In the past 12 months, I typically hospitalize once monthly. I would estimate a minimal of 30 referrals within a 24 month period to the Silver Oaks Hospital once the facility is open and accepting patients.

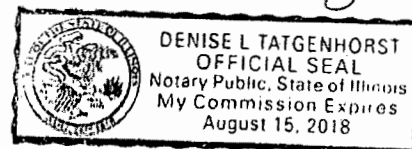
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

James Dyers, DO
Medical Director
Crossroads Counseling Services, LLC
1802 North Division St., Suite 509
Morris, IL 60450
815-941-3882-Office
815-941-3884-Fax

January 27, 2017
Denise L. Tatgenhorst



Crossroads Counseling Services, LLC

www.crossroads-helps.com

601 West Norris Drive, Suite B • Ottawa, IL • 61350
1802 North Division Street, Suite 509 • Morris, IL • 60450
24047 West Locl **0336** Plainfield, IL • 60544

Attachment



Joliet Township High School - District 204

Dr. Cheryl McCarthy
Superintendent
815/727-6970
Fax: 815/727-1277

Dr. Karla Guseman
Assistant Superintendent
Educational Services
815/727-6972
Fax: 815/727-1277

Dr. Ilandus Hampton
Assistant Superintendent
Business Services
815/727-6960
Fax: 815/774-1600

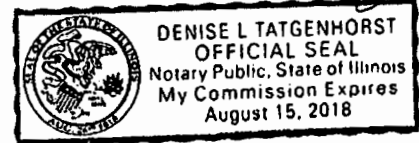
300 Caterpillar Drive
Joliet, IL 60436
www.jths.org

January 18, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

January 18, 2017
Denise L. Tatgenhorst

RE: Certificate of Need Application for Silver Oaks Hospital



Dear Ms. Avery,

I am writing this letter in support of the Certificate of Need application for a 100-bed behavioral hospital in New Lenox, IL through the joint venture between Silver Cross Hospital and US HealthVest.

Joliet Township District 204, is a high school district that serves 6,417 ninth through twelfth grade students within Joliet and surrounding areas. Our students and their families have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times our students have had to wait to access care leading to poor outcomes in their mental healthcare.

- During the 2015-2016 school year, 49 enrolled students in our district, were referred by their family, DCFS, community agencies, and/or by school clinicians for inpatient mental health services. Thus far, this school year, 21 students have been referred for inpatient mental health services. Students within our district reside in 60403, 60404, 60431, 60432, 60433, 60434, 60435, 60436, and 60421.
- We estimate that during the 2019-2020 school year, approximately 80 students enrolled will be referred for inpatient mental health services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Silver Oaks Hospital. Approval of the application will increase access to these important services in our area.

Sincerely,

Dr. Cheryl McCarthy
Superintendent
JTHS 204

Mrs. Iman Elhs Bowen
Director of Special Services
JTHS 204

Mr. Nigel Anderson
Special Services
School Psychologist
JTHS 204

COMMISSIONERS

Elena M. Hibler
Finance & Accounts

James A. Hutton
Public Buildings & Property

Eric L. Tessler
Public Health & Safety

Fay Smith
Streets & Alleys

CITY OF BRAIDWOOD

141 West Main Street
Braidwood, Illinois 60408
(815) 458-2333
Fax (815) 458-6074
www.braidwood.us

MAYOR
James A. Vehrs

CITY CLERK
Sue Gryglel



January 17, 2017

Courtney Avery
Illinois Health Facilities Services and Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Certificate of Need Application for Silver Oaks Hospital

I am writing this letter in support of the certificate of need application for a 100-bed behavioral hospital in New Lenox, Illinois through the joint venture between Silver Cross Hospital and U.S. Health Vest.

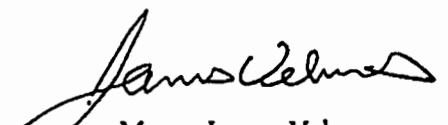
In Braidwood, the proactive Chief of Police, under my direction, has instituted a program called C.H.A.N.G.E. (Communities Helping Addicts Needing to Gain Empowerment). The C.H.A.N.G.E. program is open to anyone within the Braidwood area. This program allows addicts to approach our officers and staff about their addiction and their need for help without fear of repercussion. A major part of this program is placing our participant in a treatment facility.

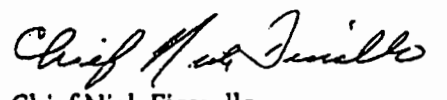
Since initiating the program in September of 2016 we have currently referred a total of eight people to a substance abuse treatment facility. As our program and population grows, we believe there will be an estimated 80 people, and perhaps more, in our community who will be referred to a facility like Silver Oaks Hospital in New Lenox, IL. Currently, the C.H.A.N.G.E. program is in partnership with Braidwood Area Healthy Coalition, Chestnut Health Systems, Silver Cross Hospital and A Man in Recovery addiction treatment program. When it's time to find a treatment facility for a participant, it can take hours to locate an available bed and the drive time to get to some facilities is very lengthy. The concern for the participant's well-being is at risk during this delay. Unfortunately, it gives the participant time to become very anxious, agitated or have second thoughts about committing to treatment.

There is an unmet need in the surrounding area for specialized psychiatric services and substance abuse services that is resulting in patients being deferred or denied treatment.

I urge you to support the approval certificate of need application for a behavioral hospital in New Lenox. Approval of the application will increase access to these important service in our area.

Sincerely,


Mayor James Vehrs
City of Braidwood, Illinois


Chief Nick Ficarello
The Braidwood Police Department



0338

Attachment

Section VI
Attachment 21
Specific Service Review Criteria
Acute Mental Illness and Chronic Mental Illness
Criterion 1110.730(c)(3), Planning Area Need, Establishment of Category of Service

1. The Applicants have received commitment letters for 2,856 annual, in-patient AMI referrals for 2019 from inside AMI Planning Area A-13. The Applicants have received commitment letters for 5,700 annual, in-patient AMI referrals for 2020 from inside AMI Planning A-13. Copies of those referral letters are attached at ATTACHMENT 21.

2. Using those referral letters as a starting point, the Applicants then applied the more conservative Silver Cross Hospital Behavioral Health Department 6.4 average length of stay figure to the projected admissions. The below chart details and summarizes the projected occupancy for Silver Oaks Hospital. Silver Oaks Hospital will achieve target utilization within two years.

Silver Oaks Hospital AMI Projections (Using Silver Cross Hospital Behavioral Health Department AMI ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	6.4	6.4
Patient Days	18,278	36,480
Average Daily Census	50.1	99.9
Licensed Beds	100	100
Occupancy	50%	100%
State Standard	85%	85%
Meets State Standard?	No	Yes

3. That said, the Applicants firmly believe the Chicago Behavioral Hospital 9.6 average length of stay figure is probably the better gauge of future performance because Silver Oaks Hospital will offer the same behavioral health services as are currently being offered by Chicago Behavioral Hospital (which are far more robust than the behavioral health services currently being offered in the Silver Cross Hospital Behavioral Health Department). The following chart shows the impact on the projected occupancy at Silver Oaks Hospital if the Chicago Behavioral Hospital 9.6 average length of stay figure is applied.

Silver Oaks Hospital AMI Projections (Using Chicago Behavioral Hospital ALOS)		
	2019	2020
Admissions	2,856	5,700
Average Length of Stay	9.6	9.6
Patient Days	27,418	54,720
Average Daily Census	75.1	149.9
Licensed Beds	100	100
Occupancy	75%	150%
State Standard	85%	85%
Meets State Standard?	No	Yes

4. See Section III, Purpose of the Project, Background; Section IV, Criterion 1110.234(b), Project Services Utilization; and Section VI, Criterion 1110.730(c)(2), Planning Area Need, Service to Planning Area Residents, for additional support for this Criterion.

Section VI

Attachment 21

Specific Service Review Criteria

Acute Mental Illness and Chronic Mental Illness

Criterion 1110.730(c)(5), Planning Area Need, Service Accessibility

1. According to a report from the 2016 Robert Wood Johnson Foundation County Health Rankings, access to mental health services in Will County is among the worst in the country.
2. More specifically, the top large counties in the United States have 1 mental health provider for every 370 residents. In Illinois, the average large county has 1 mental health provider for every 560 residents. In comparison, Will County only has 1 mental health provider for every 1,063 residents. In other words, Will County only has 35% of the number of mental health providers that are needed.
3. Not only are mental health providers needed in Will County; but so are AMI beds. Experts in the field of behavioral health recommend a range of 40 to 50 AMI beds per 100,000 residents.
4. IDPH's own data demonstrates this same glaring need for AMI beds in Will County (which is Planning Area A-13). On average, in Illinois, there are 35 AMI beds per 100,000 residents. In Planning Area A-13, there are only 10.15 AMI beds per 100,000 residents. In other words, Planning Area A-13 only has 29% of the AMI beds that are needed.
5. And while the AMI bed to population ratio is bad in Will County, it is even worse in Grundy County. Grundy County (which, along with Will County, comprises Planning Area A-13), has **NO** AMI beds.
6. Will County and Grundy County have a significantly lower rate of mental health beds per 100,000 residents as compared to its neighboring counties. In Cook County, there are 40.52 AMI beds per 100,000 residents. In DuPage County, there are 30.89 AMI beds per 100,000 residents. In Kane County, there are 72.55 AMI beds per 100,000 residents.
7. In 2016, 738,684 residents lived in Will County and Grundy County (i.e., Planning Area A-13). Applying a ratio of 40 AMI beds per 100,000 residents, Planning Area A-13 should have 295 AMI beds. Applying a ratio of 45 AMI beds per 100,000 residents, Planning Area A-13 should have 332 AMI beds. Applying a ratio of 50 AMI beds per 100,000 residents, Planning Area A-13 should have 369 AMI beds.
10. But, in 2016, there were only 75 existing AMI beds in Planning Area A-13. Those 75 AMI beds were distributed as follows: Silver Cross Hospital: 20 AMI beds; Presence Saint Joseph's Hospital in Joliet ("Saint Joseph"): 31; and AMITA Health Adventist Medical Center-Bolingbrook ("Adventist Bolingbrook"): 24. And based on conversations with the team at Adventist Bolingbrook, Adventist Bolingbrook is primarily focused on a geriatric population.
11. Morris Hospital, located in Grundy County, and the only other hospital in Planning Area A-13 does not have any AMI beds.
12. The following chart summarizes the currently available AMI data for the four hospitals in AMI Planning Area A-13.

AMI Planning Area A-13 Data				
	Silver Cross Hospital (2016)	Presence St. Joseph Hospital (2015)	AMITA Adventist Bolingbrook Hospital (2015)	Morris Hospital (2015)
Admissions	974	1,462	0	0
Patient Days	6,213	7,223	0	0
Average Length of Stay	6.4	4.9	0	0
Average Daily Census	17.0	19.8	0	0
Peak Census	20	30	0	0
Licensed Beds	20	31	24	0
Occupancy	85%	64%	N/A	N/A

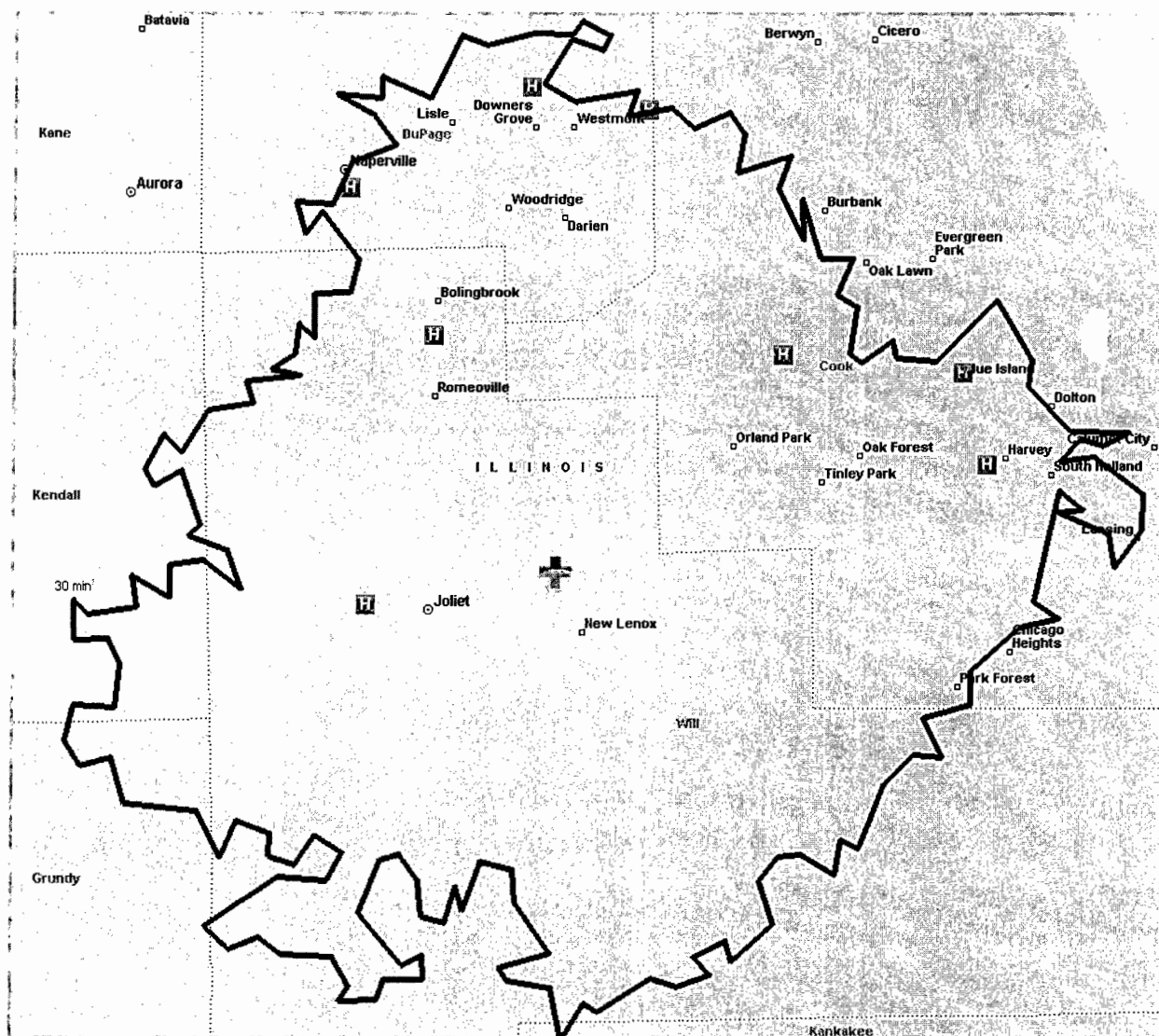
13. To state the obvious, AMI Planning Area A-13 is clearly under-bedded when it comes to inpatient behavioral health services.

14. In calendar year 2015, there were 7,260 AMI discharges associated with residents that live in AMI Planning Area A-13. Of these, 61%, or 4,404 times, an individual was forced to leave to the Planning Area to receive inpatient behavioral health services. This poses an undue burden on family members and other supporters who must travel long distances to visit and support their loved one. In addition, it complicates follow-up support services and adds to confusion and a disjointed approach to care. Having continuity of care for the patients with the same physicians and support staff are all important to bringing patients to stable status.

Section VI
Attachment 21
Specific Service Review Criteria
Acute Mental Illness and Chronic Mental Illness
Criterion 1110.730(d)(1), Unnecessary Duplication of Services

1. As established in this Application, this Project will not result in an unnecessary duplication of services.
2. The overwhelming level of support for this Project, as witnessed by the 102 referral and support letters, also highlights the lack of necessary behavioral services in AMI Planning Area A-13. And, by definition, a lack of services means that there cannot be a duplication of services.
3. As set forth in this Application, there is a mental health crisis in AMI Planning Area A-13. This Project will go a long way in addressing that crisis.
4. ATTACHMENT 21 sets forth the zip codes and the communities (and their populations) that fall within 30 minutes unadjusted travel time from the proposed Hospital.
5. ATTACHMENT 21 sets forth the names and locations of the hospitals that have inpatient AMI beds that fall within 30 minutes unadjusted travel time from the proposed Hospital.

Hospitals with AMI Beds within 30 Minute Drive Time of Silver Oaks Hospital



Hospital	Street Address	City	Zip Code	Authorized CON Beds 12/31/2015
Adventist Bolingbrook Hospital	500 Remington Blvd	Bolingbrook	60440	24
Advocate Good Samaritan Hospital	3815 Highland Avenue	Downers Grove	60515	41
Ingalls Memorial Hospital	One Ingalls Drive	Harvey	60426	78
Linden Oaks Hospital	801 South Washington Street	Naperville	60540-6400	108
MetroSouth Medical Center	12935 South Gregory Street	Blue Island	60406	14
Palos Community Hospital	12251 South 80th Avenue	Palos Heights	60463	40
Presence Saint Joseph Medical Center	333 North Madison Street	Joliet	60435	31
Silver Cross Hospital	Boulevard	New Lenox	60451	20
Total Licensed Mental Health Beds				356

Zip Codes and Population within 30 Minute Drive Time of Silver Oak Hospital

Zip Code	City Name	2016 Population	County
60439	Lemont, IL	24,086	Cook
60471	Richton Park, IL	14,303	Cook
60466	Park Forest, IL	21,561	Cook
60487	Tinley Park, IL	26,994	Cook
60467	Orland Park, IL	27,615	Cook
60462	Orland Park, IL	40,355	Cook
60477	Tinley Park, IL	39,685	Cook
60443	Matteson, IL	22,699	Cook
60478	Country Club Hills, IL	16,522	Cook
60452	Oak Forest, IL	27,907	Cook
60463	Palos Heights, IL	14,721	Cook
60445	Midlothian, IL	26,292	Cook
60464	Palos Park, IL	9,966	Cook
60480	Willow Springs, IL	5,562	Cook
60465	Palos Hills, IL	17,787	Cook
60457	Hickory Hills, IL	14,055	Cook
60455	Bridgeview, IL	16,946	Cook
60525	La Grange, IL	31,398	Cook
60458	Justice, IL	15,530	Cook
60501	Summit Argo, IL	11,597	Cook
60482	Worth, IL	11,072	Cook
60415	Chicago Ridge, IL	14,477	Cook
60461	Olympia Fields, IL	5,023	Cook
60422	Flossmoor, IL	9,710	Cook
60430	Homewood, IL	20,184	Cook
60429	Hazel Crest, IL	15,461	Cook
60428	Markham, IL	12,442	Cook
60472	Robbins, IL	5,034	Cook
60469	Posen, IL	6,201	Cook
60406	Blue Island, IL	25,839	Cook
60426	Harvey, IL	28,292	Cook
60438	Lansing, IL	28,938	Cook
60473	South Holland, IL	22,428	Cook
60419	Dolton, IL	21,810	Cook
Cook County Total		652,492	

Summary	
County	2016 Population
Cook	652,492
Du Page	254,638
Will	541,231
TOTAL	1,448,361

Zip Code	City Name	2016 Population	County
60565	Naperville, IL	40,403	Du Page
60532	Lisle, IL	27,344	Du Page
60517	Woodridge, IL	32,673	Du Page
60515	Downers Grove, IL	27,709	Du Page
60516	Downers Grove, IL	29,308	Du Page
60559	Westmont, IL	25,777	Du Page
60561	Darien, IL	22,451	Du Page
60527	Willowbrook, IL	29,396	Du Page
60514	Clarendon Hills, IL	10,179	Du Page
60523	Oak Brook, IL	9,398	Du Page
Du Page County Total		254,638	

60410	Channahon, IL	13,350	Will
60436	Joliet, IL	17,316	Will
60421	Elwood, IL	4,005	Will
60442	Manhattan, IL	10,196	Will
60404	Shorewood, IL	19,290	Will
60586	Plainfield, IL	49,186	Will
60431	Joliet, IL	23,325	Will
60544	Plainfield, IL	28,011	Will
60435	Joliet, IL	47,103	Will
60403	Crest Hill, IL	17,536	Will
60446	Romeoville, IL	41,271	Will
60490	Bolingbrook, IL	21,253	Will
60440	Bolingbrook, IL	51,754	Will
60433	Joliet, IL	16,463	Will
60432	Joliet, IL	21,026	Will
60441	Lockport, IL	36,958	Will
60451	New Lenox, IL	34,470	Will
60491	Homer Glen, IL	22,960	Will
60423	Frankfort, IL	31,595	Will
60449	Monee, IL	9,433	Will
60448	Mokena, IL	24,730	Will
Will County Total		541,231	

Source: Illinois Compdata

Section VI
Attachment 21
Specific Service Review Criteria
Acute Mental Illness and Chronic Mental Illness
Criterion 1110.730(d)(2), Maldistribution of Services

1. This Project will not result in a maldistribution of services.
2. In 2016, 738,684 residents lived in Will County and Grundy County (i.e., AMI Planning Area A-13).
3. The State of Illinois ratio for AMI beds is 1 bed for every 3,195 residents.
4. In AMI Planning Area A-13, there are only 75 AMI beds, which equates to a ratio of 1 AMI bed for every 9,849 residents.
5. To demonstrate compliance with this Criterion, an applicant needs to show that the ratio of beds to population exceeds one and one-half times the State of Illinois average.
6. Applying that ratio (which equates to 1 AMI bed for every 4,793 residents), the Applicants have satisfied this Criterion.

Section VI

Attachment 21

Specific Service Review Criteria

Acute Mental Illness and Chronic Mental Illness

Criterion 1110.730(d)(3), Impact on Other Area Providers

1. This Project will have little to no impact on the other behavioral health providers in AMI Planning Area A-13.
2. As set forth in this Application, there is a mental health crisis in AMI Planning Area A-13.
3. In calendar year 2015, there were 7,260 AMI discharges associated with residents that live in AMI Planning Area A-13. Of these, 61%, or 4,404 times, an individual was forced to leave to the Planning Area to receive inpatient behavioral health services. This poses an undue burden on family members and other supporters who must travel long distances to visit and support their loved one. In addition, it complicates follow-up support services and adds to confusion and a disjointed approach to care. Having continuity of care for the patients with the same physicians and support staff are all important to bringing patients to stable status.
4. This Project will not lower the utilization of other AMI Planning Area A-13 hospitals. Indeed, Silver Oaks Hospital will be a key resource for every healthcare provider in AMI Planning Area A-13.
5. Moreover, this Project will reduce the burden in the emergency departments in AMI Planning Area A-13.

Section VI
Attachment 21
Specific Service Review Criteria
Acute Mental Illness and Chronic Mental Illness
Criterion 1110.730(f), Staffing Availability

Staffing

1. In terms of staffing, Silver Oaks Hospital will be staffed like Chicago Behavioral Hospital, which means Silver Oaks Hospital will meet all State of Illinois hospital licensure requirements, Joint Commission accreditation requirements, Medicare/Medicaid conditions of participation, and industry requirements.
2. All existing employees in the Silver Cross Hospital Behavioral Health Department will be offered employment at Silver Oaks Hospital.
3. It is anticipated that 175 FTEs will be created by virtue of the Project by 2020. The following chart sets forth the staffing model that that will be used at Silver Oaks Hospital:

Silver Oaks Hospital Staffing Model			
	2018	2019	2020
Total Direct Care	0.00	43.87	72.80
Other Clinical	0.33	23.19	33.90
Total Inpatient	0.33	67.06	106.70
Support	1.88	43.18	62.30
Outpatient	0.00	4.38	5.50
Total FTEs	2.21	114.62	174.50

4. Chicago Behavioral Hospital uses a variety of tools to recruit staff, including, but not limited to, web based programs and traditional sites and methods such as nurse.com, indeed.com, monster.com, careerbuilder.com, National Healthcare Career Network, Sun-Times Network, Chicago Tribune, and job fairs. Silver Oaks Hospital intends to use those same recruiting tools to staff the proposed Hospital, as well as transferring staff from the Behavioral Care Department at Silver Cross Hospital to the proposed Hospital.
5. Chicago Behavioral Hospital has been experiencing very favorable vacancy rates for staff. Over the past year, the staff vacancy rate at Chicago Behavioral Hospital has averaged below 1%.
6. Thus, the Applicants are very confident that they will be able to staff the proposed Hospital.

Medical Director

1. Like Chicago Behavioral Hospital and the Behavioral Health Department at Silver Cross Hospital, Silver Oaks Hospital will have a Medical Director. The Medical Director will be board certified in psychiatry and will be responsible for the clinical direction at Silver Oaks Hospital. A

copy of the proposed Medical Director Agreement for Silver Oaks Hospital is attached at ATTACHMENT 21.

MEDICAL DIRECTOR AGREEMENT

THIS MEDICAL DIRECTOR AGREEMENT ("Agreement") is entered into as of _____ (the "Effective Date") by and among _____ ("Provider"), and _____ an individual ("Contractor").

RECITALS

A. Provider is engaged in the business of operating _____ (the "Facility").

B. Provider desires to engage Contractor as the Medical Director of the Facility and to provide certain services on the terms set forth in this Agreement, and Contractor desires the same.

NOW THEREFORE, for and in consideration of the mutual covenants and undertakings set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Provider and Contractor (each, a "Party" and collectively, the "Parties") agree to incorporate the forgoing recitals as if rewritten herein and further agree as follows:

SECTION 1. ENGAGEMENT. Provider hereby engages Contractor to serve as the Medical Director of the Facility. Notwithstanding anything set forth in this Agreement to the contrary, nothing set forth in this Agreement shall be deemed or construed to constitute an agreement between Provider and Contractor for the engagement of Contractor to practice medicine. Contractor's clinical medical practice ("Contractor's Practice") shall remain wholly separate and apart from Contractor's duties and obligations under this Agreement. The Parties agree and understand that Contractor is an independent contractor with respect to Provider. Nothing in this Agreement is intended to create an employer-employee relationship, a partnership, joint venture, or any other legal relationship between Provider and Contractor. Contractor shall not have any authority to execute any contracts on behalf of Provider, or to bind Provider in any way.

SECTION 2. OBLIGATIONS OF CONTRACTOR.

(a) Services. As Medical Director of the Facility, Contractor's obligations shall include the duties set forth on Schedule 2(a), attached to and made a part of this Agreement, and other additional duties and assignments designated by the Chief Executive Officer (the "Administrator") of the Facility (collectively, the "Services"). Contractor shall at all times report to and comply with the reasonable directions of the Administrator. With the prior written consent of the Administrator, which consent shall not be unreasonably withheld or delayed, Contractor may utilize and delegate to Provider's employees those tasks which Contractor deems necessary or appropriate to help Contractor carry out the duties and responsibilities assigned to Contractor; except that Contractor shall remain accountable for same to Provider. Contractor shall utilize independent discretion and business judgment to determine the method, manner and

means of performance of his contractual obligations under this Agreement, subject to the lawful directives of Provider regarding the results to be accomplished by Contractor

(b) Hours and Scheduling. Contractor shall provide the Services on the schedule set forth on Schedule 2(b), attached to and made a part of this Agreement.

(c) Time Reporting. For each month of the Term (as defined in Section 4 of this Agreement), Contractor shall record and report the Services performed pursuant to this Agreement in the form of the Medical Director Services Log set forth on Schedule 2(c), attached to and made a part of this Agreement (the "**Monthly Report**"). The Monthly Report shall be submitted to Provider within ten (10) business days after each calendar month of the Term.

(d) Standards. At all times during the Term, Contractor shall provide the Services in accordance with all applicable laws, policies and accreditation standards of Provider, including, without limitation, all federal, state and local statutes, regulations, manuals and guidelines, the compliance standards, recommendations and conditions of The Joint Commission, and the rules, regulations, policies and procedures of Provider in effect at the Facility.

(e) Liability Insurance. During the Term, Contractor shall maintain general and professional liability insurance coverage, at the sole cost and expense of Contractor, with such insurance providers as shall be acceptable to Provider and with the limits and features set forth on Schedule 2(e), attached to and made a part of this Agreement. All such policies shall provide that they may not be terminated, modified or cancelled without at least thirty (30) days' prior written notice to Provider. Contractor shall deliver to Provider a certificate of insurance evidencing such coverage in form acceptable to Provider on or before the Effective Date. Upon the termination of this Agreement, to the extent any such policies are on a claims made basis, Contractor shall obtain and maintain, at Contractor's sole cost and expense, extended coverage professional liability insurance covering Contractor's acts and omissions during the Term and extending through the expiration of all applicable statutes of limitation (the "**Tail Policy**"). The Tail Policy shall be in a form and substance reasonably acceptable to Provider. Contractor shall deliver a certificate of insurance evidencing the Tail Policy to Provider promptly, and in no less than thirty (30) days after, the Term. This Section 2(e) shall survive the termination of this Agreement.

(f) Licensure and Certification. At all times during the Term, Contractor shall maintain Contractor's license to practice medicine in the State of Illinois and board certification in the medical specialty of psychiatry. Contractor, at Contractor's sole cost and expense, shall attend activities such as medical meetings, post graduate seminars and refresher courses and shall obtain adequate continuing medical education to maintain Contractor's license to practice medicine and board certification throughout the Term.

(g) Notification. Contractor shall promptly notify Provider upon the occurrence of any of the events set forth in Section 4(c) of this Agreement or if any of the

representations and warranties set forth in Section 5 of this Agreement become materially untrue or misleading.

SECTION 3. OBLIGATIONS OF PROVIDER.

(a) Compensation. During the Term, Provider shall pay Contractor compensation for the Services as set forth on Schedule 3(a), attached to and made a part of this Agreement (the "**Compensation**"). The Compensation shall be paid monthly in arrears within ten (10) business days after receiving the Monthly Report for such applicable month in a form reasonably acceptable to Provider. Contractor shall not be treated as an employee of Provider for federal, state, or local tax purposes, and Provider shall have no obligation to provide any benefits to Contractor including, without limitation, medical insurance, retirement plan coverage, workers' compensation insurance, unemployment insurance or paid leave. Contractor shall be solely responsible for any and all taxes including, but not limited to, income taxes, social security taxes and self-employment taxes that may arise from the Compensation or otherwise under this Agreement.

(b) Setoff. Provider shall be entitled to set off any amounts owing by Contractor to Provider, whether under this Agreement or otherwise, against any amounts otherwise payable by Provider to Contractor under this Agreement.

(c) Working Facilities. Provider shall furnish Contractor, at Provider's expense, with adequate facilities and equipment for performing Contractor's services under this Agreement.

SECTION 4. TERM AND TERMINATION.

(a) Term. The term of this Agreement (the "**Term**") shall begin as of the Effective Date, shall continue to be in effect for an initial one (1) year period, and shall, unless earlier terminated in accordance with this Section 4, automatically renew for successive one (1) year periods.

(b) Termination without Cause. Either Provider or Contractor may terminate this Agreement without cause upon thirty (30) days' prior written notice to the other.

(c) Termination by Provider for Good Cause. Provider may immediately terminate this Agreement for "Good Cause" (as defined below). If this Agreement is terminated for Good Cause by Provider, Provider shall notify Contractor of such termination in writing and such termination shall be effective immediately upon the date set forth in such notice. "**Good Cause**" is defined as any of the following events:

(i) Contractor's medical license or board certification license is revoked, suspended or limited for any reason, or if Contractor is no longer insurable against professional liability, as determined by Provider;

(ii) Contractor is convicted of, or pleads guilty or *nolo contendere* to, any offense punishable as a felony or involving moral turpitude or immoral

conduct, or commits any act for which civil monetary penalties could be imposed under 42 U.S.C. § 1320a-7a;

(iii) Contractor is excluded from participation in any governmental healthcare program including, without limitation, the federal Medicare program and any state Medicaid program;

(iv) Contractor commits fraud, embezzlement, misappropriation or the like with respect to Provider's medical practice or assets or the Facility's assets;

(v) Contractor's medical staff membership or privileges at the Facility are terminated, suspended or materially limited;

(vi) Contractor is sanctioned by a professional board; or

(vii) Contractor breaches any of his representations, warranties, duties or obligations under this Agreement, and such breach remains uncured within ten (10) days following written notice by Provider of such breach.

(d) Effect of Termination. If this Agreement is terminated during the first year of the Term, the Parties shall not enter into any replacement agreement or other agreement or arrangement for the same or substantially similar services until after the one-year anniversary of the Effective Date. Upon termination of this Agreement, Provider shall be liable to pay the Compensation for all Services provided by Contractor prior to the effective date of termination.

SECTION 5. REPRESENTATIONS AND WARRANTIES. To induce Provider to enter into this Agreement, Contractor represents and warrants to Provider as follows, as of the Effective Date and throughout the Term:

(a) License. As of the date of this Agreement, Contractor is a duly licensed physician in good standing in the State of Illinois and is board certified in the medical specialty of psychiatry. Contractor shall provide Provider with evidence of such licensure and certification upon or before the Effective Date and upon request throughout the Term.

(b) Authority; Consents. Contractor has the right, power and authority to enter into and perform his duties under this Agreement. Contractor does not require the consent of any third party to execute this Agreement or perform any of his duties and obligations under this Agreement. The execution and performance of this Agreement by Contractor shall not violate, conflict with, or cause liability under: (i) any agreement to which Contractor is bound or any other legal obligation or requirement of Contractor; or (ii) any statute, regulation, ordinance or order of any governmental authority.

(c) No Litigation. There is no litigation or governmental or agency audit, investigation, inquiry or proceeding pending or threatened against Contractor.

(d) No Excluded Parties. Contractor is not and has never been the subject of mandatory or permissive exclusion proceedings or actions under Title XVIII or Title XIX of the Social Security Act or any other reimbursement program.

(e) No Conviction or Adverse Action. Contractor has not been convicted of, or pled guilty or *nolo contendere* to, any offense punishable as a felony or involving moral turpitude or immoral conduct, or committed any act for which civil monetary penalties could be imposed under 42 U.S.C. § 1320a-7a. Contractor has never been sanctioned by any state medical board and has not been reported to the National Practitioner Data Bank.

SECTION 6. NEGATIVE COVENANTS.

(a) Confidentiality. Contractor shall not, during the Term or at any time thereafter: (i) divulge confidential information belonging to or relating to Provider to any person or entity other than Provider or the professionals or agents of Provider entitled thereto; or (ii) personally use such information except to discharge Contractor's duties under this Agreement. Contractor acknowledges that all patient lists, charts, and records are the sole property of Provider. During the Term, Contractor shall not remove such items or copies thereof from Provider's office without Provider's prior written consent. Promptly upon termination of this Agreement, Contractor shall return to Provider all records, documents or other supplies, equipment and materials supplied by Provider to Contractor, or acquired by Contractor, which are the property of Provider.

(b) Non-Solicitation. At no time during the Term and the one (1) year following the expiration or termination of this Agreement for any reason shall Contractor, personally or in association with others, directly or indirectly: (i) solicit, directly or indirectly, any patients of Provider to render professional services, except for patients of Contractor who were rendered professional services by Contractor during the Term; or (ii) employ, attempt to employ or solicit for employment or professional association any persons who are employed by Provider.

(c) Noncompetition. During the Term, Contractor shall not serve as the medical director of any other facility or health care center providing services that the Facility provides or otherwise contract with such facility or health care center to provide any of the Services provided by Contractor under this Agreement, other than the Gottlieb Memorial Hospital in Melrose Park, Illinois.

(d) Nondisparagement. At no time, whether during or after the Term, shall Contractor or Provider make any comment and/or statement, whether written, oral, or otherwise, regarding Provider or Contractor, as the case may be, and/or its present and future employees, directors, officers, managers, members and/or shareholders (individually and in their official capacities) that might be construed as disparaging, derogatory, critical, insulting or offensive. The foregoing shall not prevent Contractor or Provider from providing truthful information in connection with any legal or administrative proceeding, or in response to any lawfully issued summons, subpoena, or similar legal process.

(e) Remedies. The Parties understand and agree that: (i) each term of this Section 7 is fully required to protect Provider's and Contractor's respective interests and that no such term confers a benefit on Provider or Contractor that is disproportionate to the detriment imposed on Contractor or Provider, as the case may be, if any; (ii) the remedy at law for any breach of this Section 6 would be inadequate; (iii) the damages flowing from such breach are not readily susceptible to measurement in monetary terms; and (iv) Provider shall be entitled to immediate injunctive relief restraining any breach hereof. Nothing in this Agreement shall be deemed to limit Provider's remedies at law or in equity for any such breach of any term or provision of this Section 7.

SECTION 7. INDEMNIFICATION.

(a) Right to Indemnification. Contractor shall indemnify, defend (at Provider's request) and hold Provider and its shareholders, trustees, directors, members, managers, officers, employees, agents and representatives (the "**Indemnified Parties**") harmless from any of and against any liability, loss, cost, expense, including, but not limited to, reasonable attorneys' fees, claim, action, or cause of action (collectively, "**Losses**") that results, directly or indirectly, from: (i) any breach of any covenant or agreement of Contractor under this Agreement; (ii) any untruth, inaccuracy, breach or omission of, from or in, any representation or warranty made by Contractor in this Agreement; (iii) the audit or investigation of any governmental authority resulting from the claims for reimbursement submitted by Contractor (except to the extent such claims were submitted under direction of the Indemnified Parties); and/or (iv) the acts or omissions of Contractor.

(b) Indemnification Procedure. As soon as is reasonably practicable after any Indemnified Party becomes aware of any claim that it has to recover Losses under this Agreement, such Indemnified Party shall notify Contractor or Provider, as the case may be, in writing, which notice shall describe the claim in reasonable detail, and shall indicate the amount (estimated, if necessary and to the extent feasible) of such Losses. The failure of any Indemnified Party to promptly give Contractor or Provider such notice shall not preclude such Indemnified Party from obtaining indemnification under this Agreement, except to the extent that such Indemnified Party's failure has materially prejudiced Contractor's or Provider's rights or materially increased Contractor's or Provider's liabilities and obligations under this Agreement. In the event of a third party claim which is subject to indemnification under this Agreement, Contractor or Provider, as the case may be, shall, upon the request of the Indemnified Party, promptly defend such claim by counsel of Contractor's or Provider's, as the case may be, own choosing subject to the approval of the Indemnified Party, which approval shall not be unreasonably withheld or delayed. The Indemnified Party shall cooperate with Contractor or Provider, as the case may be, in the defense of such claim. Contractor or Provider, as the case may be, shall not settle or otherwise resolve such claim without the prior written consent of the Indemnified Party. If Contractor or Provider, as the case may be, within a reasonable time after notice of a claim and request to conduct the defense of such claim, fails to defend the Indemnified Party, which time period shall in no event exceed thirty (30) days, the Indemnified Party shall be entitled to undertake the defense, compromise or settlement of such claim at the expense of, and for the account and risk of,

Contractor or Provider, as the case may be, and, provided further, the Indemnified Party may resolve or settle the claim in the Indemnified Party's discretion without the prior written consent of Contractor or Provider, as the case may be.

SECTION 8. NOTICES. All notices, approvals or other communications any Party may desire or be required to give to any other Party under the terms of this Agreement shall be in writing and shall be deemed to have been properly given, served and received: (a) if hand-delivered by messenger, when delivered, (b) if mailed in the United States certified or registered mail, postage prepaid, return receipt requested, on the third (3rd) business day after mailing, or (c) if delivered by reputable express carrier, freight prepaid, the next business day after dispatch to such carrier for next day delivery, to the addresses set forth below:

If to Provider:

Attn: Chief Executive Officer

With a copy to:

Attn: Chief Financial Officer

If to Contractor:

With a copy to:

SECTION 9. MEDICARE ACCESS PROVISION. During the Term, and continuing until the expiration of six (6) years after the furnishing of any services pursuant to this Agreement, upon written request by the Secretary of Health and Human Services (the "Secretary of HHS") in compliance with 42 CFR Part 420, Subpart D, Contractor shall provide to the Secretary of HHS, the Comptroller General, or a duly authorized representative, access to this Agreement and all books, documents and records which are necessary to verify the nature and extent of the costs of the services provided under this Agreement. If any of Contractor's services are performed by way of subcontract with another organization or individual and the value or cost of such subcontracted services is Ten Thousand Dollars (\$10,000) or more over any twelve (12) month period, such subcontract shall contain a clause to the same effect as immediately above.

SECTION 10. PRONOUNS. Unless otherwise indicated herein or the context otherwise requires, the masculine pronoun shall include the feminine and neuter and the singular shall include the plural.

SECTION 11. WAIVER; AMENDMENT. Any waiver by any Party of any act, failure to act or breach on the part of any other Party to this Agreement shall not constitute a waiver by such waiving Party of any prior or subsequent act or failure to act or breach by such other Party and shall not be effective unless set forth in a written document executed by such waiving Party.

SECTION 12. CAPTIONS. The captions and headings set forth in this Agreement are for convenience of reference only and shall not define or be used to construe any of the terms hereof.

SECTION 13. SEVERABILITY. If any term or provision of this Agreement is held by a court of competent jurisdiction to be illegal or unenforceable, then the remaining terms and provisions of this Agreement shall remain in full force and effect and such illegal or unenforceable term or provision shall be enforced to the fullest extent permitted by law.

SECTION 14. ASSIGNMENT. Contractor shall not assign his rights or obligations under this Agreement without the express prior written consent of Provider and any attempted assignment without such consent shall be void *ab initio*. Except as otherwise set forth in this Agreement, Contractor shall not delegate or subcontract Contractor's duties under this Agreement to any other individual or replace Contractor with any other individual without the express prior written consent of Provider.

SECTION 15. SURVIVAL OF REPRESENTATIONS. The warranties and representations of the Parties set forth in this Agreement shall survive the execution of this Agreement.

SECTION 16. DISPUTE RESOLUTION. The provisions of this Section 17 shall not apply to a breach of any duty or obligation under Section 7 of this Agreement. Should at any time any dispute arise between any of the Parties with respect to their rights, obligations, duties or requirements, under and by virtue of the provisions of this Agreement, the Parties shall first promptly meet and confer and attempt in good faith to resolve the dispute. The Parties agree that, except as set forth in this Section 17, any and all disputes, claims or controversies arising out of or relating to this Agreement that are not resolved by their mutual agreement within thirty (30) days after the initial meeting of the Parties (the "**Mediation Period**") shall be submitted to the jurisdiction of the courts of the State of Illinois.

SECTION 17. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Illinois without regard to principles of conflict of laws.

SECTION 18. ENTIRE AGREEMENT; INTEGRATION. This Agreement shall constitute the entire agreement between the Parties with respect to the subject matter hereof. This Agreement replaces and supersedes all other agreements, arrangements and understandings between the Parties with regard to the subject matter hereof.

SECTION 19. INTERPRETATION. The Parties agree and acknowledge that this Agreement is the result of thorough negotiation and input of each Party and no presumption of interpretation shall be made against either Party as the drafter of this Agreement.

SECTION 20. PARTIES BOUND. This Agreement shall be binding upon and inure to the benefit of Contractor and his or her personal representatives, heirs and assigns (except the right and responsibility to render services described herein), and shall be binding upon and inure to the benefit of the Provider and its successors and assigns.

SECTION 21. NO THIRD-PARTY BENEFICIARIES. This Agreement shall not be deemed to confer any rights or entitlements on any individual or entity other than the Parties.

SECTION 22. NO REFERRALS. The Compensation is the result of good faith negotiations between the Parties as to the fair market value of Contractor's duties and obligations under this Agreement without taking into account the volume or value of any referrals between the Parties. Neither this Agreement nor any amounts paid pursuant to this Agreement are contingent upon, or related in any way to the volume or value of, referrals of services between the Parties. No amount paid or to be paid pursuant to this Agreement is intended to be, nor shall it be construed to be, an offer, inducement or payment, whether directly or indirectly, overtly or covertly, for the referral of patients by either Party to the other Party hereto or for recommending or arranging the purchase, lease or order of any item or service. No benefit conferred under this Agreement shall be in return for the referral of patients or business between the Parties, and nothing in this Agreement shall require any Party to refer any patients or business to the other Party.

SECTION 23. HIPAA COMPLIANCE. The Parties agree and intend that Contractor shall be deemed to be an independent contractor member of Provider's "workforce" for purposes of the Health Insurance Portability and Accountability Act of 1996, P.L. 104-191 and the regulations issued thereunder (as the same may be amended from time to time, "HIPAA"). At all times during and after the Term, the Parties shall comply with HIPAA and all other applicable provisions of law governing the security and privacy of patient information.

SECTION 24. MODIFICATION OF LAWS. In the event any provision of this Agreement is deemed to be inconsistent with any laws, rules or regulations of any applicable governing body including, but not limited to, Medicare and Medicaid reimbursement, physician self-referral or anti-kickback laws, the Parties shall enter into good faith negotiations to adopt such amendments as may be necessary to modify such provision so that it is no longer inconsistent with such laws and is acceptable to both Parties. In the event the Parties cannot agree on an amendment to modify provisions impacted by a change in law within thirty (30) days of such change, either Party may immediately terminate this Agreement by providing written notice to the other party.

SECTION 25. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute the same Agreement. Any signed document transmitted by facsimile machine or a scanned .pdf file shall be treated in every manner and respect as an original signature.

SECTION 26. TIME. Except for the duties of Contractor provided in Sections 1 and 2 above, in the event that the last day for taking any action under this Agreement falls on a weekend or national holiday observed by the United States Postal Service or a religious holiday observed by either Party, the deadline for taking such action shall be extended to the next business day after such weekend or holiday.

[Rest of page left blank. Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

“PROVIDER”

“CONTRACTOR”

By: _____

Signed: _____

Printed: _____

Printed: _____

Title: _____

Schedule 2(a)
The Services

Specific duties and responsibilities include:

- Assuring the orderly provision of high quality medical and clinical services at the Facility.
- Assisting in the recruitment and organization of a highly qualified medical and professional staff at the Facility.
- Conducting ongoing quality monitoring to assure compliance with Medical Staff Bylaws, Rules and Regulations, Hospital Policies, as well as all relevant regulatory and accreditation requirements including CMS and the Joint Commission.
- Contractor shall periodically, at the request of the Administrator, review the quality of the medical services provided by physicians who are employees of the Facility and make findings and recommendations to the Provider regarding such employees.
- Advising the leadership team of recommendations to improve operating efficiencies of the Facility.
- Organizing and managing an effective on call system to assure quality patient care at all times for inpatient, outpatient and intake services.
- Meeting regularly with the Administrator to assure strong communication and provide support to the specific goals and objectives of Provider.
- Assisting in promoting the goals and objectives of the Facility through participation in professional/community meetings and presentations, and other activities as requested.
- If agreeable, Medical Director will be overseeing and assisting Psychiatrists, Nurse Practitioners, Physician Assistances, Allied Health Professionals and Licensed Individual Practitioners in treatment of patients and appropriate documentation of medical records in states, where it is appropriate and/or applicable

Schedule 2(b)
Schedule

Schedule to be agreed upon by the Administrator and Contractor.

Schedule 2(c)
Monthly Report

Provider Monthly Time Sheet for Administrative Services

Provider Name: _____ Service: _____ Month/Year: _____

[illegible]

Medical Director: _____ Date: _____

Administrator: _____ Date: _____

Schedule 2(e)
Insurance

Professional Liability insurance coverage in the amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate.

Schedule 3(a)
Compensation

\$250 per hour, not to exceed \$2,500 per week.

Section VI
Attachment 21
Specific Service Review Criteria
Acute Mental Illness and Chronic Mental Illness
Criterion 1110.730(g), Performance Requirements

1. The Applicants are proposing to construct and establish a 100 AMI bed behavioral health hospital.
2. The minimum bed capacity for a behavioral health hospital in a MSA is 20 AMI beds.
3. This criterion is satisfied.

Section VI
Attachment 21
Specific Service Review Criteria
Acute Mental Illness and Chronic Mental Illness
Criterion 1110.730(h), Assurances

1. As set forth herein, the Applicants have documented that the proposed Hospital, in its second year of operation, will meet or exceed the relevant utilization standards.
2. In further support of this Criterion, an Affidavit from Martina Sze, the Executive Vice President of Silver Oaks Hospital, is attached at ATTACHMENT 21.

US HealthVest

February 20, 2017

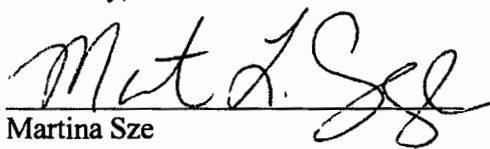
Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Criterion 1110.730(h), Utilization Statement (Silver Oaks Hospital Project)

Dear Mr. Constantino:

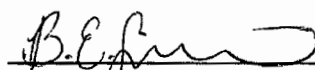
Pursuant to 77 Ill. Admin. Code § 1110.730(h), I hereby certify: (a) that I have familiarized myself with the utilization standards established by the Illinois Health Facilities and Services Review Board (the "Review Board") for behavioral health hospitals; (b) that I understand that Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital") is expected to achieve an 85% occupancy rate (the "Target Occupancy Rate") by its second full year of operation after project completion (i.e., 2020); (c) that I fully expect Silver Oaks Hospital to achieve the Target Occupancy Rate by 2020 and to maintain the Target Occupancy Rate thereafter, subject only to factors outside the control of Silver Oaks Hospital (i.e., natural disasters, regulatory changes in healthcare, interruption of necessary utilities, or other issues outside the control of Silver Oaks Hospital which could have a direct or indirect impact on the Target Occupancy Rate).

Sincerely,



Martina Sze
Executive Vice President
Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital

Subscribed and Sworn to before me
this 21 day of February, 2017.


Notary Public

32 East 57th Street
17th Floor
New York, New York 10022

T 2'

0368

Section VII
Availability of Funds
Attachment 34
Criterion 1120.120

1. An affidavit from James Cha, US Healthvest Chief Financial Officer, in support of this Criterion is attached as ATTACHMENT 34. The Applicants will be funding this Project with \$9,899,928 in cash and a construction loan in the amount of \$14,400,000 from City Bank.
2. US Healthvest's most recent audited financial statements are attached at ATTACHMENT 34.
3. Silver Cross Hospital's most recent audited financial statements are attached at ATTACHMENT 34.
4. A commitment letter from City Bank is attached at ATTACHMENT 34.

US HealthVest

February 20, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

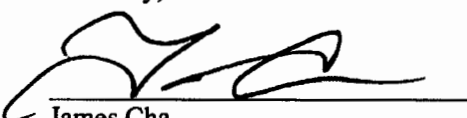
Re: Criterion 1120.120(a) Available Funds Certification (Silver Oaks Hospital Project)

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1120.120(a), to the following:

1. The Silver Oaks Hospital Project will be funded with \$9,899,928 in cash and a loan in the amount of \$14,400,000 from City Bank.
2. Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital") and Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty," and collectively with Silver Oaks Hospital, the "Silver Oaks Entities") are special purpose vehicles and were specifically organized for the Silver Oaks Hospital Project.
3. US Healthvest LLC ("US Healthvest"), through its wholly owned subsidiaries, New Lenox Innovations LLC and New Lenox Innovations Realty LLC, will be contributing sufficient cash to the Silver Oaks Entities so the Silver Oaks Entities can fund the cash obligations required by the Silver Oaks Entities for the Silver Oaks Hospital Project.
4. US HealthVest has sufficient and readily accessible cash and cash equivalents to fund the obligations required by the Silver Oaks Entities for the Silver Oaks Hospital Project.

Sincerely,



James Cha

Chief Financial Officer, US Healthvest LLC
Chief Financial Officer, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital
Chief Financial Officer, Silver Oaks Behavioral Realty LLC
Chief Financial Officer, New Lenox Behavioral Innovations LLC
Chief Financial Officer, New Lenox Behavioral Innovations Realty LLC

Subscribed and Sworn to before me
this 21 day of February, 2017.



Notary Public



32 East 57th Street
17th Floor
New York, New York 10022
T 212 242 5555 F 212 242 1000
0370

Consolidated Results - US HealthVest, LLC
Combined Income Statement Trend

Patient Days	TOTAL	36,762
ADC		100.4
Outpatient Visits		4,828
REVENUE:		
IP Net Revenue		30,883,271
OP Net Revenue		715,665
Net Patient Revenue		31,598,935
Other Revenue		1,697,612
Total Revenue		33,296,547
OPERATING EXPENSES:		
Salaries		14,782,643
Contract Labor		204,598
Incentive Compensation		1,019,500
Employee Benefits		3,061,825
Supplies		1,444,063
Medical Professional		1,967,297
Professional Fees		2,428,522
Purchased Services		1,426,323
Repairs & Maint		328,474
Rent		191,637
Utilities		320,298
Recruitment		131,241
T&E		698,684
Insurance		473,937
Advertising		46,145
Bad Debt		813,681
Taxes - Non Income		2,140,440
Other Expenses		96,956
Total Operating Exp		31,576,264
EBITDA		1,720,283
<i>Margin</i>		5.2%
OTHER COSTS:		
Depreciation/Amort		1,013,613
Interest		1,371,987
Total		2,385,599
NET INCOME		(665,316)

Consolidated Results - US HealthVest, LLC

Combined Balance Sheet
December 31, 2016

	Combined 12/31/2016
Assets:	
Current Assets:	
Cash	64,140,888
Committed Capital	0
Net Accounts Receivable	3,739,436
Inventory	146,983
Prepaid Expenses	1,076,906
Other Current Assets	0
Total Current Assets	<u>69,104,213</u>
Fixed Assets	55,538,894
Less Accum Depr	(1,121,084)
Net Fixed Assets	<u>54,417,810</u>
Intercompany	(0)
Investments	899,899
Goodwill	15,016,697
Other receivable and other assets	179,391
Total Assets	<u>139,618,009</u>
Liabilities & Equity:	
Liabilities:	
Accounts payable	7,155,375
Accrued expenses	4,527,752
Long term debt, current portion	0
Financing obligation, current portion	505,202
Total Current Liabilities	<u>12,188,329</u>
Long term debt - net of current portion	6,169,228
Capital lease	19,675,661
Unearned profit on sale-leaseback	8,541,206
Total Liabilities	<u>46,574,425</u>
Stockholders' Equity:	
Contributed capital	105,618,818
Accumulated losses 12/31/15	(11,909,916)
Current income (losses)	(665,316)
Total Equity	<u>93,043,585</u>
Total Liabilities & Equity	<u>139,618,010</u>

Consolidated Results - US HealthVest, LLC
Combined Statement of Cash Flows
Year to Date December 31, 2016

	Combined
Cash Flows From Operating Activities:	
Net Income (Loss)	(665,316)
Adjustments To Operating Activities:	
Depreciation	805,076
Changes in Assets and Liabilities	
Accounts Receivable	95,495
Inventory	(10,535)
Prepaid Expenses	(526,886)
Other Current Assets	0
Other Receivable and Other Assets	135,655
Accounts Pay. and Acc. Exp.	7,806,797
Net Cash Used In Operations	7,640,285
Cash Flows From Investing Activities:	
Investments	(17,563,575)
Purchase of Fixed Assets	(39,780,676)
Change in Goodwill	0
Cash Flows From Financing Activities:	
Committed Capital	0
Contributed Capital	75,682,493
Intercompany	0
Financing obligation	239,046
Loan	(987,445)
Capital Lease obligation	19,675,661
Unearned profit on sale-leaseback	8,541,206
Net Change In Cash & Cash Equivalents	53,446,995
Cash & Cash Equivalents - Beg of Yr	10,693,893
Cash & Cash Equivalents - Current	64,140,888

US HealthVest

BEHAVIORAL HEALTHCARE REDEFINED

Consolidated Audited Financial Statements and Supplemental Information

For the Years ended December 31, 2015 and 2014

TABLE OF CONTENTS

Independent auditors' report	3

Financial statements:

Consolidated Balance Sheets.....	4
Consolidated Statements of Operations	5
Consolidated Statements of Members' Equity	6
Consolidated Statements of Cash Flows	7

Notes to Financial Statements	8-14

Independent auditors' report on supplemental material	15

Supplemental Schedules:

Consolidating Balance Sheet.....	16
Consolidating Statement of Operations	17
Consolidating Statement of Members' Equity	18
Consolidating Statement of Cash Flows	19



TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

INDEPENDENT AUDITORS' REPORT

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the accompanying consolidated financial statements of US HealthVest, LLC and subsidiaries, which comprise the balance sheet as of December 31, 2015 and 2014, and the related statements of operations, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of US HealthVest, LLC, as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Tobin & Company

Certified Public Accountants, PC

Purchase, New York
February 25, 2016

US HealthVest, LLC

Consolidated Balance Sheets

<i>As of December 31,</i>	2015	2014
ASSETS		
Current Assets		
Cash and equivalents	\$ 10,824,507	\$ 5,136,371
Accounts receivable, net	3,834,931	839,297
Inventory	136,448	134,133
Prepaid expenses	550,020	467,357
Total Current Assets	15,345,906	6,577,158
Land, Property and Equipment, net	15,147,568	7,559,588
Other Assets		
Investment in future facilities	444,642	150,000
Other receivable and other assets	44,234	41,878
Closing costs, net	140,197	-
Goodwill	15,016,697	15,016,697
Total Other Assets	15,645,770	15,208,575
Total Assets	\$ 46,139,244	\$ 29,345,321
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 1,888,447	\$ 384,149
Accrued expenses	2,088,698	1,096,570
Note Payable, current portion	108,587	-
Financed insurance	165,342	167,472
Total Current Liabilities	4,251,074	1,648,191
Note Payable, net of current	7,048,086	-
Total Liabilities	11,299,160	1,648,191
MEMBERS' EQUITY	34,840,084	27,697,130
Total Liabilities and Members' Equity	\$ 46,139,244	\$ 29,345,321

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Operations

<i>For the Years ended December 31,</i>	2015	2014
Revenues		
Net Patient Service Revenues	\$ 15,622,251	\$ 827,152
Other Revenue	1,375,051	36,033
Net Revenues	16,997,302	863,185
Operating Expenses		
Salaries and benefits	12,294,947	3,269,671
Professional fees	2,311,921	2,017,966
Supplies	967,231	117,930
Licenses, permits and fees	944,276	94,477
Travel and entertainment	614,349	328,038
Contracted services	497,373	68,989
Property and business taxes	453,448	37,003
Contracted labor	401,309	105,629
Insurance	348,377	97,907
Utilities	253,618	62,998
Repairs and maintenance	212,848	44,392
Bad debt expense	205,906	-
Rent	198,426	213,057
Recruiting costs	101,515	3,237
Computer and internet	46,734	41,085
Other operating expenses	46,059	19,424
Charitable Contributions	25,000	-
Advertising and marketing	24,869	8,931
Dues and subscriptions	8,608	24,895
Total Operating Expenses	19,956,814	6,555,629
Loss from Operations before other Items	(2,959,512)	(5,692,444)
Depreciation and amortization expense	(280,380)	(42,666)
Interest expense	(127,050)	(865)
Interest income	9,896	18,962
Net Loss	\$ (3,357,046)	\$ (5,717,013)

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Members' Equity

For the years ended December 31, 2015 and 2014

Beginning Balance, January 1, 2014	\$ 33,414,143
Net loss for the year ended December 31, 2014	(5,717,013)
Balance, December 31, 2014	27,697,130
Contributions from Members	10,500,000
Net loss for the year ended December 31, 2015	(3,357,046)
Balance, December 31, 2015	\$ 34,840,084

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Cash Flows

<i>For the years ended December 31,</i>	2015	2014
Cash Flows From Operating Activities		
Net Loss	\$ (3,357,046)	\$ (5,717,013)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:		
Depreciation and amortization	280,380	42,666
Bad debt expense	205,906	-
Changes in Operating Assets and Liabilities:		
Increase in prepaid expenses	(82,663)	(448,556)
Increase in other receivable and other assets	(296,998)	(172,220)
Increase in accounts receivable	(3,201,540)	(839,297)
Increase in inventory	(2,315)	(134,133)
Increase in accounts payable and accrued expenses	2,496,426	1,264,183
Net Cash Flows Used in Operating Activities	(3,957,850)	(6,004,370)
Cash Flows From Investing Activities		
Capital expenditures	(7,859,676)	(7,590,833)
Purchase of goodwill	-	(15,016,697)
Net Cash Flows Used in Investing Activities	(7,859,676)	(22,607,530)
Cash Flows From Financing Activities		
Contributed Capital	10,500,000	-
Increase (Decrease) in financed insurance	(2,130)	167,472
Advances from notes payable	7,156,673	-
Closing Costs	(148,881)	-
Decrease in capital commitments receivable	-	19,215,279
Net Cash Flows Provided by Financing Activities	17,505,662	19,382,751
Net Increase (Decrease) In Cash	5,688,136	(9,229,149)
Cash at Beginning of Year	5,136,371	14,365,520
Cash at End of Year	\$ 10,824,507	\$ 5,136,371
Supplemental Disclosures		
Cash paid during the period for:		
Interest Expense	\$ 127,050	\$ 865

See accompanying notes to the financial statements

Notes to Financial Statements

Note 1 – Summary of Accounting Policies

Organization and Business

US HealthVest, LLC (the Company) was formed under the laws of the State of Delaware on March 1, 2013. The purpose of the Company and its affiliates is to acquire and operate behavioral healthcare facilities throughout the United States. The Company currently operates one facility located in Illinois.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

Principles of Consolidation

The consolidated financial statements include the activities of US HealthVest, LLC, and its subsidiaries, collectively referred to as "the Company". All material intercompany accounts and transactions have been eliminated.

The activities of 2014 Health, LLC, 2014 Health Realty, LLC, Vest Monroe Realty, LLC, and V Colorado, LLC, collectively referred to as "affiliates" have been consolidated with the activities of US HealthVest, LLC and are presented in the statements of supplemental information.

Recent Developments

On November 3, 2014 the Company acquired the assets of Maryville Behavioral Health Hospital. The acquisition included a 125 bed hospital as well as the land on which the hospital is located in Des Plaines, Illinois. This hospital provides services to those suffering from mental health illnesses and chemical dependency. The activities of this operation from the date of acquisition through the end of the fiscal year are included in the consolidated financial statements.

In January 2014, US HealthVest received a Certificate of Need to develop a 75 bed hospital in Washington State. The hospital will be located in Marysville, a suburb of Seattle. In September 2014, the Company received a Certificate of Need for an additional 50 beds in Washington State, which was subsequently reduced to 40 beds (for a total of 115 beds) in February 2015.

In June 2014, US HealthVest received a Certificate of Need to develop a 70 bed hospital in Georgia. In June 2015, the Company acquired property including an existing hospital building and the land on which the hospital is located in Monroe, Georgia. During 2015 demolition and construction started on this property.

As of May 1, 2015 Chicago Behavioral Hospital was approved as a Medicare provider.

Cash and Equivalents

The Company considers all short term investments with an original maturity of three months or less to be cash equivalents.

Notes to Financial Statements

Note 1 - Summary of Accounting Policies (continued)Accounts Receivable, Net Revenue and Cost Recognition

The Company recognizes revenues in the period in which services are performed. Accounts receivable consist primarily of amounts due from third-party payors. The amounts the Company receives for treatment of patients covered by governmental programs such as Medicare, Medicaid and other third-party payors such as health maintenance organizations, preferred provider organizations and other private insurers are generally less than the Company's established billing rates. Accordingly, the revenues and accounts receivable reported in the Company's consolidated financial statements are recorded at the net amount expected to be received.

Inventory - Supplies

Inventories consist of pharmaceutical supplies and are stated at the lower of cost or market using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are stated at cost. Maintenance and repairs are expensed in the period incurred; major renewals and betterments are capitalized. When items of property are sold or retired, the related costs are removed from the accounts and any gain or loss is included in income.

Property and Equipment are depreciated using straight-line depreciation methods over their estimated useful lives as follows:

Buildings and Improvements	39 years
Furniture and Equipment	5-7 years
Computer equipment and software	5 years

Allowance for Doubtful Accounts

The primary risk in patient receivables would be uninsured amounts owed by direct pay patients. The Company establishes an allowance for doubtful accounts for all accounts receivable over 180 days old, and continually monitors accounts receivable balances and utilizes cash collection data and historical trends to support this position. The allowance for doubtful accounts as of December 31, 2015 was \$173,944. The Company has also established an allowance for denials from payors in the amount of \$244,838 and \$5,270, as of December 31, 2015 and 2014, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist of cash, cash equivalents and investments held in financial institutions. At times such balances may be in excess of Federal Deposit Insurance Company (FDIC) limits.

The Company's revenues are heavily related to patients participating in Medicaid, and Medicare. Management recognizes that revenues and receivables from government agencies are significant to the Company's operations, but it does not believe that there is significant credit risk associated with these government agencies.

Notes to Financial Statements

Note 1 - Summary of Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses amounted to \$24,869 and \$8,931 for the years ended December 31, 2015 and 2014, respectively.

Goodwill

Goodwill represents the amount of purchase price in excess of the fair value assigned to the underlying identifiable net assets in certain acquisitions. In accordance with FASB ASC 350-10, goodwill and indefinite-lived intangible assets are no longer amortized systematically, but subject to impairment annually. Management reviews the carrying value of goodwill on an annual basis in order to determine whether impairment has occurred. Impairments are based on several factors, including the Company's projection of future operating cash flows. As of December 31, 2015 the Company has not recognized impairment of goodwill.

Compensated Absences

The Company's employees earn paid time off hours ("PTO"), which can be used towards vacation, sick time and personal days off. Paid time off is earned depending on the length of service and job position. Employees can carryover no more than 80 PTO hours at year end. Accrued compensated absences as of December 31, 2015 and 2014 were \$179,416 and \$18,307, respectively.

Income Taxes

The Company is organized as a Limited Liability Company, in lieu of corporate taxes; the members of a Limited Liability Company are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements. The Company's income tax returns are subject to examination by the appropriate tax jurisdictions for a period of three years from when they are required to be filed.

The Company reviews and assesses its tax positions taken or expected to be taken in tax returns. Based on this assessment, the Company determines whether it is more likely than not that the positions would be sustained under examination by the tax authorities. The Company's assessment has not identified any significant positions that it believes would not be sustained under examination.

Acquisitions, Business Combinations

The company accounts for business combinations using the acquisition method and accordingly, the identifiable assets acquired, and the liabilities assumed are recorded at their acquisition date fair values. Goodwill represents the excess of the purchase price over the fair value of net assets, including the amount assigned to identifiable intangible assets.

Notes to Financial Statements

Note 2 – Investment in Future Facilities

The Company is in the process of establishing new psychiatric facilities. Amounts invested toward the future purchase or lease of these facilities as of December 31, 2015 and 2014 were as follows:

<i>As of December 31,</i>	2015	2014
Phoenix	\$ 150,000	\$ -
Seattle	294,642	-
Georgia	-	150,000
Total	\$ 444,642	\$ 150,000

Note 3 - Property and Equipment

The major classifications of property and equipment are as follows:

<i>As of December 31,</i>	2015	2014
Land	\$ 2,125,000	\$ 1,300,000
Building	8,965,883	5,900,000
Furniture and Fixtures	413,366	262,850
Computer Equipment and Software	428,295	121,831
Construction in progress	3,531,033	19,344
Total Land, Property, and Equipment	15,463,577	7,604,025
Less Accumulated Depreciation	(316,009)	(44,437)
Land, Property and Equipment, net	\$ 15,147,568	\$ 7,559,588

Note 4 – Closing Costs

Closing costs in connection with the CityBank loan are being amortized over 10 years using the straight line method. Net closing costs as of December 31, 2015 were as follows:

<i>As of December 31,</i>	2015
Closing Costs	\$ 148,881
Less: Accumulated Amortization	(8,684)
Closing Costs, net	\$ 140,197

Note 5 – Financed Insurance

During 2014 The Company financed its insurance premiums through IPFS Corporation. Total premiums on these policies are \$261,777. Of this amount, \$209,340 was financed and was payable in ten equal monthly installments of \$21,366, including finance charges at 4.48%. As of December 31, 2014 the remaining balance on this agreement was \$167,472.

Notes to Financial Statements

Note 5 – Financed Insurance (continued)

During 2015 The Company financed its auto, crime, general, malpractice, and flood insurance premiums through IPFS Corporation. Total premiums on these policies were \$275,568. Of this amount, \$206,676 was financed and was payable in ten equal monthly installments of \$20,667, including finance charges at 4.48%. As of December 31, 2015 the remaining balance on this agreement was \$165,342.

Note 6 – Note Payable

On May 29, 2015, 2014 Health Realty, LLC entered into a note payable to CityBank. The initial twelve month term has a maximum drawdown of \$7,500,000. The note carries interest at prime plus 75 basis points with a floor of 4.75%. During the drawdown period payments are interest only. After the initial twelve month period the note converts to a nine year term loan, amortized over 20 years. This loan is collateralized by the real estate owned by 2014 Health Realty, LLC. As of December 31, 2015 the outstanding balance on this note was \$7,156,673.

Estimated current maturities based on the December 31, 2015 balance is as follows:

For the year ending December 31, 2016	\$108,587
For the year ending December 31, 2017	225,051
For the year ending December 31, 2018	235,977
For the year ending December 31, 2019	247,433
For the year ending December 31, 2020	259,445
Thereafter	6,080,180
Total	\$7,156,673

Note 7 – Retirement Plan

The Company maintains a 401(k) retirement plan ("the Plan") for all eligible employees over 21 years of age with at least five months of service. Participants can contribute a percentage of their compensation up to a maximum deferral of 85% and receive a matching employer contribution of 100% of deferrals up to 3% of compensation, and 50% of deferrals for the next 2% of compensation. Participants may also receive a discretionary employer matching contribution at the discretion of the Company's Board of Directors. The Company incurred expenses of \$96,920 and \$60,186 in 2015, and 2014, respectively.

Note 8 – Contributions from Members

During 2015, the Company received contributions from members totaling \$10,000,000 for 8,039,871 Series A-2 Preferred Units. In addition, the Company received a capital contribution of \$500,000 for an additional 401,994 Series A-2 units.

Notes to Financial Statements

Note 9 – Operating Lease of Facilities

The Company leases through an unrelated third party, an administrative office located in New York. The lease was assigned from a former entity of common ownership with an initial lease term of ten years, expiring October 31, 2019. Rent expense for the years ended December 31, 2015 and 2014 was \$183,501 and \$143,245, respectively.

Future minimum rental payments under this lease commitment are as follows:

December 31, 2016	193,414
December 31, 2017	199,217
December 31, 2018	205,193
December 31, 2019	175,248

Total	\$ 773,072

In addition, the Company was under an Option Agreement with an unrelated third party to purchase land in Marysville, Washington. Under this agreement, the Company paid the land owner \$5,600 per month through June 2015. During the years ended December 31, 2015 and 2014, these payments have been classified as rent in the amount of \$33,600 and \$67,200, respectively.

Note 10 – Acquisitions

During 2014 the Company acquired the assets of Maryville Behavioral Health Hospital for cash consideration of \$22,600,000. The facility provides behavioral health care to patients in and around the Chicago, Illinois area, with a total of 125 patient beds. The aggregate net purchase price of the business was allocated to assets based on their estimated fair values as follows:

Goodwill	\$ 15,016,697
Building and Improvements	5,900,000
Land	1,300,000
Furniture and Equipment	243,303
Inventory	140,000

Total Purchase Price	\$ 22,600,000

During 2015, the Company acquired property including an existing hospital building, and the land on which it is located, in Monroe, Georgia. The purchase price of the property was allocated to assets based on their estimated fair values as follows:

Building	\$ 1,925,000
Land	825,000
Acquisition Costs	90,087

Total Purchase Price and Acquisition Costs	\$ 2,840,087

Notes to Financial Statements

Note 11 – Related Party Transactions

Chicago Behavioral Hospital (2014 Health, LLC) leases its Illinois based facility from its related company, 2014 Health Realty, LLC. The lease is a 15 year operating lease that commenced on November 3, 2014. Base rent is \$92,083 per month. Intercompany rental income and expense is eliminated upon consolidation of the financial statements.

As of December 31, 2015, 2014 Health Realty, LLC was due \$2,619,075 from Chicago Behavioral Hospital (its related entity) for rent and miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2015, US HealthVest, LLC was due \$1,351,496 from Chicago Behavioral Hospital (its related entity) for miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2015, US HealthVest, LLC was due \$158,746 from 2014 Health Realty (its related entity) for fees paid in connection with the closing of the CityBank loan. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2015, US HealthVest, LLC was due \$1,014,478 from Vest Monroe Realty (its related entity) for miscellaneous operating expenses and capital spending. This intercompany receivable is eliminated upon consolidation of the financial statements.

Note 12 – Subsequent Events

Subsequent events were evaluated through February 19, 2016, the date that the financial statements were available to be issued.

Effective January 1, 2016, the Company's 401(k) retirement plan was expanded to include eligible participants of Chicago Behavioral Hospital. The new participants will be subject to the same structure and terms of the previously existing plan.

In January 2016, the Company closed on a \$12,500,000 loan from a publicly-traded REIT, carrying interest at 11%. The loan has a one year term with an option to purchase the building during the term for \$20,000,000. If this option is exercised, once completed, it would be treated as a sale-leaseback. If the option is not exercised, the loan converts into a \$12,500,000, ten year term loan, carrying interest at 9.5%, amortized over 20 years.

In early 2016, construction was completed on Chicago Behavioral Hospital and the full 125 licensed beds are now available. The third floor has been opened, to be followed by the fourth floor later in the year.



TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

Independent Auditors' Report on Supplemental Material

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the consolidated financial statements of US HealthVest, LLC and subsidiaries as of and for the years ended December 31, 2015, and 2014, and our report thereon dated February 19, 2016, which expressed an unmodified opinion on those financial statements, appears on page 3. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information included in the following section is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Tobin & Company
Certified Public Accountants, PC

Purchase, New York
February 25, 2016

0388

US HealthVest, LLC

Consolidating Balance Sheet

As of December 31, 2015	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
ASSETS							
Current assets							
Cash and equivalents	\$ 3,216,519	\$ -	\$ 409,135	\$ 6,550,171	\$ 648,682	\$ -	\$ 10,824,507
Accounts receivable, net	-	-	-	3,834,931	-	-	3,834,931
Inventory	-	-	-	136,448	-	-	136,448
Prepaid expenses	91,965	-	-	458,055	-	-	550,020
Due from parent/subsidiaries	2,524,720	-	-	-	2,619,075	(5,143,795)	-
Total current assets	5,833,204	-	409,135	10,979,605	3,267,757	(5,143,795)	15,345,906
Land, Property and equipment, net	46,732	-	3,715,503	-	11,385,333	-	15,147,568
Other Assets							
Investment in 2014 Health, LLC (CBH)	19,434,925	16,514	-	-	-	(19,451,439)	-
Investment in 2014 Health Realty, LLC	7,080,463	-	-	-	-	(7,080,463)	-
Investment in V Colorado, LLC	16,514	-	-	-	-	(16,514)	-
Investment in V Monroe Realty, LLC	3,110,160	-	-	-	-	(3,110,160)	-
Investment in future facilities	444,642	-	-	-	-	-	444,642
Other receivable and other assets	29,420	-	-	14,814	-	-	44,234
Closing costs, net	-	-	-	-	140,197	-	140,197
Goodwill	-	-	-	15,016,697	-	-	15,016,697
Total Other Assets	30,116,124	16,514	-	15,031,511	140,197	(29,658,576)	15,645,770
Total Assets	\$ 35,996,060	\$ 16,514	\$ 4,124,638	\$ 26,011,116	\$ 14,793,287	\$ (34,802,371)	\$ 46,139,244
LIABILITIES AND MEMBERS' EQUITY							
Liabilities							
Accounts payable	\$ 840,041	\$ -	\$ -	\$ 1,048,406	\$ -	\$ -	\$ 1,888,447
Accrued expenses	315,935	-	-	1,375,358	397,405	-	2,088,698
Financed Insurance	-	-	-	165,342	-	-	165,342
Due to parent/subsidiaries	-	-	1,014,478	3,970,571	158,746	(5,143,795)	-
Total current liabilities	1,155,976	-	1,014,478	6,559,677	556,151	(5,143,795)	4,142,487
Note Payable	-	-	-	-	7,156,673	-	7,156,673
Total Liabilities	1,155,976	-	1,014,478	6,559,677	7,712,824	(5,143,795)	11,299,160
Members' Equity	34,840,084	16,514	3,110,160	19,451,439	7,080,463	(29,658,576)	34,840,084
Total Liabilities and Members' Equity	\$ 35,996,060	\$ 16,514	\$ 4,124,638	\$ 26,011,116	\$ 14,793,287	\$ (34,802,371)	\$ 46,139,244

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Operations

<i>For the year ended December 31, 2015</i>	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
Revenues:							
Net patient service revenue	\$ -	\$ -	\$ -	\$ 15,622,251	\$ -	\$ -	\$ 15,622,251
Other revenue	-	-	-	1,375,051	1,105,000	(1,105,000)	1,375,051
Net Revenues	-	-	-	16,997,302	1,105,000	(1,105,000)	16,997,302
Operating expenses							
Salaries and benefits	3,309,636	-	-	8,985,311	-	-	12,294,947
Professional fees	1,077,252	-	23,156	1,207,513	4,000	-	2,311,921
Supplies	19,828	-	-	911,683	35,720	-	967,231
Licenses, permits and fees	19,258	-	525	924,493	-	-	944,276
Travel and entertainment	534,503	-	-	79,846	-	-	614,349
Contracted Services	-	-	-	493,185	4,188	-	497,373
Property and business taxes	7,413	-	15,033	56,633	374,369	-	453,448
Contracted labor	-	-	-	401,309	-	-	401,309
Insurance	41,608	-	-	198,798	107,971	-	348,377
Telephone and Utilities	34,199	-	-	54,223	165,196	-	253,618
Repairs and maintenance	14,804	-	-	-	198,044	-	212,848
Bad debt expense	-	-	-	205,906	-	-	205,906
Rent	185,736	-	-	1,117,690	-	(1,105,000)	198,426
Recruiting	442	-	-	101,073	-	-	101,515
Computer and internet	46,734	-	-	-	-	-	46,734
Other operating expenses	21,298	-	1,126	23,635	-	-	46,059
Charitable Contributions	25,000	-	-	-	-	-	25,000
Advertising and marketing	750	-	-	24,119	-	-	24,869
Dues and Subscriptions	8,608	-	-	-	-	-	8,608
Total operating expenses	5,347,069	-	39,840	14,785,417	889,488	(1,105,000)	19,956,814
Operating Profit (Loss)	(5,347,069)	-	(39,840)	2,211,885	215,512	-	(2,959,512)
Other income (expenses):							
Depreciation and amortization	(14,335)	-	-	-	(266,045)	-	(280,380)
Equity in net income of subsidiaries	1,994,462	22,072	-	-	-	(2,016,534)	-
Interest income, net of expense	9,896	-	-	(4,665)	(122,385)	-	(117,154)
Total other expenses	1,990,023	22,072	-	(4,665)	(388,430)	(2,016,534)	(397,534)
Net Income (Loss)	\$ (3,357,046)	\$ 22,072	\$ (39,840)	\$ 2,207,220	\$ (172,918)	\$ (2,016,534)	\$ (3,357,046)

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Members' Equity

<i>For the year ended December 31, 2015</i>	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
Beginning Balance, January 1, 2015	\$ 27,697,130	\$ (5,558)	\$ -	\$ 17,244,219	\$ 7,253,381	\$ (24,492,042)	\$ 27,697,130
Contributions from Members	10,500,000	-	3,150,000	-	-	(3,150,000)	10,500,000
Net Income (Loss)	(3,357,046)	22,072	(39,840)	2,207,220	(172,918)	(2,016,534)	(3,357,046)
Balance, December 31, 2015	\$ 34,840,084	\$ 16,514	\$ 3,110,160	\$ 19,451,439	\$ 7,080,463	\$ (29,658,576)	\$ 34,840,084

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Cash Flows

<i>For the year ended December 31, 2015</i>	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
Cash Flows From Operating Activities							
Net Income (Loss)	\$ (3,357,046)	\$ 22,072	\$ (39,840)	\$ 2,207,220	\$ (172,918)	\$ (2,016,534)	\$ (3,357,046)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:							
Depreciation and amortization	14,335	-	-	-	266,045	-	280,380
Bad debt expense	-	-	-	205,906	-	-	205,906
Changes in Operating Assets and Liabilities:							
Increase in prepaid expenses	(70,131)	-	-	(12,532)	-	-	(82,663)
Increase in other receivable and other assets	(286,864)	-	-	(10,134)	-	-	(296,998)
Increase in accounts receivable	-	-	-	(3,201,540)	-	-	(3,201,540)
Increase in inventory	-	-	-	(2,315)	-	-	(2,315)
Increase in payables and accrued expenses	307,419	-	-	1,824,832	364,175	-	2,496,426
Net Cash Flows Used in Operating Activities	(3,392,287)	22,072	(39,840)	1,011,437	457,302	(2,016,534)	(3,957,850)
Cash Flows From Investing Activities							
Capital expenditures	(6,576)	-	(3,715,503)	329,680	(4,467,277)	-	(7,859,676)
Investment in Subsidiaries	(5,144,462)	(22,072)	-	-	-	5,166,534	-
Net Cash Flows Used in Investing Activities	(5,151,038)	(22,072)	(3,715,503)	329,680	(4,467,277)	5,166,534	(7,859,676)
Cash Flows From Financing Activities							
Contributed Capital	10,500,000	-	3,150,000	-	-	(3,150,000)	10,500,000
Advances from notes payable	-	-	-	-	7,156,673	-	7,156,673
Due to/From Subsidiaries	(2,523,835)	-	1,014,478	3,858,492	(2,349,135)	-	-
Closing costs	-	-	-	-	(148,881)	-	(148,881)
Decrease in financed insurance	-	-	-	(2,130)	-	-	(2,130)
Net Cash Flows Provided by Financing Activities	7,976,165	-	4,164,478	3,856,362	4,658,657	(3,150,000)	17,505,662
Net Increase (Decrease) in Cash	(567,160)	-	409,135	5,197,479	648,682	-	5,688,136
Cash at Beginning of Period	3,783,679	-	-	1,352,692	-	-	5,136,371
Cash at End of Period	\$ 3,216,519	\$ -	\$ 409,135	\$ 6,550,171	\$ 648,682	\$ -	\$ 10,824,507

See Independent Auditors' Report on Supplementary Information



SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidated Financial Statements and Schedules

September 30, 2016 and 2015

(With Independent Auditors' Report Thereon)



KPMG LLP
Aon Center
Suite 5500
200 E. Randolph Street
Chicago, IL 60601-6436

Independent Auditors' Report

The Boards of Trustees
Silver Cross Health System
and Affiliates:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Silver Cross Health System and Affiliates, which comprise the consolidated balance sheets as of September 30, 2016 and 2015, and the related consolidated statements of operations and changes in unrestricted net assets, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Silver Cross Health System and Affiliates as of September 30, 2016 and 2015, and the results of their operations and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.



Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Chicago, Illinois
January 30, 2017

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidated Balance Sheets

September 30, 2016 and 2015

(Amounts in thousands)

Assets	2016	2015
Current assets:		
Cash and cash equivalents	\$ 47,124	30,462
Short-term investments	3,005	2,812
Assets whose use is limited or restricted, required for current liabilities	368	371
Patient accounts receivable, net of estimated uncollectibles of \$15,267 in 2016 and \$13,767 in 2015	45,480	44,637
Other receivables	1,413	5,031
Prepaid expenses and other	4,255	4,939
Total current assets	101,645	88,252
Assets whose use is limited or restricted, excluding assets required for current liabilities:		
By board for capital improvements and other	130,557	120,483
By board for self-insurance	23,694	22,787
Under bond indenture agreements – held by trustee	8,713	8,713
Pledges receivable	955	918
Donor-restricted investments	2,434	2,070
Beneficial interest in perpetual trusts	7,220	6,961
	173,573	161,932
Land, buildings, and equipment, net	444,509	455,053
Other assets:		
Land held for sale	25,270	25,270
Estimated excess insurance recovery receivables	3,763	4,435
Other long-term assets	8,240	6,752
Deferred finance charges	3,902	4,082
Total assets	\$ 760,902	745,776

See accompanying notes to consolidated financial statements.

Liabilities and Net Assets	2016	2015
Current liabilities:		
Current installments of long-term debt	\$ 7,115	6,935
Accounts payable	22,561	21,912
Accrued salaries and wages	23,033	25,907
Accrued expenses	6,028	5,324
Estimated payables under third-party reimbursement programs	34,938	34,192
Total current liabilities	93,675	94,270
Estimated self-insured professional and general liability claims	39,006	37,802
Long-term debt, excluding current installments and unamortized bond discounts and premiums	411,531	419,236
Capital lease and other long-term liabilities, net of current portion	6,542	6,686
Total liabilities	550,754	557,994
Commitments and contingent liabilities		
Net assets:		
Unrestricted	199,539	177,833
Temporarily restricted	4,176	3,793
Permanently restricted	6,433	6,156
Total net assets	210,148	187,782
Total liabilities and net assets	\$ 760,902	745,776

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidated Statements of Operations and Change in Unrestricted Net Assets

Years ended September 30, 2016 and 2015

(Amounts in thousands)

	<u>2016</u>	<u>2015</u>
Revenue:		
Net patient service revenue	\$ 366,947	338,418
Provision for bad debts	(10,537)	(11,832)
Net patient service revenue less provision for bad debts	356,410	326,586
Other revenue	10,507	22,218
Total revenue	<u>366,917</u>	<u>348,804</u>
Expenses:		
Salaries and wages	129,601	118,339
Payroll taxes and fringe benefits	35,007	36,682
General and administrative	74,989	75,516
Supplies	68,614	62,889
Depreciation and amortization	28,873	28,283
Interest	19,156	22,343
Total expenses	<u>356,240</u>	<u>344,052</u>
Income from operations	<u>10,677</u>	<u>4,752</u>
Nonoperating gains (losses):		
Investment return, net	11,493	1,219
Loss on early extinguishment of long-term debt	—	(69,841)
Loss on sale of land, buildings, and equipment	(2,315)	(72)
Other, net	1,539	2,101
Total nonoperating gains (losses), net	<u>10,717</u>	<u>(66,593)</u>
Revenue and gains in excess (deficient) of expenses and losses	21,394	(61,841)
Other changes in unrestricted net assets:		
Net assets released from restriction for land, building, and equipment acquisitions financed by temporarily restricted net assets	312	473
Increase (decrease) in unrestricted net assets	<u>\$ 21,706</u>	<u>(61,368)</u>

See accompanying notes to consolidated financial statements.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidated Statements of Changes in Net Assets

Years ended September 30, 2016 and 2015

(Amounts in thousands)

	<u>2016</u>	<u>2015</u>
Unrestricted net assets:		
Revenue and gains in excess (deficient) of expenses	\$ 21,394	(61,841)
Other changes in unrestricted net assets:		
Net assets released from restriction for land, building, and equipment acquisitions financed by temporarily restricted net assets	<u>312</u>	<u>473</u>
Increase (decrease) in unrestricted net assets	<u>21,706</u>	<u>(61,368)</u>
Temporarily restricted net assets:		
Contributions for specific purposes	884	402
Net realized and unrealized gains and losses on temporarily restricted investments	60	(44)
Net assets released from restriction for operating purposes	(249)	(103)
Net assets released from restriction for land, building, and equipment acquisitions	<u>(312)</u>	<u>(473)</u>
Increase (decrease) in temporarily restricted net assets	<u>383</u>	<u>(218)</u>
Permanently restricted net assets:		
Permanently restricted contributions	120	21
Net realized and unrealized gains and losses on permanently restricted investments	<u>157</u>	<u>(225)</u>
Increase (decrease) in permanently restricted net assets	<u>277</u>	<u>(204)</u>
Change in net assets	22,366	(61,790)
Net assets at beginning of year	<u>187,782</u>	<u>249,572</u>
Net assets at end of year	\$ <u>210,148</u>	<u>187,782</u>

See accompanying notes to consolidated financial statements.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidated Statements of Cash Flows

Years ended September 30, 2016 and 2015

(Amounts in thousands)

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 22,366	(61,790)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	28,873	28,283
Amortization of bond issue costs, discounts, and premiums included in interest expense	(410)	12
Provision for bad debts	10,537	11,832
Income from equity basis investments	(1,548)	(3,677)
Distributions received from equity basis investments	61	1,555
Loss on early extinguishment of long-term debt	—	69,841
Net loss on sale of land, buildings, and equipment	2,315	72
Permanently and temporarily restricted contributions	(1,004)	(423)
Net assets released from restriction for operating purposes	249	103
Net realized and unrealized gains and losses on permanently and temporarily restricted investments	(217)	269
Net change in unrealized gains and losses on unrestricted investments	(6,859)	6,484
Net realized gains and losses on unrestricted investments	(1,785)	(3,165)
Changes in assets and liabilities:		
Patient accounts receivable	(11,380)	(8,639)
Estimated excess insurance recovery receivables	672	123
Other assets	4,301	(5,141)
Estimated payables under third-party reimbursement programs	746	1,310
Accounts payable, accrued expenses, and other liabilities	(336)	15,924
Net cash provided by operating activities	46,581	52,973
Cash flows from investing activities:		
Acquisition of land, buildings, and equipment	(23,019)	(21,415)
Proceeds from sale of land, buildings, and equipment and land held for sale	2,375	233
Net change in assets whose use is limited or restricted	(2,777)	1,632
Net change in short-term investments	(193)	198
Net cash used in investing activities	(23,614)	(19,352)
Cash flows from financing activities:		
Repayment of capital leases	(125)	(80)
Repayments of long-term debt	(6,935)	(359,208)
Proceeds from issuance of debt, including premium	—	332,095
Payment of bond issuance cost	—	(3,236)
Net assets released from restriction for operating purposes	(249)	(103)
Permanently and temporarily restricted contributions	1,004	423
Net cash used in financing activities	(6,305)	(30,109)
Net increase in cash and cash equivalents	16,662	3,512
Cash and cash equivalents at beginning of year	30,462	26,950
Cash and cash equivalents at end of year	\$ 47,124	30,462
Supplemental disclosures of cash flow information:		
Assets acquired under capital lease	\$ —	6,000
Cash paid for interest	19,622	23,028

See accompanying notes to consolidated financial statements.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

(1) Organization and Purposes

Silver Cross Health System (Health System) was incorporated during 1981 for charitable, educational, and scientific purposes to support health and human services by providing management assistance, and in all other relevant ways. The accompanying consolidated financial statements include the accounts of the Health System and the following affiliates, which it controls (collectively referred to as the Corporations):

- Silver Cross Hospital and Medical Centers (Hospital), a not-for-profit acute care hospital of which the Health System is the sole member.
- Silver Cross Foundation (Foundation), a not-for-profit corporation of which the Health System is the sole member, which is dedicated to the advancement of healthcare in Will, Grundy, South Cook, and DuPage counties in Illinois.
- Health Service Systems, Inc. (HSSI), a wholly owned subsidiary of the Health System, which was incorporated to provide administrative and management services to its affiliates and other businesses.
- Midwest Community Real Estate Corporation (MCREC), a not-for-profit corporation of which the Health System is the sole member, which was incorporated to establish and maintain healthcare centers and other facilities for the benefit of the Health System and its affiliates.
- Silver Cross Managed Care Organization (SCMCO), a not-for-profit corporation of which the Health System is the sole member, which was incorporated to provide alternative forms of healthcare delivery services. SCMCO ceased operations as of December 31, 2014.

On July 1, 2008, the Hospital received approval from the Illinois Health Facilities Planning Board to construct a replacement hospital facility on a parcel of land owned by the Hospital in New Lenox, Illinois. The replacement hospital facility has 296 licensed beds and was completed in February 2012.

Subsequent to the relocation of Hospital operations to the replacement hospital facility, the Health System continues to own some facilities at its previous hospital location. The Health System's Board of Trustees and management, with input from constituents of the local community, continue to evaluate all possible alternative uses for the previous Hospital campus.

The Corporations engage in transactions in the ordinary course of business with organizations with which members of management and the boards of directors are affiliated. Such transactions are conducted at arm's length and fully disclosed to the respective members of management and boards of directors.

All significant intercompany balances and transactions have been eliminated in the accompanying consolidated financial statements.

(2) Summary of Significant Accounting Policies

Significant accounting policies of the Corporations that conform to general practice within the healthcare industry are as follows:

- The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

- Transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported as revenue and expenses. Transactions incidental to the provision of healthcare services are reported as gains and losses.
- The consolidated statements of operations and changes in unrestricted net assets include revenue and gains in excess (deficient) of expenses and losses. Changes in unrestricted net assets, which are excluded from revenue and gains in excess (deficient) of expenses and losses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets).
- The Corporations consider demand deposits with banks, cash on hand, and all highly liquid debt instruments (including repurchase agreements) purchased with terms of three months or less to be cash and cash equivalents, excluding those instruments classified as assets whose use is limited or restricted. Short-term investments consist of money market funds or mutual funds that are held and managed by an external broker. These funds are not intended to be used for operations but have not had a specific limitation placed on them to classify them as assets whose use is limited or restricted.
- Assets whose use is limited or restricted include: assets set aside by the Corporations' boards of directors for future capital improvements, self-insurance funding, and for other purposes over which the boards retain control and may at their discretion use for other purposes; assets designated by the Foundation's board of directors for endowment development purposes; assets held by a trustee and limited as to use in accordance with the requirements of bond indenture agreements; pledges receivable; and temporarily and permanently restricted investments. Assets whose use is limited required for current liabilities are reported as current assets.
- Investment return (including realized and unrealized gains and losses on investments, interest, and dividends) is included in revenue and gains in excess (deficient) of expenses and losses, as all investments are considered to be trading securities, unless the income or loss is restricted by donors, in which case the investment return is recorded directly to temporarily or permanently restricted net assets. Investment return of unrestricted investments is reported as nonoperating gains. Unrealized gains and losses of permanently and temporarily restricted investments are recorded directly to permanently and temporarily restricted net assets.
- The Corporations apply the provisions of Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, for fair value measurements of financial assets and liabilities and for fair value measurement of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
- In June 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-10, *Technical Corrections and Improvements*. This guidance included amendments to the definition of readily determinable fair value (RDFV) and clarified that investments in both mutual funds and investments in structures similar to mutual funds have a RDFV when certain criteria are met. The Corporations adopted the provisions of ASU 2015-10 during the annual reporting period beginning October 1, 2015 and applied retrospectively to fiscal year 2015.

During fiscal year 2016, management reevaluated the Corporations' investments as to whether they have a readily determinable fair value. Based on that reevaluation, certain accounting policy and NAV disclosures have been revised. Management has adjusted the disclosed 2015 fair value hierarchy

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

leveling table to reflect the correction of the error of investments reported as Level 2 to be reclassified as Level 1 investments. Management assessed the effect of the correction on the 2015 financial statements, and determined it to be immaterial.

- Except as otherwise disclosed, the carrying value of all financial instruments of the Corporations approximates fair value.
- During 2016, the Health System sold property for \$2,375 and recorded a loss on the sale of \$2,315, which is recorded in loss on the sale of land and improvements, buildings, and equipment. During 2015, the Health System sold property for \$233 and recorded a loss on the sale of \$72, which is recorded in loss on the sale of land and improvements, buildings, and equipment.
- Land, buildings, and equipment are stated at cost. Depreciation is provided over the estimated useful lives of depreciable assets and is computed on the straight-line method.
- The Corporations evaluate long-lived assets, such as buildings and equipment, for impairment on an annual basis. Long-lived assets are considered to be impaired whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. No impairments have been recorded for the year ended September 30, 2016 or 2015.
- Unconditional promises to give cash or other assets are reported at fair value at the date the promise is received (fair value of pledges is considered a Level 3 measurement in the fair value hierarchy). All contributions are considered to be available for unrestricted use unless specifically restricted by donors. Contributions are reported as direct additions to permanently or temporarily restricted net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported as net assets released from restriction. Temporarily restricted net assets used for operating purposes are included in other operating revenue to the extent expended during the period. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted contributions. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service. Donor-restricted contributions whose restrictions are met within the same year as received are reported directly within the consolidated statements of operations and changes in unrestricted net assets.
- Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Temporarily restricted net assets include the Hospital's interest in a charitable remainder trust. Investment income of the charitable remainder trust is distributable within specified limits to an unrelated party. All other temporarily restricted net assets are restricted primarily for land, building, and equipment acquisitions at both September 30, 2016 and 2015.
- Permanently restricted net assets represent beneficial interest in perpetual trusts and donor-restricted contributions, the principal amount of which may not be expended. Permanently restricted net assets include the Foundation's interest in a charitable remainder trust. Investment income of the charitable remainder trust is distributable within specified limits to an unrelated party. Based upon donor intentions, investment income earned on permanently restricted net assets is reported as either

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

nonoperating investment income or as a direct addition to temporarily restricted net assets. Unrealized and realized gains and losses are recorded directly to permanently restricted net assets.

- Provisions for estimated self-insured professional, general liability, workers' compensation, and employee healthcare risks include estimates of the ultimate cost of both reported losses and losses incurred but not reported as of the respective consolidated balance sheet dates.
- Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Those adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.
- Deferred finance charges and unamortized bond discounts and premiums are amortized using the straight-line method over the periods the related obligations are outstanding.
- The Health System, the Hospital, MCREC, and the Foundation are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. A provision for income taxes has not been recorded for HSSI, as there are net operating losses of approximately \$23,852 available for carryforward, which expire at various future dates through 2036. SCMCO is a not-for-profit corporation, which is subject to federal and state income taxes. A provision for income taxes has not been recorded for SCMCO, as there are net operating losses of approximately \$677 available for carryforward, which expire at various future dates through 2026. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Deferred tax assets have been offset in their entirety by valuation allowances at both September 30, 2016 and 2015.
- The Corporations account for tax positions in accordance with ASC Topic 740, *Income Taxes*. ASC Topic 740 clarifies the accounting for uncertainty in tax positions and also provides guidance on when the tax positions are recognized in an entity's consolidated financial statements and how the values of these positions are determined. The Corporations do not have any liabilities recognized for uncertain tax positions.
- The Corporations incur expenses for the provision of healthcare services and related general and administrative activities.
- In February 2016, FASB issued ASU 2016-02, *Leases* (ASU 2016-02). ASU 2016-02 requires entities to recognize all leased assets as assets on the consolidated balance sheet with a corresponding liability resulting in a gross up of the consolidated balance sheet. Entities will also be required to present additional disclosures as the nature and extent of leasing activities. The adoption of ASU 2016-02 will be effective for the Corporations for the year ending September 30, 2020.
- In April 2015, the FASB issued ASU No. 2015-03, *Interest—Imputation of Interest* (ASU No. 2015-03). ASU No. 2015-03 amends ASC Topic 835, *Interest*, by requiring debt issuance costs to be presented in the consolidated balance sheet as a direct deduction from the carrying amount of the debt liability, consistent with the debt discounts and premiums. The adoption of ASU No. 2015-03 will be effective for the Corporations for the year ending September 30, 2017.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

- In March 2016, the FASB issued ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities* (ASU No. 2016-01). ASU No. 2016-01 eliminates the requirement for not-for-profit organizations to disclose fair value information for financial instruments measured at amortized cost (e.g., debt). The Corporations have elected to early adopt this part of ASU 2016-01. The remaining parts of the ASU are effective for the year ending September 30, 2020. There was no effect on the Corporations' consolidated financial statements.
- In August 2016, FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). ASU 2016-14 represents phase 1 of FASB's not-for-profit financial reporting project and results reduces the number of net asset classes, requires expense presentation by functional and natural classification, requires quantitative and qualitative information in liquidity, retains the option to present the cash flow statement on a direct or indirect method as well as includes various other additional disclosure requirements. ASU 2016-14 will be effective for the Corporations for the year ending September 30, 2019 with retrospective application. Early adoption of ASU 2016-14 is permitted.
- In November 2016, FASB issued ASU 2016-18, *Restricted Cash* (ASU 2016-18), a consensus of the FASB Emerging Issues Task Force. ASU 2016-18 requires an entity to include amounts generally described as restricted cash and restricted cash equivalents, along with cash and cash equivalents when reconciling beginning and ending balances on the statement of cash flows. ASU 2016-18 will be effective for the Corporations for the year ending September 30, 2020. Early adoption of ASU 2016-18 is permitted.
- Certain 2015 amounts have been reclassified to conform to the 2016 consolidated financial statement presentation.

Other significant accounting policies are set forth in the consolidated financial statements and in the following notes.

(3) Net Patient Service Revenue

The Hospital, HSSI, and SCMCO (collectively referred to as the Providers) have agreements with third-party payors that provide for reimbursement at amounts different from their established rates. Estimated contractual adjustments arising under third-party reimbursement programs principally represent the differences between the Providers' billings at list price and the amounts reimbursed by Medicare, Blue Cross, and certain other contracted third-party payors; the difference between the Providers' billings at list price and the allocated cost of services provided to Medicaid patients; and any differences between estimated third-party reimbursement settlements for prior years and subsequent final settlements. A summary of the reimbursement methodologies with major third-party payors follows:

(a) Medicare

The Hospital is paid for inpatient acute care, outpatient, rehabilitative, and home health services rendered to Medicare program beneficiaries under prospectively determined rates. These rates vary according to patient classification systems that are based on clinical, diagnostic, and other factors. The prospectively determined rates are not subject to retroactive adjustment. The Hospital's classification of patients under the prospective payment systems and the appropriateness of patient admissions are subject to validation reviews.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

For certain services rendered to Medicare beneficiaries, the Providers' reimbursement is based upon cost or other reimbursement methodologies. The Providers are reimbursed at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. Medicare reimbursement reports through September 30, 2013 have been audited and final settled by the Medicare fiscal intermediary.

(b) Medicaid

The Hospital is paid for inpatient acute care services rendered to Medicaid program beneficiaries under prospectively determined rate per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Medicaid outpatient services are reimbursed based on fee schedules. Medicaid reimbursement methodologies may be subject to periodic adjustment, as well as to changes in existing payment levels and rates, based on the amount of funding available to the State of Illinois Medicaid program, and any such changes could have a significant effect on the Hospital's revenue.

The Hospital participates in the State of Illinois (the State) provider assessment program that assists in the financing of its Medicaid program. The program has been renewed by the State through June 2018. Pursuant to this program, hospitals within the State are required to remit payment to the State of Illinois Medicaid program under an assessment formula approved by the Centers for Medicare and Medicaid Services (CMS). The Corporations have included their assessment of \$10,492 and \$10,369 for each of the years ended September 30, 2016 and 2015, respectively, within general and administrative expense in the accompanying consolidated statements of operations and changes in unrestricted net assets. The assessment program also provides hospitals within the State with additional Medicaid reimbursement based on funding formulas also approved by CMS. The Corporations have included their additional reimbursement of \$27,233 and \$25,196 for each of the years ended September 30, 2016 and 2015, respectively, within net patient service revenue in the accompanying consolidated statements of operations and changes in unrestricted net assets.

(c) Blue Cross

The Hospital also participates as a provider of healthcare services under a reimbursement agreement with Blue Cross. The provisions of this agreement stipulate that services will be reimbursed at a tentative reimbursement rate and that final reimbursement for these services is determined after the submission of an annual cost report by the Hospital and a review by Blue Cross. The Blue Cross reimbursement reports for September 30, 2015 and prior years have been reviewed by Blue Cross.

(d) Other

The Providers have also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements is negotiated by the Providers and includes prospectively determined rate per discharge, discounts from established charges, capitation, and prospectively determined per diem rates.

SCMCO is involved in various risk-based contracts with managed care organizations. Under these arrangements, SCMCO receives capitation payments based on the demographic characteristics of covered members in exchange for providing all primary care physician services, as well as certain outpatient diagnostic and specialist physician services. Additionally, SCMCO is eligible for incentive

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

payments based on favorable utilization experience. Capitation revenue related to risk-based contracts totaled approximately \$46 and \$5,168 for 2016 and 2015, respectively, and is included with other revenue in the accompanying consolidated statements of operations and changes in unrestricted net assets. Pursuant to risk-based contracts, SCMCO estimates its liability for covered medical claims, including claims incurred but not reported as of the consolidated balance sheet dates, based upon historical costs incurred and payment processing experience. This liability approximated \$713 and \$878 at September 30, 2016 and 2015, respectively, and is included with accounts payable in the accompanying consolidated balance sheets.

Net patient service revenue for the years ended September 30, 2016 and 2015 includes approximately \$921 and \$181, respectively, of favorable retrospectively determined prior year settlements with third-party payors.

A summary of the Providers' utilization percentages based upon gross patient service revenue is as follows:

	2016	2015
Medicare	41.2%	40.9%
Medicaid	10.9	11.1
Managed care/commercial	45.1	45.2
Self-pay and other	2.8	2.8
	100.0%	100.0%

Patients' accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patients' accounts receivable, the Corporations analyze their past history and identify trends for each of their major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, the Corporations analyze contractually due amounts and provide an allowance for doubtful accounts and a provision for bad debts, if necessary (e.g., for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which includes patients without insurance), the Corporations record a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

The Corporations' allowance for uncollectible accounts for self-pay patients, which includes uninsured patients and residual copayments and deductibles for which insurance has already paid increased to 97.2% of self-pay accounts receivable at September 30, 2016, from 94.1% of self-pay accounts

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

receivable at September 30, 2015. In addition, the Corporations' self-pay write-offs decreased to \$10,675 for fiscal year 2016 from \$14,316 for fiscal year 2015.

The Corporations recognize net patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, the Corporations recognize revenue on the basis of their standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the Corporations' uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Corporations record a significant provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources is as follows:

	<u>2016</u>	<u>2015</u>
Medicare	\$ 118,530	111,267
Medicaid	44,567	38,752
Managed care/commercial	194,442	180,680
Self-pay and other	<u>9,408</u>	<u>7,719</u>
Net patient service revenue	\$ <u>366,947</u>	<u>338,418</u>

(4) Concentration of Credit Risk

The Providers grant credit without collateral to their patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors as of September 30, 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>
Medicare	28.2%	32.6%
Medicaid	12.0	12.4
Blue Cross	14.4	11.5
Managed care/contract payors	22.1	22.7
Patients	12.5	12.1
Other	<u>10.8</u>	<u>8.7</u>
	<u>100.0%</u>	<u>100.0%</u>

(5) Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. In addition, reimbursement for services provided to Medicaid program beneficiaries is substantially less than the cost to the Hospital for providing these services.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

The Hospital maintains records of the amount of charges forgone and related cost for services and supplies furnished under its charity care policy, as well as the estimated differences between the cost of services provided to Medicaid patients and the reimbursement under that program estimated based on an overall cost to charge ratio. The following information measures the estimated level of charity care provided and unreimbursed cost under the Medicaid program during 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Charity care costs for non-Medicaid patients	\$ 5,024	5,605
Excess of cost over reimbursement for services provided to Medicaid patients (1)	3,357	6,046

(1) Net impact of Medicaid assessment program has been allocated to each year based upon the State's fiscal year

(6) Investments

The Corporations report investments at fair value. A summary of the composition of the Corporations' investment portfolio at September 30, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 11,465	11,184
Money market funds	2,358	2,348
Common stock	8,378	7,682
U.S. Treasury securities	13,255	11,095
Mutual funds	96,006	87,207
Corporate bonds and notes	24,311	22,202
U.S. agency securities	8,443	11,122
Asset-backed securities	4,555	4,396
Beneficial interest in perpetual trusts	7,220	6,961
	<u>\$ 175,991</u>	<u>164,197</u>

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

Investments are reported in the accompanying consolidated balance sheets at September 30 as follows:

	<u>2016</u>	<u>2015</u>
Short-term investments	\$ 3,005	2,812
Assets whose use is limited or restricted, excluding pledges receivable:		
Required for current liabilities	368	371
By board for capital improvements and other	130,557	120,483
By board for self-insurance	23,694	22,787
Under bond indenture agreements – held by trustee	8,713	8,713
Donor-restricted investments	2,434	2,070
Beneficial interest in perpetual trusts	7,220	6,961
	<u>\$ 175,991</u>	<u>164,197</u>

The composition of investment return on the Corporations' investment portfolio for 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Interest and dividend income, net of fees, and expenses	\$ 2,849	4,538
Net realized gains on sale of investments	1,905	3,441
Net change in unrealized gains and losses during the holding period	6,956	(7,029)
	<u>\$ 11,710</u>	<u>950</u>

The Corporations have designated all unrestricted investments to be trading securities. Investment return is included in the accompanying consolidated financial statements for the years ended September 30, 2016 and 2015 as follows:

	<u>2016</u>	<u>2015</u>
Nonoperating gains – investment income, net	\$ 11,493	1,219
Net realized and unrealized gains and losses on temporarily restricted investments	60	(44)
Net realized and unrealized gains and losses on permanently restricted investments	157	(225)
	<u>\$ 11,710</u>	<u>950</u>

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

(7) Fair Value Measurements

(a) Fair Value of Financial Instruments

The following methods and assumptions were used by the Corporations in estimating the fair value of its financial instruments:

- The carrying amount reported in the consolidated balance sheets for the following approximates fair value because of the short maturities of these instruments: cash and cash equivalents, short-term investments, patient accounts receivable, accounts payable and accrued expenses, and estimated third-party payor settlements.
- Assets whose use is limited or restricted: Fair values are estimated based on prices provided by its investment managers and custodian banks. Common stocks and U.S. Treasury securities are measured using quoted market prices at the reporting date multiplied by the quantity held. Corporate bonds and notes, U.S. agency securities, and asset-backed securities are measured using observable market inputs. Mutual funds are valued using NAV. Changes in market conditions and the economic environment may impact the NAV of the funds and consequently the fair value of the Corporations' interest in the funds. The carrying value equals fair value.
- Beneficial interest in perpetual trusts: The assets held by third-party trustees comprise common stock, mutual funds, money market funds, corporate bonds and notes, U.S. agency securities, and U.S. Treasury notes. The Corporations use quoted market prices or other observable market inputs to estimate the fair value of its beneficial interests.

(b) Fair Value Hierarchy

ASC Subtopic 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporations have the ability to access at the measurement date.
- Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement in its entirety.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

The following table presents assets and liabilities that are measured at fair value on a recurring basis at September 30, 2016:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Short-term investments:				
Money market funds	\$ 2,358	2,358	—	—
Mutual funds	647	647	—	—
Assets whose use is limited or restricted:				
Cash and cash equivalents	11,465	11,465	—	—
Common stock	8,378	8,378	—	—
U.S. Treasury securities	13,255	13,255	—	—
Mutual funds	95,359	95,359	—	—
Corporate bonds and notes	24,311	—	24,311	—
U.S. agency securities	8,443	—	8,443	—
Asset-backed securities	4,555	—	4,555	—
Beneficial interest in perpetual trusts	7,220	—	—	7,220
Total	<u>\$ 175,991</u>	<u>131,462</u>	<u>37,309</u>	<u>7,220</u>

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

The following table presents assets and liabilities that are measured at fair value on a recurring basis at September 30, 2015:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Short-term investments:				
Money market funds	\$ 2,348	2,348	—	—
Mutual funds	464	464	—	—
Assets whose use is limited or restricted:				
Cash and cash equivalents	11,184	11,184	—	—
Common stock	7,682	7,682	—	—
U.S. Treasury securities	11,095	11,095	—	—
Mutual funds ¹	86,743	86,743	—	—
Corporate bonds and notes	22,202	—	22,202	—
U.S. agency securities	11,122	—	11,122	—
Asset-backed securities	4,396	—	4,396	—
Beneficial interest in perpetual trusts	6,961	—	—	6,961
Total	<u>\$ 164,197</u>	<u>119,516</u>	<u>37,720</u>	<u>6,961</u>

¹ The Corporation reevaluated the application of the definition of readily determinable fair value in accordance with ASU 2015-10, Technical Corrections and Improvements, and has corrected the classification of an investment totaling \$22.5 million previously shown as Level 2. These investments are now classified as Level 1 in the 2015 table. Management assessed the effect of the correction on the 2015 financial statements, and determined it to be immaterial.

The Corporations' policy is to recognize transfers between levels of the fair value hierarchy in the year of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 1 or Level 2 for the year ended September 30, 2016 or 2015.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

The following table presents the trusts' activity for the years ended September 30, 2016 and 2015 for assets measured at fair value using unobservable inputs classified in Level 3:

	Beneficial interest in trusts	
	2016	2015
Beginning fair value	\$ 6,961	7,235
Current year contributions	—	—
Interest and dividends	134	180
Realized gains, net	50	173
Change in unrealized gains and losses, net	204	(447)
Distributions	(129)	(180)
Ending fair value	\$ 7,220	6,961

(8) Land, Buildings, and Equipment, Net

A summary of land, buildings, and equipment, net at September 30, 2016 and 2015 is as follows:

	2016		2015	
	Cost	Accumulated depreciation	Cost	Accumulated depreciation
Land	\$ 30,810	—	29,566	—
Land improvements	15,111	3,438	14,999	2,932
Buildings, building improvements, and fixed equipment	406,764	81,553	403,126	68,796
Major movable equipment	212,707	141,011	202,706	125,606
Construction in progress	5,119	—	1,990	—
	\$ 670,511	226,002	652,387	197,334

The Corporations are currently engaged in various construction and renovation projects. There were no contractual commitments as of September 30, 2016. Interest cost is capitalized as a component cost of significant capital projects, net of any interest income earned on unexpended project-specific borrowed funds. No interest was capitalized during 2016 or 2015.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

(9) Long-Term Debt

A summary of long-term debt at September 30, 2016 and 2015 is as follows:

	<u>2016</u>	<u>2015</u>
Illinois Finance Authority Revenue Refunding Bonds, Series 2008A, principal is due annually at fixed interest rates of 5.00% to 5.82%. Interest is due semiannually depending upon date of maturity through August 15, 2030	\$ 80,980	81,885
Illinois Finance Authority Revenue Refunding Bonds, Series 2010A, at a variable interest rate (effective rates of 1.35% and 1.15% for September 30, 2016 and 2015, respectively) maturing in fiscal year 2020	12,425	12,940
Illinois Finance Authority Revenue Refunding Bonds, Series 2010B, at a variable interest rate (effective rates of 1.72% and 1.32% for September 30, 2016 and 2015, respectively) maturing in fiscal year 2021	8,300	8,640
Illinois Finance Authority Revenue Refunding Bonds, Series 2015A, at a variable interest rate (effective rates of 2.15% and 1.91% for September 30, 2016 and 2015, respectively) maturing in fiscal year 2024	12,880	15,235
Illinois Finance Authority Revenue Refunding Bonds, Series 2015B, at a variable interest rate (effective rates of 2.47% and 2.15% for September 30, 2016 and 2015, respectively) maturing in fiscal year 2020	5,390	7,080
Illinois Finance Authority Revenue Refunding Bonds, Series 2015C, principal due annually at fixed interest rate of 5.00%. Interest is due semiannually depending on date maturity through 2044	<u>281,545</u>	<u>282,675</u>
Total fixed- and variable-rate debt	401,520	408,455
Less unamortized net bond premiums	<u>(17,126)</u>	<u>(17,716)</u>
Total debt	418,646	426,171
Less current installments	<u>7,115</u>	<u>6,935</u>
Total long-term debt, excluding current installments	\$ <u><u>411,531</u></u>	<u><u>419,236</u></u>

The Hospital and the Health System (collectively known as the Obligated Group) entered into an Amended and Restated Master Trust Indenture (Master Trust Indenture) dated as of June 1, 1996, as subsequently supplemented and amended. The purpose of the Master Trust Indenture is to provide a mechanism for the efficient and economical issuance of notes by individual members of the Obligated Group using the collective borrowing capacity and credit rating of the Obligated Group. The Master Trust Indenture requires

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

members of the Obligated Group to make principal and interest payments on notes issued for their benefit as well as other Obligated Group members, if the other members are unable to make such payments. The Master Trust Indenture requires the Obligated Group comply with financial and other covenant requirements, including making deposits with the bond trustees for payment of principal and interest when due on the individual series of bonds. The Obligated Group pledged a security interest in their gross revenue as collateral on borrowings under the Master Trust Indenture. The Obligated Group also maintains a debt service reserve fund with the bond trustees for the benefit of the Series 2008A and Series 2009 bonds (redeemed in 2015). The Obligated Group has executed mortgages on the real estate and improvements of the previous hospital campus and the replacement facility campus (note 1).

Series 2010 principal is payable annually, with a balloon payment of \$10,365 for 2010A due in fiscal year 2020 and a balloon payment of \$6,600 for 2010B due in fiscal year 2021. Interest on the Series 2010A bonds is variable based on 68% of the sum of one-month LIBOR plus 150 basis points and is payable monthly. Interest on the Series 2010B bonds is variable based on 68% of the sum of one-month LIBOR plus 175 basis points and is payable monthly. If the Obligated Group chooses to extend the debt beyond the date of the balloon payment, the interest rates will be reset by the lenders at a rate not to exceed 12%.

On January 1, 2015, the Illinois Finance Authority issued variable-rate revenue bonds, Series 2015A and Series 2015B, in the aggregate amount of \$26,860 on behalf of the Obligated Group. On April 22, 2015, the Illinois Finance Authority issued fixed-rate revenue refunding bonds, Series 2015C in the amount of \$286,435 on behalf of the Obligated Group. The Obligated Group received a bond premium of \$18,800 and paid bond issue costs of \$3,236, related to these issuances. The proceeds of 2015A, 2015B, and 2015C were used to refund prior outstanding bonds 1999, 2009, 2005A, and 2005C, which were fixed-rate debt. As a result of this issuance, the Hospital incurred a noncash loss of \$69,841 for previously unamortized bond issue costs.

Scheduled annual principal payments on long-term debt for the ensuing five years are as follows:

Year:	
2017	\$ 7,115
2018	7,305
2019	7,505
2020	18,080
2021	14,390
Thereafter	<u>347,125</u>
	<u>\$ 401,520</u>

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

(10) Capital Leases

The Hospital leases a building under a capital lease. Included with property, plant, and equipment is \$6,000 of assets held under capital leases and \$289 of related accumulated amortization at September 30, 2016. A summary of future minimum lease payments and the present value of future minimum lease payments related to capital leases at September 30, 2016 are as follows:

	<u>Amount</u>
Year:	
2017	\$ 511
2018	521
2019	532
2020	542
2021	553
Thereafter	<u>4,962</u>
Total future minimum lease payments	7,621
Less amount representing interest at 5%.	<u>1,824</u>
Present value of future minimum lease payments	5,797
Less current portion of obligations under capital leases included in accounts payable	<u>143</u>
Obligations under capital leases, excluding current portion included in capital leases and other long-term liabilities	<u>\$ 5,654</u>

(11) Pension Plans

The Health System, HSSI, and the Hospital sponsor various voluntary, defined-contribution, and money purchase pension plans for all qualified full-time employees. Benefits for individual employees are the amounts that can be provided by the sums contributed and accumulated for each individual employee. The Health System, HSSI, and the Hospital recognized expense under the terms of the plans in the amount of \$5,091 and \$4,624 for 2016 and 2015, respectively. The Health System, HSSI, and the Hospital fund the plans on a current basis.

The Health System also sponsors several supplemental retirement plans. Eligibility for these plans is limited to specified employees. The supplemental plans are defined-benefit plans and are not qualified plans under Section 401 of the Code. The Health System has recognized expense under the terms of these supplemental retirement plans in the amount of \$822 and \$794 for 2016 and 2015, respectively. Amounts owed to specified employees under the supplemental retirement plans are included in accrued salaries and wages.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

(12) Self-Insured Risks

(a) Professional and General Liability

The Corporations maintain a self-insurance program for professional and general liability coverage. The self-insurance program includes varying levels of self-insured retention and excess malpractice insurance coverage purchased from commercial insurance carriers. In connection with the self-insurance program, the Corporations have engaged the services of a professional actuarial consultant to assist in the estimation of self-insurance provisions and claim liability reserves.

Provisions for estimated self-insured professional and general liability claims amounted to \$8,590 and \$10,483 in 2016 and 2015, respectively, and are included in general and administrative expenses. It is the opinion of management that the estimated professional and general liabilities accrued at September 30, 2016 and 2015 are adequate to provide for the ultimate cost of potential losses resulting from pending or threatened litigation; however, such estimates may be more or less than the amounts ultimately paid when claims are resolved. The Corporations have also designated attorneys to handle legal matters relating to malpractice and general liability claims. No portion of the accrual for estimated self-insured professional and general liability claims has been reported as a current liability. The liability for estimated self-insured professional and general liability claims has been discounted at 1.00% and 1.25% at September 30, 2016 and 2015, respectively.

(b) Workers' Compensation

The Health System, HSSI, and the Hospital maintain a self-insurance program for workers' compensation coverage. This program limits the self-insured retention to \$500 per occurrence. Coverage from commercial insurance carriers is maintained for claims in excess of the self-insured retention. Provisions for workers' compensation claims amounted to \$2,760 and \$4,234 for 2016 and 2015, respectively, and are included in payroll taxes and fringe benefits expense. Management believes the estimated self-insured workers' compensation claims liability, which is included within accrued salaries and wages at September 30, 2016 and 2015, is adequate to cover the ultimate liability; however, such estimates may be more or less than the amounts ultimately paid when claims are resolved.

(c) Healthcare

The Health System, HSSI, and the Hospital also have a program of self-insurance for employee healthcare coverage. Stop-loss reinsurance coverage is maintained for claims in excess of stop-loss limits. Provisions for employee healthcare claims amounted to \$14,750 and \$16,429 for 2016 and 2015, respectively, and are included with payroll taxes and fringe benefits expense. It is the opinion of management that the estimated healthcare costs accrued, which is included within accrued salaries and wages at September 30, 2016 and 2015, are adequate to provide for the ultimate liability; however, final payouts as claims are paid may vary significantly from estimated claim liabilities.

(13) Investment in Joint Ventures

UCMC/SCH Oncology JV, LLC

On March 22, 2010, the Hospital, along with the University of Chicago Medical Centers (UCMC), became the founding members of UCMC/SCH Oncology JV, LLC (the Cancer Center) whose purpose was to develop and operate a radiation oncology cancer center on the Hospital's campus. The board is governed

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

equally by the two members, who each have a 50% voting share. Pursuant to the operating agreement, profits and losses are allocated 60% to the Hospital and 40% to UCMC.

The Hospital accounts for its investment in the Cancer Center on the equity method of accounting. As of and for the year ended September 30, 2016, the Cancer Center had total assets of \$16,937, members' equity of \$13,271, revenue of \$47,465, and net income of \$2,479. As of and for the year ended September 30, 2015, the Cancer Center had total assets of \$13,506, members' equity of \$11,006, revenue of \$44,814, and net income of \$6,036. The Cancer Center made cash distributions of \$0 in 2016 and \$2,500 in 2015. The carrying value of the Hospital's investment in the Cancer Center is included in other long-term assets in the accompanying consolidated balance sheets.

(14) Endowments

The Corporations have donor-restricted endowment funds (collectively referred to as the Funds), the principal of which may not be expended. The interest and dividend income from investment of the Funds is to be used for a variety of purposes consistent with the intent of the donor. The interest and dividend income earned on the Funds are transferred to temporarily restricted net assets until appropriated for expenditure by the Corporations. All other changes in the Funds, including unrealized and realized gains and losses, are recorded directly to the Funds, which are classified as permanently restricted net assets.

The Corporations also have beneficial interests in trusts (collectively referred to as the Trusts). The Corporations have recorded their share of the principal of the Trusts as permanently restricted net assets. Distributions from the Trusts are recorded within unrestricted net assets if unrestricted; otherwise, they are classified as temporarily restricted net assets until appropriated for expenditure.

The activity of the Funds and Trusts for the year ended September 30, 2016 is as follows:

	Total	Donor- restricted endowment funds	Beneficial interest in trusts
Beginning fair value	\$ 6,156	679	5,477
Current year contributions	120	120	—
Investment return:			
Interest and dividends	95	—	95
Realized gains, net	83	—	83
Change in unrealized gains, net	147	—	147
Disbursements:			
Fees and expenses	(55)	—	(55)
Assets released from restriction	(113)	—	(113)
Ending fair value	\$ 6,433	799	5,634

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

The activity of the Funds and Trusts for the year ended September 30, 2015 is as follows:

	Total	Donor- restricted endowment funds	Beneficial interest in trusts
Beginning fair value	\$ 6,360	650	5,710
Current year contributions	285	285	—
Investment return:			
Interest and dividends	136	1	135
Realized gains, net	251	37	214
Change in unrealized losses, net	(399)	(30)	(369)
Disbursements:			
Fees and expenses	(51)	—	(51)
Assets released from restriction	(426)	(264)	(162)
Ending fair value	\$ 6,156	679	5,477

The historical cost basis of the Funds was approximately \$799 and \$679 for September 30, 2016 and 2015, respectively. The fair value of assets associated with individual donor-restricted endowment funds may fall below the amount of the original donation as a result of unfavorable market conditions. There were no such deficiencies as of September 30, 2016 or 2015.

(15) Commitments and Contingencies

(a) Operating Leases

The Corporations occupy space in certain facilities and lease various pieces of equipment under long-term noncancelable operating lease arrangements. Total equipment rental, asset lease, and facility rental expense in 2016 and 2015 were \$5,029 and \$4,768, respectively.

The following is a schedule by year of future minimum lease payments to be made under operating leases as of September 30, 2016 that have initial or remaining lease terms in excess of one year:

	Amount
Year ending September 30:	
2017	\$ 4,978
2018	5,022
2019	5,073
2020	4,750
2021	4,873
Thereafter	28,319

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

(b) Medicare Reimbursement

The Hospital recognized \$118,530 of net patient service revenue during 2016 from services provided to Medicare beneficiaries. Federal legislation routinely includes provisions to modify Medicare payments to healthcare providers. Changes in Medicare reimbursement as a result of the CMS implementation of the provisions of Medicare legislation and other healthcare reform initiatives may have an adverse effect on the Hospital's net patient service revenue.

(c) Litigation

The Corporations are involved in litigation arising in the normal course of business. In consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Corporations' financial position or results of operations.

(d) Regulatory Investigations

The U.S. Department of Justice and other federal agencies routinely conduct regulatory investigations and compliance audits of healthcare providers. The Corporations are subject to these regulatory efforts. Management is currently unaware of any regulatory matters, which may have a material adverse effect on the Corporations' financial position or results of operations.

(e) The Patient Protection and Affordable Care Act

In March 2010, the Patient Protection and Affordable Care Act of 2010 (the Affordable Care Act) was enacted. Some of the provisions of the Affordable Care Act took effect immediately, while others will take effect or will be phased in over time, ranging from a few months to 10 years following approval. The Affordable Care Act was designed to make available, or subsidize the premium costs of, healthcare insurance for some of the millions of currently uninsured or underinsured consumers below certain income levels. An increase in utilization of healthcare services by those who are currently avoiding or rationing their healthcare was expected. Although bad debt expenses and/or charity care provided were expected to be reduced, increased utilization would be associated with increased variable and fixed costs of providing healthcare services, which may or may not be offset by increased revenue.

The Affordable Care Act contains more than 32 Sections related to healthcare fraud and abuse and program integrity. The potential for increased legal exposure related to the Affordable Care Act's enhanced compliance and regulatory requirements could increase operating expenses.

The Corporations continue to monitor the impact of these regulations.

(f) Tax Exemption for Sales Tax and Property Tax

Effective June 14, 2012, the Governor of Illinois signed into law, *Public Act 97-0688*, which creates new standards for state sales tax and property tax exemptions in Illinois. The law establishes new standards for the issuance of charitable exemptions, including requirements for a nonprofit hospital to certify annually that in the prior year, it provided an amount of qualified services and activities to low-income and underserved individuals with a value at least equal to the hospital's estimated property tax liability. The Corporations certified in 2016 and 2015 and has not recorded a liability for related property taxes based upon management's current determination of qualified services provided.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Notes to Consolidated Financial Statements

September 30, 2016 and 2015

(g) *Investment Risk and Uncertainties*

The Corporations invest in various investment securities. Investment securities are exposed to various risks such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying consolidated balance sheets.

(16) Subsequent Events

In connection with the preparation of the consolidated financial statements and in accordance with the recently issued ASC Topic 855, *Subsequent Events*, the Corporations evaluated subsequent events after the consolidated balance sheet date of September 30, 2016 through January 30, 2017, which was the date the consolidated financial statements were available to be issued.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidating Schedule – Balance Sheet Information

September 30, 2016

(Amounts in thousands)

Assets	Silver Cross Health System	Health Service Systems, Inc.	Silver Cross Hospital and Medical Centers	Silver Cross Foundation	Midwest Community Real Estate Corporation	Silver Cross Managed Care Organization	Eliminations	Consolidated
Current assets:								
Cash and cash equivalents	\$ 540	321	44,641	6	164	1,452	—	47,124
Short-term investments	—	647	2,358	—	—	—	—	3,005
Assets whose use is limited or restricted, required for current liabilities	—	—	368	—	—	—	—	368
Patient accounts receivable, net of estimated uncollectibles of \$15,267 in 2016	—	894	44,586	—	—	—	—	45,480
Due from affiliates	9,424	—	35,010	2,801	1,272	3,500	(52,007)	—
Other receivables	72	—	1,181	—	160	—	—	1,413
Prepaid expenses and other	239	2	4,005	—	9	—	—	4,255
Total current assets	10,275	1,864	132,149	2,807	1,605	4,952	(52,007)	101,645
Assets whose use is limited or restricted, excluding assets required for current liabilities:								
By board for capital improvements and other	—	—	130,557	—	—	—	—	130,557
By board for self-insurance	23,694	—	—	—	—	—	—	23,694
Under bond indenture agreements – held by trustee	—	—	8,713	—	—	—	—	8,713
Pledges receivable	—	—	955	—	—	—	—	955
Donor-restricted investments	—	—	2,434	—	—	—	—	2,434
Beneficial interest in perpetual trusts	—	—	7,220	—	—	—	—	7,220
Land, buildings, and equipment, net	23,694	—	149,879	—	—	—	—	173,573
Other assets:	3,030	692	417,356	—	23,431	—	—	444,509
Land held for sale	—	—	25,270	—	—	—	—	25,270
Investments	22,650	—	—	—	—	—	(22,650)	—
Estimated excess insurance recovery receivables	3,763	—	—	—	—	—	—	3,763
Other long-term assets	—	—	7,772	—	468	—	—	8,240
Deferred finance charges	—	—	3,902	—	—	—	—	3,902
Total assets	\$ 63,412	2,556	736,328	2,807	25,504	4,952	(74,657)	760,902

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidating Schedule – Balance Sheet Information

September 30, 2016

(Amounts in thousands)

	Silver Cross Health System	Health Service Systems, Inc.	Silver Cross Hospital and Medical Centers	Silver Cross Foundation	Midwest Community Real Estate Corporation	Silver Cross Managed Care Organization	Eliminations	Consolidated
Liabilities and Net Assets								
Current liabilities:								
Current installments of long-term debt	\$ —	—	7,115	—	—	—	—	7,115
Accounts payable	389	478	20,323	—	—	1,371	—	22,561
Accrued salaries and wages	5,505	1,293	16,235	—	—	—	—	23,033
Accrued expenses	9	50	2,665	—	3,304	—	—	6,028
Estimated payables under third-party reimbursement programs	—	—	34,938	—	—	—	—	34,938
Due to affiliates	6,270	9,998	3,500	2,246	29,993	—	(52,007)	—
Total current liabilities	12,173	11,819	84,776	2,246	33,297	1,371	(52,007)	93,675
Estimated self-insured professional and general liability claims	39,006	—	—	—	—	—	—	39,006
Long-term debt, excluding current installments and unamortized bond discounts and premiums	—	—	411,531	—	—	—	—	411,531
Capital lease and other long-term liabilities, net of current portion	—	—	6,542	—	—	—	—	6,542
Total liabilities	51,179	11,819	502,849	2,246	33,297	1,371	(52,007)	550,754
Net assets (deficit):								
Unrestricted	12,233	(9,263)	222,870	561	(7,793)	3,581	(22,650)	199,539
Temporarily restricted	—	—	4,176	—	—	—	—	4,176
Permanently restricted	—	—	6,433	—	—	—	—	6,433
Total net assets	12,233	(9,263)	233,479	561	(7,793)	3,581	(22,650)	210,148
Total liabilities and net assets	\$ 63,412	2,556	736,328	2,807	25,504	4,952	(74,657)	760,902

See accompanying independent auditors' report.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES

Consolidating Schedule - Statement of Operations and Change in Unrestricted Net Assets Information

Year ended September 30, 2016

(Amounts in thousands)

	Silver Cross Health System	Health Service Systems, Inc.	Silver Cross Hospital and Medical Centers	Silver Cross Foundation	Midwest Community Real Estate Corporation	Silver Cross Managed Care Organization	Eliminations	Consolidated
Revenue:								
Net patient service revenue	\$ —	5,513	361,591	—	—	—	(157)	366,947
Provision for bad debts	—	—	(10,537)	—	—	—	—	(10,537)
Net patient service revenue less provision for bad debts	—	5,513	351,054	—	—	—	(157)	356,410
Other revenue	9,155	637	8,429	—	2,261	46	(10,021)	10,507
Total revenue	9,155	6,150	359,483	—	2,261	46	(10,178)	366,917
Expenses:								
Salaries and wages	5,573	4,761	119,267	—	—	—	—	129,601
Payroll taxes and fringe benefits	1,296	818	32,893	—	—	—	—	35,007
General and administrative	1,609	1,770	79,489	—	2,253	46	(10,178)	74,989
Supplies	—	470	68,144	—	—	—	—	68,614
Depreciation and amortization	826	212	26,719	—	1,116	—	—	28,873
Interest	—	—	19,156	—	—	—	—	19,156
Total expenses	9,304	8,031	345,668	—	3,369	46	(10,178)	356,240
Income (loss) from operations	(149)	(1,881)	13,815	—	(1,108)	—	—	10,677
Nonoperating gains (losses):								
Investment income, net	866	1	10,626	—	—	—	—	11,493
Gain (loss) on the sale of land, buildings, and equipment	22	—	(916)	—	(1,421)	—	—	(2,315)
Loss on early extinguishment of long-term debt	—	—	—	—	—	—	—	—
Other, net	—	—	1,534	4	1	—	—	1,539
Total nonoperating gains (losses), net	888	1	11,244	4	(1,420)	—	—	10,717
Revenue and gains in excess (deficient) of expenses and losses	739	(1,880)	25,059	4	(2,528)	—	—	21,394
Other changes in unrestricted net assets:								
Net assets released from restriction for land, building, and equipment	—	—	312	—	—	—	—	312
acquisitions financed by temporarily restricted net assets	739	(1,880)	25,371	4	(2,528)	—	—	21,706
Increase (decrease) in unrestricted net assets	—	—	—	—	—	—	—	—

See accompanying independent auditors' report.

SILVER CROSS HEALTH SYSTEM AND AFFILIATES
Consolidating Schedule – Changes in Net Assets Information
Year ended September 30, 2016
(Amounts in thousands)

	Silver Cross Health System	Health Service Systems, Inc.	Silver Cross Hospital and Medical Centers	Silver Cross Foundation	Midwest Community Real Estate Corporation	Silver Cross Managed Care Organization	Eliminations	Consolidated
Unrestricted net assets:								
Revenue and gains in excess (deficient) of expenses	\$ 739	(1,880)	25,059	4	(2,528)	—	—	21,394
Other changes in unrestricted net assets:								
Net assets released from restriction for land, building, and equipment acquisitions financed by temporarily restricted net assets	—	—	312	—	—	—	—	312
Increase (decrease) in unrestricted net assets	739	(1,880)	25,371	4	(2,528)	—	—	21,706
Temporarily restricted net assets:								
Contributions for specific purposes	—	—	884	—	—	—	—	884
Net realized and unrealized gains and losses on temporarily restricted investments	—	—	60	—	—	—	—	60
Net assets released from restriction for operating purposes	—	—	(249)	—	—	—	—	(249)
Net assets released from restriction for land, building, and equipment acquisitions	—	—	(312)	—	—	—	—	(312)
Increase in temporarily restricted net assets	—	—	383	—	—	—	—	383
Permanently restricted net assets:								
Permanently restricted contributions	—	—	120	—	—	—	—	120
Net realized and unrealized gains and losses on permanently restricted investments	—	—	157	—	—	—	—	157
Increase in permanently restricted net assets	—	—	277	—	—	—	—	277
Change in net assets	739	(1,880)	26,031	4	(2,528)	—	—	22,366
Net assets (deficit) at beginning of year	11,494	(7,383)	207,448	557	(5,265)	3,581	(22,650)	187,782
Net assets (deficit) at end of year	\$ 12,233	(9,263)	233,479	561	(7,793)	3,581	(22,650)	210,148

See accompanying independent auditors' report.



City Bank

El Paso West Branch
7901 N. Mesa St.
El Paso, Texas 79935-1625
(915) 833-0267 Main
(915) 933-9571 Fax
citybankonline.com

January 20, 2017

Dr. Richard Kresch, CEO
Mr. James Cha, CFO
U.S. HealthVest LLC
32 E. 57th St, 17th Floor
New York, NY., 10022

Dear Dr. Kresch and Mr. Cha,

I have prepared the following term sheet which I feel encompasses all the major terms in providing a \$14,400,000 loan to U.S. HealthVest LLC (USHV). This loan amount would have to be made in conjunction with a participant bank yet to be obtained.

BORROWER: Silver Oaks Behavioral Realty, LLC (SOBR)

AMOUNT: \$14,400,000.00 note amount with funding being allocated between for Working Capital and Construction purposes. These figures are based on funding no more than 60% of appraised value (yet to be obtained) or 60% of cost, whichever is less. No defaults under this loan or any other loan can exist by either the Borrower or Guarantor. Funding of this loan is contingent upon Borrower/Guarantor having paid \$9,600,000 in costs associated with this project prior to the bank advancing any loan proceeds.

PURPOSE: Proceeds will be used to construct a psychiatric hospital in New Lenox (IL) under a land lease with the Silver Cross Hospital.

TERMS: Ten year note with interest payable monthly for the first 18 months, "the initial Construction period", and then ~~102~~ monthly payments, "the term loan period", based on a 20 year amortization. Payments will be adjusted depending on the interest rate.

INTEREST RATE: The Note shall have the following interest rate.
Prime plus 0.75% with a floor of 4.75%. Borrower will have the option to fix the interest rate annually on the note's anniversary date and the Bank is agreeable to providing an annual 1% interest rate collar.

FEES: \$144,000.00

OTHER COST: Borrower will promptly pay all costs, fees and expenses paid or incurred by Lender incident to this loan. These may include, but are not limited to, all fees and expenses for appraisals, appraisal reviews, environmental inspections, surveys, filing fees, title or lien search services, audit, recording fees, mortgage and intangible taxes, environmental assessments, the fees and expenses for architects or engineers employed by Lender, and escrow fees, and all costs, fees and expenses incurred by Lender, relating to the enforcement of the obligations of SOBR/USHV or the exercise of any of the Lender's rights and remedies, all of which shall be part of the indebtedness described herein.

COLLATERAL: Perfected first lien and assignment of all leases on the New Lenox (IL) project along with a first lien on the Furniture, Fixtures and Equipment.

INSURANCE REQUIREMENTS: Bank will be named as co-loss payee. Borrower and parent will also be required to carry sufficient insurance to cover all insurable risks including malpractice insurance.

GUARANTOR: U.S. HealthVest LLC

FINANCIAL STATEMENT REQUIREMENTS: Borrower will provide internally generated financial statements within 45 days of each calendar quarter. The Borrower and Guarantor will submit annual audited financial statement within 120 days of their fiscal year end and tax returns within 45 days of filing or availability. The detailed quarterly statements should also include a report of the operating hospitals detailing the occupancy, (bed nights), average length of stay, reimbursement percentages and such other statistical data that might be requested from time to time.

LOAN AGREEMENT COVENANTS: Borrower shall provide Bank with annual proof of payment of real estate taxes, income taxes, and property insurance as well as other insurance. USHV must maintain the majority of its deposits with City Bank and maintain no less than a minimum cash balance of \$5,000,000 or more. USHV must maintain positive working capital at all times. There will be additional covenants to be determined based on the latest financial statements plus other normal loan agreement covenants.

OTHER DOCUMENTS AND CONDITIONS:

An appraisal acceptable to Bank.

A "clean" environmental assessment.

A letter from the Borrower's attorney stating that the Borrower and its representative are empowered to enter into this loan.

A copy of all entity Organizational documents.

Flood Search Certificate.

Such other documents or certificates as may be reasonably requested by Bank.

Final copy of approved Certificate of Need

EVENTS OF DEFAULT:

The Borrower will be in "Default" under this agreement in the event any of The following occurs:

- a) Borrower fails to pay the Note in accordance within terms;
- b) An event of default occurs under any of the referenced collateral documents;
- c) Borrower or any Guarantor becomes insolvent;
- d) A receiver is appointed for any assets of the Borrower;
- e) An order for relief under the Federal Bankruptcy Code is entered with respect to either the Borrower or any Guarantor.
- f) Either the Borrower or any Guarantor admits in writing their inability to pay their debts generally as they become due;
- g) Either the Borrower or any Guarantor executes an assignment for the benefit of its creditors;
- h) Either the Borrower or any Guarantor:
 - (i) files a petition for relief in the Federal Bankruptcy Code or a Petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any Bankruptcy or reorganization proceeding, or (ii) institutes or involuntarily becomes a party to any other judicial proceeding intended to affect a discharge of the debts of the Borrower or any Guarantor, or a postponement of the maturity of any such debts, or suspension of any of the rights or powers of a trustee or any of the rights or powers granted to the Bank herein, in the security documents securing this loan, or in any other documents executed in connection herewith.

**REMEDIES UPON
DEFAULT:**

Subject to the limitations of the Federal Bankruptcy code, if applicable, upon the occurrence of a Default, as defined herein, Bank, at its option, without notice, demand or presentment, which are hereby waived, can declare immediately due and payable the entire unpaid balance of principal and all accrued interest that is unpaid on the Note, and, if Bank so elects, any other indebtedness of the Borrower to Bank, and upon the exercise of such option the entire unpaid balance of principal and accrued interest shall become immediately due and payable.

I have attempted to include all anticipated substantive terms and conditions of a commitment. City Bank will require a participant bank to complete this transaction for the stated loan amount. This is not a commitment but an outline of terms which we've mutually agreed upon in prior loans and which will require loan committee approval.

Sincerely,

A handwritten signature in dark ink, consisting of a large, stylized loop followed by a horizontal stroke.

Robert D. Kotarski, SVP
City Bank

Section IX
Attachment 35
Criterion 1120.130, Financial Viability

1. The Applicants will be funding this Project with \$9,899,928 in cash and a construction loan and mortgage in the amount of \$14,400,000 from City Bank.
2. Silver Oaks Hospital and Silver Oaks Realty are special purpose vehicles and were specifically organized for this Project. Thus, Silver Oaks Hospital and Silver Oaks Realty do not have any historical financial information.
3. US Healthvest prepared the proforma financial statements for Silver Oaks Hospital and Silver Oaks Realty, copies of which are attached at ATTACHMENT 35.
4. The financial viability ratios for Silver Oaks Hospital are set forth below:

Financial Viability Ratios – Silver Oaks Hospital			
	2020	State Norm	2020 vs. Norm
Current Ratio	10.11	2.0 or more	Satisfies
Net Margin Percentage	9.29%	3.5% or more	Satisfies
Percent Debt to Total Capitalization	0.008%	50% or less	Satisfies
Projected Debt Service Coverage	N/A (no long term debt)	2.5 or more	Satisfies
Days Cash on Hand	102.4 days	75 days or more	Satisfies
Cushion Ratio	51.1	7.0 or more	Satisfies

5. The financial viability ratios for Silver Oaks Hospital and Silver Oaks Realty on a consolidated basis is set forth below

Financial Viability Ratios – Silver Oaks Hospital and Silver Oaks Realty -- Consolidated			
	2020	State Norm	2020 vs. Norm
Current Ratio	10.11	2.0 or more	Satisfies
Net Margin Percentage	6.74%	3.5% or more	Satisfies
Percent Debt to Total Capitalization	0.008%	50% or less	Satisfies
Projected Debt Service Coverage	3.8	2.5 or more	Satisfies
Days Cash on Hand	105.6 days	75 days or more	Satisfies
Cushion Ratio	10.1	7.0 or more	Satisfies

6. Variances. The Applicants have satisfied the financial viability ratios.

INCOME STATEMENT

Silver Oaks Behavioral, LLC

	2018	2019	2020	2021
Patient Days	0	18,278	36,480	36,580
ADC	0.0	49.9	99.9	99.9
Outpatient Visits	0	2,532	5,097	5,117
Adj. Patient Days	0	18,389	36,701	36,800
REVENUE:				
Inpatient Revenue	0	12,787,949	26,096,647	26,691,546
Outpatient Revenue	0	582,400	1,184,066	1,200,599
Net Patient Revenue	0	13,370,349	27,280,713	27,892,145
Other Revenue	0	0	0	0
Total Revenue	0	13,370,349	27,280,713	27,892,145
OPERATING EXPENSES:				
Salaries	194,175	7,203,333	11,027,932	11,334,600
Contract Labor	0	0	0	0
Incentive Compensation	0	251,000	257,275	263,707
Employee Benefits	36,893	1,368,633	2,095,307	2,153,574
Supplies	22,500	730,838	1,471,459	1,512,437
Medical Professional	0	1,305,054	2,449,665	2,480,974
Professional Fees	120,000	121,722	136,404	139,461
Purchased Services	0	678,202	899,218	912,361
Repairs & Maint	0	300,000	307,500	315,188
Rent	0	825,960	826,410	826,871
Utilities	0	323,184	331,264	339,545
Recruitment	10,000	60,000	61,500	63,038
T&E	80,000	960,000	984,000	1,008,600
Insurance	60,000	360,000	370,800	381,924
Advertising	0	120,000	123,000	126,075
Bad Debt	0	462,815	818,421	836,764
Taxes - Non Income	370,000	1,180,000	1,184,500	1,189,112
Other Expenses	0	36,000	36,900	37,823
Total Operating Exp	893,569	16,286,741	23,381,555	23,922,053
EBITDA	(\$893,569)	(\$2,916,392)	\$3,899,158	\$3,970,092
<i>Margin</i>	<i>N/A</i>	<i>-22%</i>	<i>14%</i>	<i>14%</i>
OTHER COSTS:				
Depreciation/Amort	0	0	0	0
Management Fee	0	668,517	1,364,036	1,394,607
Interest	0	0	0	0
Total	0	668,517	1,364,036	1,394,607
NET INCOME	(\$893,569)	(\$3,584,910)	\$2,535,122	\$2,575,485
FTEs	2.2	117.7	179.4	179.4
EBOP	N/A	2.4	1.8	1.8

Silver Oaks Behavioral Realty, LLC

	2018	2019	2020	2021
Patient Days	0	0	0	0
ADC	0.0	0.0	0.0	0.0
Outpatient Visits	0	0	0	0
Adj. Patient Days	0	0	0	0
REVENUE:				
Inpatient Revenue	0	0	0	0
Outpatient Revenue	0	0	0	0
Net Patient Revenue	0	0	0	0
Other Revenue	0	0	0	0
Total Revenue	0	0	0	0
OPERATING EXPENSES:				
Salaries	0	0	0	0
Contract Labor	0	0	0	0
Incentive Compensation	0	0	0	0
Employee Benefits	0	0	0	0
Supplies	0	0	0	0
Medical Professional	0	0	0	0
Professional Fees	0	0	0	0
Purchased Services	0	0	0	0
Repairs & Maint	0	0	0	0
Rent	0	(707,960)	(705,960)	(703,920)
Utilities	0	0	0	0
Recruitment	0	0	0	0
T&E	0	0	0	0
Insurance	0	0	0	0
Advertising	0	0	0	0
Bad Debt	0	0	0	0
Taxes - Non Income	0	0	0	0
Other Expenses	0	0	0	0
Total Operating Exp	0	(707,960)	(705,960)	(703,920)
EBITDA	\$0	\$707,960	\$705,960	\$703,920
<i>Margin</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
OTHER COSTS:				
Depreciation/Amort	0	701,784	727,793	754,452
Management Fee	0	0	0	0
Interest	128,250	669,750	673,559	652,003
Total	128,250	1,371,534	1,401,352	1,406,455
NET INCOME	(\$128,250)	(\$663,574)	(\$695,392)	(\$702,535)
FTEs	0.0	0.0	0.0	0.0
EBOP	N/A	N/A	N/A	N/A

Combined

	2018	2019	2020	2021
Patient Days	0	18,278	36,480	36,580
ADC	0.0	49.9	99.9	99.9
Outpatient Visits	0	2,532	5,097	5,117
Adj. Patient Days	0	18,389	36,701	36,800

REVENUE:

Inpatient Revenue	0	12,787,949	26,096,647	26,691,546
Outpatient Revenue	0	582,400	1,184,066	1,200,599
Net Patient Revenue	0	13,370,349	27,280,713	27,892,145
Other Revenue	0	0	0	0
Total Revenue	0	13,370,349	27,280,713	27,892,145

OPERATING EXPENSES:

Salaries	194,175	7,203,333	11,027,932	11,334,600
Contract Labor	0	0	0	0
Incentive Compensation	0	251,000	257,275	263,707
Employee Benefits	36,893	1,368,633	2,095,307	2,153,574
Supplies	22,500	730,838	1,471,459	1,512,437
Medical Professional	0	1,305,054	2,449,665	2,480,974
Professional Fees	120,000	121,722	136,404	139,461
Purchased Services	0	678,202	899,218	912,361
Repairs & Maint	0	300,000	307,500	315,188
Rent	0	118,000	120,450	122,951
Utilities	0	323,184	331,264	339,545
Recruitment	10,000	60,000	61,500	63,038
T&E	80,000	960,000	984,000	1,008,600
Insurance	60,000	360,000	370,800	381,924
Advertising	0	120,000	123,000	126,075
Bad Debt	0	462,815	818,421	836,764
Taxes - Non Income	370,000	1,180,000	1,184,500	1,189,112
Other Expenses	0	36,000	36,900	37,823
Total Operating Exp	893,569	15,578,781	22,675,595	23,218,133

EBITDA	(\$893,569)	(\$2,208,432)	\$4,605,118	\$4,674,012
<i>Margin</i>	<i>N/A</i>	<i>-17%</i>	<i>17%</i>	<i>17%</i>

OTHER COSTS:

Depreciation/Amort	0	701,784	727,793	754,452
Management Fee	0	668,517	1,364,036	1,394,607
Interest	128,250	669,750	673,559	652,003
Total	128,250	2,040,051	2,765,387	2,801,062

NET INCOME	(\$1,021,819)	(\$4,248,484)	\$1,839,731	\$1,872,950

FTEs	2.2	117.7	179.4	179.4
EBOP	N/A	2.36	1.79	1.79

BALANCE SHEET

By Entity

Silver Oaks Behavioral, LLC

	12/31/2018	12/31/2019	12/30/2020	12/31/2021
<u>Assets</u>				
Cash	\$6,917,942	\$4,053,363	\$6,557,668	\$8,490,529
Net Accounts Receivable	\$0	\$3,431,574	\$2,896,742	\$2,956,450
Total Current Assets	\$6,917,942	\$7,484,936	\$9,454,410	\$11,446,978
Fixed Assets	\$0	\$0	\$0	\$0
Less: Accum Depr.	\$0	(\$0)	\$0	\$0
Net Fixed Assets	\$0	(\$0)	\$0	\$0
Intercompany	\$0	(\$3,458,210)	(\$2,862,996)	(\$2,261,128)
Other Assets	\$0	\$0	\$0	\$0
Total Assets	\$6,917,942	\$4,026,726	\$6,591,414	\$9,185,850
<u>Liabilities & Equity</u>				
Accrued Expenses	\$167,204	\$545,864	\$566,491	\$576,280
Accrued Payroll	\$42,484	\$357,519	\$366,457	\$375,618
Debt, Current Portion	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Current Liabilities	\$209,688	\$903,383	\$932,948	\$951,899
Debt, Net of Current	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Liabilities	\$209,688	\$903,383	\$932,948	\$951,899
Beginning Equity	\$7,601,822	\$6,708,253	\$3,123,344	\$5,658,466
Net Income	(\$893,569)	(\$3,584,910)	\$2,535,122	\$2,575,485
Ending Equity	\$6,708,253	\$3,123,344	\$5,658,466	\$8,233,951
Total Liabilities & Equity	\$6,917,942	\$4,026,726	\$6,591,414	\$9,185,850
Check	-	-	-	-

Silver Oaks Behavioral Realty, LLC

	12/31/2018	12/31/2019	12/30/2020	12/31/2021
<u>Assets</u>				
Cash	\$0	\$0	\$0	\$0
Net Accounts Receivable	\$0	\$0	\$0	\$0
Total Current Assets	\$0	\$0	\$0	\$0
Fixed Assets	\$24,299,928	\$24,479,928	\$24,664,428	\$24,853,541
Less: Accum Depr.	\$0	(\$701,784)	(\$1,429,577)	(\$2,184,029)
Net Fixed Assets	\$24,299,928	\$23,778,144	\$23,234,851	\$22,669,512
Intercompany	\$0	\$3,458,210	\$2,862,996	\$2,261,128
Other Assets	\$0	\$0	\$0	\$0
Total Assets	\$24,299,928	\$27,236,354	\$26,097,847	\$24,930,640
<u>Liabilities & Equity</u>				
Accrued Expenses	\$0	\$0	\$0	\$0
Accrued Payroll	\$0	\$0	\$0	\$0
Debt, Current Portion	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Current Liabilities	\$0	\$0	\$0	\$0
Debt, Net of Current	\$10,800,000	\$14,400,000	\$13,956,884	\$13,492,213
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Liabilities	\$10,800,000	\$14,400,000	\$13,956,884	\$13,492,213
Beginning Equity	\$13,628,178	\$13,499,928	\$12,836,354	\$12,140,963
Net Income	(\$128,250)	(\$663,574)	(\$695,392)	(\$702,535)
Ending Equity	\$13,499,928	\$12,836,354	\$12,140,963	\$11,438,427
Total Liabilities & Equity	\$24,299,928	\$27,236,354	\$26,097,847	\$24,930,640
Check	0	0	0	0

Combined

	12/31/2018	12/31/2019	12/30/2020	12/31/2021
<u>Assets</u>				
Cash	\$6,917,942	\$4,053,363	\$6,557,668	\$8,490,529
Net Accounts Receivable	\$0	\$3,431,574	\$2,896,742	\$2,956,450
Total Current Assets	\$6,917,942	\$7,484,936	\$9,454,410	\$11,446,978
Fixed Assets	\$24,299,928	\$24,479,928	\$24,664,428	\$24,853,541
Less: Accum Depr.	\$0	(\$701,784)	(\$1,429,577)	(\$2,184,029)
Net Fixed Assets	\$24,299,928	\$23,778,144	\$23,234,851	\$22,669,512
Intercompany	\$0	\$0	\$0	\$0
Other Assets	\$0	\$0	\$0	\$0
Total Assets	\$31,217,870	\$31,263,080	\$32,689,261	\$34,116,490
<u>Liabilities & Equity</u>				
Accrued Expenses	\$167,204	\$545,864	\$566,491	\$576,280
Accrued Payroll	\$42,484	\$357,519	\$366,457	\$375,618
Debt, Current Portion	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Current Liabilities	\$209,688	\$903,383	\$932,948	\$951,899
Debt, Net of Current	\$10,800,000	\$14,400,000	\$13,956,884	\$13,492,213
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Liabilities	\$11,009,688	\$15,303,383	\$14,889,833	\$14,444,111
Beginning Equity	\$21,230,000	\$20,208,181	\$15,959,698	\$17,799,428
Net Income	(\$1,021,819)	(\$4,248,484)	\$1,839,731	\$1,872,950
Ending Equity	\$20,208,181	\$15,959,698	\$17,799,428	\$19,672,379
Total Liabilities & Equity	\$31,217,870	\$31,263,080	\$32,689,261	\$34,116,490
Check	0	0	0	0

BALANCE SHEET

By Year

	SOB, LLC 12/31/2018	SOBR, LLC 12/31/2018	Combined 12/31/2018
<u>Assets</u>			
Cash	\$6,917,942	\$0	\$6,917,942
Net Accounts Receivable	\$0	\$0	\$0
Total Current Assets	\$6,917,942	\$0	\$6,917,942
Fixed Assets	\$0	\$24,299,928	\$24,299,928
Less: Accum Depr.	\$0	\$0	\$0
Net Fixed Assets	\$0	\$24,299,928	\$24,299,928
Intercompany	\$0	\$0	\$0
Other Assets	\$0	\$0	\$0
Total Assets	\$6,917,942	\$24,299,928	\$31,217,870
<u>Liabilities & Equity</u>			
Accrued Expenses	\$167,204	\$0	\$167,204
Accrued Payroll	\$42,484	\$0	\$42,484
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0
Total Current Liabilities	\$209,688	\$0	\$209,688
Debt, Net of Current	\$0	\$10,800,000	\$10,800,000
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$209,688	\$10,800,000	\$11,009,688
Beginning Equity	\$7,601,822	\$13,628,178	\$21,230,000
Net Income	(\$893,569)	(\$128,250)	(\$1,021,819)
Ending Equity	\$6,708,253	\$13,499,928	\$20,208,181
Total Liabilities & Equity	\$6,917,942	\$24,299,928	\$31,217,870
Check	\$0	\$0	\$0
Current Ratio	33.0	NA	33.0
Net Margin Percentage	NA	NA	NA
Percent Debt to Total Capitalization	0%	44%	35%
Debt Service Coverage Ratio	NA	(1.0)	(8.0)
Days Cash on Hand	2825.8	0.0	2825.8
Cushion Ratio	NA	0.0	53.9

	SOB, LLC 12/31/2019	SOBR, LLC 12/31/2019	Combined 12/31/2019
<u>Assets</u>			
Cash	\$4,053,363	\$0	\$4,053,363
Net Accounts Receivable	\$3,431,574	\$0	\$3,431,574
Total Current Assets	\$7,484,936	\$0	\$7,484,936
Fixed Assets	\$0	\$24,479,928	\$24,479,928
Less: Accum Depr.	(\$0)	(\$701,784)	(\$701,784)
Net Fixed Assets	(\$0)	\$23,778,144	\$23,778,144
Intercompany	(\$3,458,210)	\$3,458,210	\$0
Other Assets	\$0	\$0	\$0
Total Assets	\$4,026,726	\$27,236,354	\$31,263,080
<u>Liabilities & Equity</u>			
Accrued Expenses	\$545,864	\$0	\$545,864
Accrued Payroll	\$357,519	\$0	\$357,519
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0
Total Current Liabilities	\$903,383	\$0	\$903,383
Debt, Net of Current	\$0	\$14,400,000	\$14,400,000
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$903,383	\$14,400,000	\$15,303,383
Beginning Equity	\$6,708,253	\$13,499,928	\$20,208,181
Net Income	(\$3,584,910)	(\$663,574)	(\$4,248,484)
Ending Equity	\$3,123,344	\$12,836,354	\$15,959,698
Total Liabilities & Equity	\$4,026,726	\$27,236,354	\$31,263,080
Check	\$0	\$0	\$0
	(\$4,266,170)	\$4,266,170	
Current Ratio	8.3	NA	8.3
Net Margin Percentage	-27%	NA	-32%
Percent Debt to Total Capitalization	0%	53%	47%
Debt Service Coverage Ratio	NA	0.1	(5.3)
Days Cash on Hand	90.8	0.0	95.0
Cushion Ratio	31.6	0.0	6.2

	SOB, LLC 12/31/2020	SOBR, LLC 12/31/2020	Combined 12/31/2020
<u>Assets</u>			
Cash	\$6,557,668	\$0	\$6,557,668
Net Accounts Receivable	\$2,896,742	\$0	\$2,896,742
Total Current Assets	\$9,454,410	\$0	\$9,454,410
Fixed Assets	\$0	\$24,664,428	\$24,664,428
Less: Accum Depr.	\$0	(\$1,429,577)	(\$1,429,577)
Net Fixed Assets	\$0	\$23,234,851	\$23,234,851
Intercompany	(\$2,862,995.57)	\$2,862,996	\$0
Other Assets	\$0	\$0	\$0
Total Assets	\$6,591,414	\$26,097,847	\$32,689,261
<u>Liabilities & Equity</u>			
Accrued Expenses	\$566,491	\$0	\$566,491
Accrued Payroll	\$366,457	\$0	\$366,457
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0
Total Current Liabilities	\$932,948	\$0	\$932,948
Debt, Net of Current	\$0	\$13,956,884	\$13,956,884
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$932,948	\$13,956,884	\$14,889,833
Beginning Equity	\$3,123,344	\$12,836,354	\$15,959,698
Net Income	\$2,535,122	(\$695,392)	\$1,839,731
Ending Equity	\$5,658,466	\$12,140,963	\$17,799,428
Total Liabilities & Equity	\$6,591,414	\$26,097,847	\$32,689,261
Check	\$0	\$0	\$0
	(\$4,478,916)	\$4,478,916	
Current Ratio	10.1	NA	10.1
Net Margin Percentage	9%	NA	7%
Percent Debt to Total Capitalization	0%	0%	0%
Debt Service Coverage Ratio	NA	0.0	3.8
Days Cash on Hand	102.4	0.0	105.6
Cushion Ratio	51.1	0.0	10.1

	SOB, LLC 12/31/2021	SOBR, LLC 12/31/2021	Combined 12/31/2021
<u>Assets</u>			
Cash	\$8,490,529	\$0	\$8,490,529
Net Accounts Receivable	\$2,956,450	\$0	\$2,956,450
Total Current Assets	\$11,446,978	\$0	\$11,446,978
Fixed Assets	\$0	\$24,853,541	\$24,853,541
Less: Accum Depr.	\$0	(\$2,184,029)	(\$2,184,029)
Net Fixed Assets	\$0	\$22,669,512	\$22,669,512
Intercompany	(\$2,261,128.39)	\$2,261,128	\$0
Other Assets	\$0	\$0	\$0
Total Assets	\$9,185,850	\$24,930,640	\$34,116,490
<u>Liabilities & Equity</u>			
Accrued Expenses	\$576,280	\$0	\$576,280
Accrued Payroll	\$375,618	\$0	\$375,618
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion			
Total Current Liabilities	\$951,899	\$0	\$951,899
Debt, Net of Current	\$0	\$13,492,213	\$13,492,213
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$951,899	\$13,492,213	\$14,444,111
Beginning Equity	\$5,658,466	\$12,140,963	\$17,799,428
Net Income	\$2,575,485	(\$702,535)	\$1,872,950
Ending Equity	\$8,233,951	\$11,438,427	\$19,672,379
Total Liabilities & Equity	\$9,185,850	\$24,930,640	\$34,116,490
Check	\$0	\$0	\$0
	(\$4,685,008)	\$4,685,008	
Current Ratio	12.0	NA	12.0
Net Margin Percentage	9%	NA	7%
Percent Debt to Total Capitalization	0%	0%	0%
Debt Service Coverage Ratio	NA	0.1	4.0
Days Cash on Hand	129.5	0.0	133.5
Cushion Ratio	NA	NA	NA

CASH FLOW STATEMENT

By Year

	Year to Date for Year Ending on		12/31/2018
	Silver Oaks	Silver Oaks Realty	Combined
Cash Flows from Operating Activities			
Net Income (Loss)	(\$893,569)	(\$128,250)	(\$1,021,819)
Adjustments to Operating Activities:			
D&A	\$0	\$0	\$0
Change in Working Capital	\$209,688	\$0	\$209,688
Cash Flow from Investing Activities			
Capex	\$0	(\$24,299,928)	(\$24,299,928)
Cash Flow from Financing Activities			
Contributed Capital	\$7,601,822	\$13,628,178	\$21,230,000
Debt	\$0	\$10,800,000	\$10,800,000
Intercompany	\$0	\$0	\$0
Net Change in Cash & Cash Equivalents	\$6,917,942	\$0	\$6,917,942
Cash Beginning of Year	\$0	\$0	\$0
Cash End of Year	\$6,917,942	\$0	\$6,917,942
Cash Balance - Balance Sheet	\$6,917,942	\$0	\$6,917,942
Check	\$0	\$0	\$0

	Year to Date for Year Ending on		12/31/2019
	Silver Oaks		
	Silver Oaks	Realty	Combined
Cash Flows from Operating Activities			
Net Income (Loss)	(\$3,584,910)	(\$663,574)	(\$4,248,484)
Adjustments to Operating Activities:			
D&A	\$0	\$701,784	\$701,784
Change in Working Capital	(\$2,737,879)	\$0	(\$2,737,879)
Cash Flow from Investing Activities			
Capex	\$0	(\$180,000)	(\$180,000)
Cash Flow from Financing Activities			
Contributed Capital	\$0	\$0	\$0
Debt	\$0	\$3,600,000	\$3,600,000
Intercompany	\$3,458,210	(\$3,458,210)	\$0
Net Change in Cash & Cash Equivalents	(\$2,864,579)	\$0	(\$2,864,579)
Cash Beginning of Year	\$6,917,942	\$0	\$6,917,942
Cash End of Year	\$4,053,363	\$0	\$4,053,363
Cash Balance - Balance Sheet	\$4,053,363	\$0	\$4,053,363
Check	\$0	(\$0)	(\$0)

	Year to Date for Year Ending on		12/31/2020
	Silver Oaks		
	Silver Oaks	Realty	Combined
Cash Flows from Operating Activities			
Net Income (Loss)	\$2,535,122	(\$695,392)	\$1,839,731
Adjustments to Operating Activities:			
D&A	(\$0)	\$727,793	\$727,793
Change in Working Capital	\$564,398	\$0	\$564,398
Cash Flow from Investing Activities			
Capex	\$0	(\$184,500)	(\$184,500)
Cash Flow from Financing Activities			
Contributed Capital	\$0	\$0	\$0
Debt	\$0	(\$443,116)	(\$443,116)
Intercompany	(\$595,214)	\$595,214	\$0
Net Change in Cash & Cash Equivalents	\$2,504,306	\$0	\$2,504,306
Cash Beginning of Year	\$4,053,363	\$0	\$4,053,363
Cash End of Year	\$6,557,668	\$0	\$6,557,668
Cash Balance - Balance Sheet	\$6,557,668	\$0	\$6,557,668
Check	\$0	(\$0)	\$0

	Year to Date for Year Ending on		12/31/2020
	Silver Oaks		
	Silver Oaks	Realty	Combined
Cash Flows from Operating Activities			
Net Income (Loss)	\$2,575,485	(\$702,535)	\$1,872,950
Adjustments to Operating Activities:			
D&A	\$0	\$754,452	\$754,452
Change in Working Capital	(\$40,758)	\$0	(\$40,758)
Cash Flow from Investing Activities			
Capex	\$0	(\$189,113)	(\$189,113)
Cash Flow from Financing Activities			
Contributed Capital	\$0	\$0	\$0
Debt	\$0	(\$464,672)	(\$464,672)
Intercompany	(\$601,867)	\$601,867	\$0
Net Change in Cash & Cash Equivalents	\$1,932,860	(\$0)	\$1,932,860
Cash Beginning of Year	\$6,557,668	\$0	\$6,557,668
Cash End of Year	\$8,490,529	(\$0)	\$8,490,529
Cash Balance - Balance Sheet	\$8,490,529	\$0	\$8,490,529
Check	\$0	\$0	\$0

STAFFING

	2018	2019	2020
Total Direct Care	0.00	43.87	72.80
Other Clinical	0.33	23.19	33.90
Total Inpatient	0.33	67.06	106.70
Support	1.88	43.18	62.30
Outpatient	0.00	4.38	5.50
Total FTEs	2.21	114.62	174.50

DIRECT OPERATING COSTS

	2019
Salaries	11,027,932
Benefits	2,095,307
Supplies	1,471,459
Patient Days	36,480
Total Operating Costs / Pt Days	<u>\$ 400.08</u>

PROJECTED ANNUAL CAPITAL COSTS

	2019
Depreciation	727,793
Interest Expense	673,559
Amortization	
Real Estate Taxes	180,000
Patient Days	36,480
Total Capital Costs / Pt Days	<u>\$ 43.35</u>

START-UP COSTS

Total Start-up Capex	24,299,928
Total Start-up Losses	5,403,673
Total Start-up Costs	<u>\$ 29,703,601</u>

Section IX
Attachment 37
Economic Feasibility
Criterion 1120.140

Criterion 1120.140(a), Reasonableness of Financing Arrangements

An affidavit from James Cha, US Healthvest Chief Financial Officer, in support of this Criterion is attached as ATTACHMENT 37.

US HealthVest

February 20, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

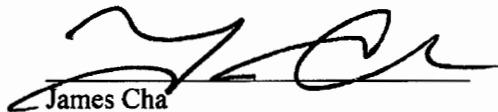
Re: Criterion 1120.140(a)
Reasonableness of Financing Arrangements Certification (Silver Oaks Hospital Project)

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1120.140(a), to the following:

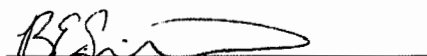
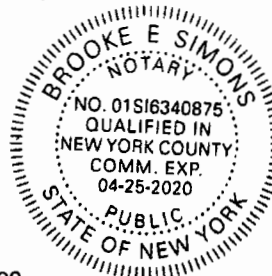
1. The Silver Oaks Hospital Project will be funded with \$9,899,928 in cash and a loan in the amount of \$14,400,000 from City Bank (the "Loan").
2. Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital") and Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty," and collectively with Silver Oaks Hospital, the "Silver Oaks Entities") are special purpose vehicles and were specifically organized for the Silver Oaks Hospital Project.
3. US Healthvest LLC ("US Healthvest"), through its wholly owned subsidiaries, New Lenox Innovations LLC and New Lenox Innovations Realty LLC, will be contributing sufficient cash to the Silver Oaks Entities so the Silver Oaks Entities can fund the cash obligations required by the Silver Oaks Entities for the Silver Oaks Hospital Project.
4. Borrowing the \$14,400,000 from City Bank for the Silver Oaks Hospital Project was less costly than liquidating US Healthvest's other investments.
5. US Healthvest's other investments can be converted to cash (if necessary) within a 60 day period to retire the Loan.

Sincerely,



James Cha
Chief Financial Officer, US Healthvest LLC
Chief Financial Officer, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital
Chief Financial Officer, Silver Oaks Behavioral Realty LLC
Chief Financial Officer, New Lenox Behavioral Innovations LLC
Chief Financial Officer, New Lenox Behavioral Innovations Realty LLC

Subscribed and Sworn to before me
this 21 day of February, 2017.


Notary Public

32 East 57th Street
17th Floor
New York, New York 10022
T 212.243.5565 • F 212.243.4000
WV 0448

Attachment

Criterion 1120.140(b), Conditions of Debt Financing

An affidavit from James Cha, US Healthvest Chief Financial Officer, in support of this Criterion is attached as ATTACHMENT 37.

US HealthVest

February 20, 2017

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Criterion 1120.140(b)
Conditions of Debt Financing Certification (Silver Oaks Hospital Project)

Dear Mr. Constantino:

I hereby certify, under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin. Code § 1120.140(b), to the following:

1. The Silver Oaks Hospital Project will be funded with \$9,899,928 in cash and a loan in the amount of \$14,400,000 from City Bank (the "Loan").
2. Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital") and Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty," and collectively with Silver Oaks Hospital, the "Silver Oaks Entities") are special purpose vehicles and were specifically organized for the Silver Oaks Hospital Project.
3. US Healthvest LLC ("US Healthvest"), through its wholly owned subsidiaries, New Lenox Innovations LLC and New Lenox Innovations Realty LLC, will be contributing sufficient cash to the Silver Oaks Entities so the Silver Oaks Entities can fund the cash obligations required by the Silver Oaks Entities for the Silver Oaks Hospital Project.
4. The Loan is the lowest net cost form of financing available, and has the most advantageous terms and conditions, to the Silver Oaks Entities for the Silver Oaks Hospital Project.

Sincerely,



James Cha
Chief Financial Officer, US Healthvest LLC
Chief Financial Officer, Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital
Chief Financial Officer, Silver Oaks Behavioral Realty LLC
Chief Financial Officer, New Lenox Behavioral Innovations LLC
Chief Financial Officer, New Lenox Behavioral Innovations Realty LLC

Subscribed and Sworn to before me
this 21 day of February, 2017.


Notary Public

32 East 57th Street
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Criterion 1120.140(c), Reasonableness of Project and Related Costs

1. The construction cost per gross square foot for the clinical portions of the Project is \$305.00. The contingency cost per gross square foot for the clinical portions of the Project is \$18.30. The construction and contingency cost per gross square foot for the clinical portions of the Project is \$323.30. The clinical portions of the Project encompass 49,789 gross square feet. The construction costs for the clinical portions of the Project total \$15,185,645. The construction and contingency costs for the clinical portions of the Project total \$16,096,784.

**COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE
(CLINICAL PORTIONS OF PROJECT PLUS PRORATA SHARE OF CIRCULATION)**

Department (list below)	A Cost/Square Foot	B MOD	C Gross Sq. Ft. (Clinical Portions Only)	D CIRC	E MOD	F CIRC	G Const. \$ (Clinical Portions Only) (A x C)	H Mod. \$ (B x E)	Total Cost (Clinical Portions Only) (G + H)
	NEW	MOD	NEW	CIRC	MOD	CIRC	(A x C)	(B x E)	(G + H)
AMI Hospital		---			---	---		---	
Construction Total	\$305.00	---	49,789		---	---	\$15,185,645	---	\$15,185,645
Contingencies	\$18.30	---	49,789		---	---	\$911,139	---	\$911,139
Construction & Contingencies Total	\$323.30	---	49,789		---	---	\$16,096,784	---	\$16,096,784

2. The Applicants will incur the following costs in completing this Project.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation	510,000	90,000	600,000
Off Site Work			
New Construction Contracts	15,185,645	5,350,005	20,535,650
Modernization Contracts			
Contingencies	911,139	321,000	1,232,139
Architectural/Engineering Fees	911,139	321,000	1,232,139
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)	595,000	105,000	700,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	18,112,922	6,187,006	24,299,928

The costs associated with this Project are below the Section 1120 norms. Hence, this Criterion has been satisfied.

Project Item	Project Cost (Clinical Parts Only)	Section 1120 Norm	Project Cost Compared to Section 1120 Norm
Preplanning Costs	\$0	1.8% * (Construction Costs + Contingencies + Equipment) = 1.8%* \$16,096,784 = \$289,742.11	Below Section 1120 Norm.
Site Survey, Soil Investigation and Site Preparation	\$0	5% * (Construction Costs + Contingencies) = 5%*16,096,784= \$804,839	Below Section 1120 Norm.
Construction Contracts and Contingencies The midpoint of construction will occur in 2019	\$323.00 per GSF	\$415 per GSF	Below Section 1120 Norm.
Contingencies	\$911,139	10% * (Construction Costs) = 10% * \$3,307,849 = \$2330,784	Below Section 1120 Norm
Architectural and Engineering Fees	\$911,139	5.90% to 8.86% * (Construction Costs + Contingencies) = 5.90% to 8.86% * 16,096,784= \$949,710 to \$1,426,175	Below Section 1120 Norm.
Consulting and Other Fees	\$0	No Section 1120 Norm	Reasonable as compared to other approved projects.
Purchased Equipment The midpoint of construction will occur in 2019	\$595,000	No Section 1120 Norm	Reasonable as compared to other approved projects.

Criterion 1120.140(d), Projected Operating Costs

The projected operating costs for the proposed Hospital in the first full fiscal year when the Project achieves target utilization (2020) are as follows:

Salaries:	\$11,027,932
Benefits:	\$2,095,307
Supplies:	\$1,471,459
Total Operating Expenses:	\$14,594,498

Patient Days: 36,480

Total Operating Costs Per Patient Day: \$400.08

There is not State standard for these costs.

Criterion 1120.140(e), Projected Capital Costs

The projected capital costs for the proposed Hospital in the first full fiscal year when the Project achieves target utilization (2020) are as follows:

Depreciation Expense:	\$727,793
Interest Expense:	\$673,559
Amortization:	0
Real Estate Taxes:	\$180,000

Patient Days: 36,480

Total Capital Costs Per Patient Day: \$43.35

There is not State standard for these costs.

Section X
Attachment 40
Safety Net Impact Statement

1. The proposed Hospital will not have a negative impact on essential safety net services. Indeed, the proposed Hospital will improve essential safety net services in Planning Area A-13.

Silver Cross Hospital

2. The following chart sets forth the amount of charity care provided by Silver Cross Hospital in the last four fiscal years (as reported by Silver Cross Hospital on its Annual Hospital Questionnaires.)

Silver Cross Hospital				
	FY 2013	FY 2014	FY 2015	FY 2016
Number of Inpatient Charity Care Patients	1,079	1,038	1,063	971
Number of Outpatient Charity Care Patients	3,597	3,533	3,826	3,584
Total Number of Charity Care Patients	4,676	4,571	4,889	4,555
Inpatient Charity Care Charges	\$16,284,000	\$16,539,000	\$11,984,000	\$10,806,000
Outpatient Charity Care Charges	\$ 11,791,000	\$10,576,000	\$7,663,000	\$6,909,000
Total Charity Care Charges	\$28,075,000	\$27,115,000	\$19,647,000	\$17,715,000
Inpatient Cost of Charity Care	\$5,139,000	\$4,923,000	\$3,419,000	\$3,065,000
Outpatient Cost of Charity Care	\$3,721,000	\$3,148,000	\$2,186,000	\$1,959,000
Total Cost of Charity Care	\$8,860,000	\$8,071,000	\$5,605,000	\$5,024,000

3. The following chart sets forth the amount of care provided to Medicaid patients by Silver Cross Hospital in the last four fiscal years (as reported by Silver Cross Hospital on its Annual Hospital Questionnaires).

Silver Cross Hospital				
	FY 2013	FY 2014	FY 2015	FY 2016
Number of Inpatient Medicaid Patients	2,186	2,611	2,997	2,983
Number of Outpatient Medicaid Patients	31,092	31,670	32,024	39,154
Total Number of Medicaid Patients	33,278	34,281	35,021	42,137
Net Inpatient Medicaid Revenues	\$15,714,000	\$14,091,000	\$12,190,000	\$20,015,000
Net Outpatient Medicaid Revenues	\$13,985,000	\$21,165,000	\$26,560,000	\$24,553,000
Total Net Medicaid Revenues	\$29,699,000	\$35,256,000	\$38,750,000	\$44,568,000

4. The following chart sets forth the amount of care provided to self-pay patients by Silver Cross Hospital in the last four fiscal years.

Silver Cross Hospital				
	FY 2013	FY 2014	FY 2015	FY 2016
Number of Inpatient Self-Pay Patients	274	413	348	592
Number of Outpatient Self-Pay Patients	12,068	10,627	8,188	10,520
Total Number of Self-Pay Patients	12,342	11,040	8,536	11,112
Inpatient Self-Pay Revenues	\$818,000	\$614,000	\$600,000	\$644,000
Outpatient Self-Pay Revenues	\$9,371,000	\$3,236,000	\$1,140,000	\$3,199,000
Total Self-Pay Revenues	\$10,189,000	\$3,850,000	\$1,740,000	\$3,843,000

5. It bears noting that the payor mix in the Behavioral Health Department at Silver Cross Hospital is more skewed toward Medicaid and self-pay patients, as compared to the other Departments at Silver Cross Hospital. The below chart sets forth the high percentage of Medicaid and self-pay patients receiving in-patient services in the Behavioral Health Department at Silver Cross Hospital. The Applicants believe that the payor mix at Silver Oaks Hospital will resemble the payor mix in the Behavioral Health Department at Silver Cross Hospital (versus the payor mix, in general, at Silver Cross Hospital).

Silver Cross Hospital Behavioral Health Department (Inpatients Only)			
	FY 2014	FY 2015	FY 2016
Medicaid & Self-Pay Patients	34%	42%	39%
Medicare Patients	30%	26%	27%
Commercial Insurance Patients (HMO and PPO)	36%	31%	34%

Chicago Behavioral Hospital

6. The following chart sets forth the amount of charity care provided by Chicago Behavioral Hospital in the last two fiscal years (as reported by Chicago Behavioral Hospital on its Annual Hospital Questionnaires). Chicago Behavioral Hospital acquired Maryville Behavioral Health Hospital from Maryville Academy on November 3, 2014, hence FY 2014 is only a stub year. The Board approved the Certificate of Exemption associated with that transaction on August 27, 2014. See Board Project No. E-016-14.

	FY 2015	FY 2016
Number of Inpatient Charity Care Patients	3	55
Number of Outpatient Charity Care Patients	1	6
Total Number of Charity Care Patients	3	61
Inpatient Charity Care Charges	\$20,124	\$212,646
Outpatient Charity Care Charges	\$244	\$2,141
Total Charity Care Charges	\$20,368	\$214,787
Inpatient Cost of Charity Care	\$17,130	\$250,789
Outpatient Cost of Charity Care	\$194	\$4,757
Total Cost of Charity Care	\$17,324	\$255,545

7. The following chart sets forth the amount of care provided to Medicaid patients by Chicago Behavioral Hospital in the last two fiscal years (as reported by Chicago Behavioral Hospital on its Annual Hospital Questionnaires).

Chicago Behavioral Hospital		
	FY 2015	FY 2016
Number of Inpatient Medicaid Patients	982	2086
Number of Outpatient Medicaid Patients	79	183
Total Number of Medicaid Patients	1061	2269
Net Inpatient Medicaid Revenues	\$6,163,985	\$2,430,908
Net Outpatient Medicaid Revenues	\$75,335	\$27,634
Total Net Medicaid Revenues	\$6,239,320	\$2,458,543

8. The following chart sets forth the amount of care provided to self-pay patients by Chicago Behavioral Hospital in the last two fiscal years.

Chicago Behavioral Hospital		
	FY 2015	FY 2016
Number of Inpatient Self-Pay Patients	3	8
Number of Outpatient Self-Pay Patients	0	2
Total Number of Self-Pay Patients	3	8
Inpatient Self-Pay Revenues	\$18,038	\$24,810
Outpatient Self-Pay Revenues	\$0	\$2,550
Total Self-Pay Revenues	\$18,038	\$27,360

Section XI
Attachment 41
Charity Care Information

Silver Cross Hospital

Silver Cross Hospital's charity care for the last four audited fiscal years is set forth below:

Silver Cross Hospital Charity Care				
	FY 2013	FY 2014	FY 2015	FY 2016
Total Net Patient Revenue	\$289,786,000	\$309,018,000	\$323,175,000	\$351,053,000
Amount of Charity Care (Charges)	\$28,075,000	\$27,115,000	\$19,647,000	\$17,715,000
Cost of Charity Care	\$8,860,000	\$8,071,000	\$5,605,000	\$5,024,000
Cost of Charity Care/Total Net Patient Ratio	3.1%	2.6%	1.7%	1.4%

In total, Silver Cross Hospital provided nearly \$39,000,000 in charity care and other community benefits in FY 2016.

Chicago Behavioral Hospital

Chicago Behavioral Hospital's charity care for the last two audited fiscal years and an estimate for FY 2016 is set forth below. Chicago Behavioral Hospital acquired Maryville Behavioral Health Hospital from Maryville Academy on November 3, 2014, hence FY 2014 is only a stub year. The Board approved the Certificate of Exemption associated with that transaction on August 27, 2014. See Board Project No. E-016-14.

Chicago Behavioral Hospital			
	FY 2014	FY 2015	FY 2016 (Est.)
Total Net Patient Revenue	\$827,152	\$15,620,306	\$31,598,935
Amount of Charity Care (Charges)	\$0	\$20,368	\$214,787
Cost of Charity Care	\$0	\$17,324	\$255,545
Cost of Charity Care/Total Net Patient Ratio	0.0%	0.1%	0.8%

In total, Chicago Behavioral Hospital provided over \$255,545 in charity care and other community benefits in FY 2016.

After paginating the entire, completed application, indicate in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	26-30
2	Site Ownership	31-39
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	40-41
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	42-44
5	Flood Plain Requirements	45-51
6	Historic Preservation Act Requirements	52-53
7	Project and Sources of Funds Itemization	54
8	Financial Commitment Document if required	
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	55-66
12	Purpose of the Project	67-234
13	Alternatives to the Project	235-238
14	Size of the Project	239-242
15	Project Service Utilization	243-244
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
	Service Specific:	
19	Medical Surgical Pediatrics, Obstetrics, ICU	
20	Comprehensive Physical Rehabilitation	
21	Acute Mental Illness	245-368
22	Open Heart Surgery	
23	Cardiac Catheterization	
24	In-Center Hemodialysis	
25	Non-Hospital Based Ambulatory Surgery	
26	Selected Organ Transplantation	
27	Kidney Transplantation	
28	Subacute Care Hospital Model	
29	Community-Based Residential Rehabilitation Center	
30	Long Term Acute Care Hospital	
31	Clinical Service Areas Other than Categories of Service	
32	Freestanding Emergency Center Medical Services	
33	Birth Center	
	Financial and Economic Feasibility:	
34	Availability of Funds	369-430
35	Financial Waiver	
36	Financial Viability	431-446
37	Economic Feasibility	447-454
38	Safety Net Impact Statement	455-458
39	Charity Care Information	459