

July 24, 2018

**VIA FED EXPRESS AND E-MAIL**

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

**RECEIVED**

JUL 25 2018

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

Re: First Annual Progress Report for Project No. 17-009 – Silver Oaks Hospital

Dear Mr. Constantino:

As you know, we are counsel to 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"). On February 24, 2017, the Applicants filed a Certificate of Need Application (the "CON Application") with the Illinois Health Facilities & Services Review Board (the "Board") to establish a 100 bed behavioral health hospital in New Lenox, Illinois (the "Project") to be known as Silver Oaks Hospital (the "Hospital"). On June 20, 2017, the Board approved the CON Application. Pursuant to 77 Ill. Adm. Code 1130.760, we are hereby submitting the Applicants' first annual progress report for the Project.

1. Current Status of the Project. No changes have been made to the scope or size of the Project. The Hospital is currently under construction and the Project is approximately 75% complete. Foundations, structural steel, exterior precast panels, windows, roofing, rough-in plumbing, rough-in electrical, rough-in mechanicals, partial framing and partial drywall installation, have been completed. The Applicants are currently anticipating that construction on the Hospital will conclude sometime in December of 2018. Sometime in November of 2018, the Applicants will contact the Village of New Lenox and the Illinois Department of Public Health ("IDPH") to coordinate occupancy and licensure of the Hospital.

2. Anticipated Project Completion Date. At this point, the Applicants are still projecting a Project completion date of December 31, 2018; however, that date is dependent on



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Mr. Michael Constantino  
Silver Oaks Hospital, Project No. 17-009  
July 24, 2018  
Page 2

the survey schedule of IDPH in December. It also bears noting that, on June 26, 2018, consistent with the CON Application, Silver Cross Hospital filed a Certificate of Exemption Application (the "Silver Cross COE Application") to discontinue the 20 bed acute mental illness unit at Silver Cross Hospital, effective as of the opening date of the Hospital. See Project No. E-36-18. On July 24, 2018, the Board approved the Silver Cross COE Application.

3. Costs Incurred to Date. To date, the Applicants have spent \$10,133,945 on the Project. The Applicants are currently projecting that they will not exceed the total project cost of \$24,299.928 set forth in the CON Application.

4. Method of Financing and Sources of Funds. The method of financing and sources of funds for the Project have not changed since the filing of the CON Application.

Please call or write if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward J. Green".

Edward J. Green

cc: Ms. Martina Sze, Executive Vice President, US Healthvest LLC  
Ms. Ruth Colby, President & CEO, Silver Cross Hospital & Medical Centers