



October 9, 2018

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

RECEIVED

OCT 10 2018

HEALTH FACILITIES &
SERVICES REVIEW BOARD

**Re: Opposition to Project No: 18-016
Transformative Health of McHenry**

Dear Ms. Avery,

On behalf of Wauconda Healthcare & Rehabilitation Centre LLC, we would like to voice opposition of the proposed 84 bed skilled nursing facility to be built in McHenry, Project No: 18-016- Transformative Health of McHenry.

Wauconda Healthcare & Rehabilitation Centre is a 135 bed skilled nursing facility located in Wauconda, approximately nine miles away from the proposed new skilled nursing facility. Wauconda Healthcare opened in the 1960's and has operated under our current management since 2000. We are a CMS Rated 5 Star Facility and an active member of our community. We rely upon Centegra Hospital as one of our main sources of patient referrals and hold Preferred Plus status with Centegra/Northwestern Medicine's Post Acute Network.

Wauconda's average occupancy rate for the past four years has been 72%. This clearly demonstrates that we have beds available. This proposed site would have a detrimental effect on a facility that has been an established member of this community for many years. The residents of this and the surrounding communities rely upon us to provide consistent, quality care to our residents.

In 2012, Wauconda Healthcare & Rehabilitation Centre, LLC applied for, and was granted a Certificate of Need for a 40 bed addition to our facility. We invested significant funds and effort on this project, # 12-062, and acquired land adjacent to our current facility. On October 7, 2014, we relinquished our CON after determining that there was no need for these additional beds in Lake County. At our current census level, we do not need additional beds in the area.

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Under the existing Accountable Care Organization rules, hospitals have financial incentives to discharge their patients directly to home rather than to a post acute facility. In the past five years, our average length of stay has declined from 30 days to 14 days in the Post Acute Network. Our concerns are also magnified by the expected changes to Medicare Reimbursement Rules for the Patient Driven Payment Model which will go into effect in October of 2019. Under the new rules, we expect the number of patients and length of stay to decline further which will affect all facilities and result in additional empty beds.

Additionally, of utmost concern to us is the negative effect adding an additional 84 skilled beds to this area will have on the existing facilities to continue to maintain adequate staffing levels. There are currently enormous nursing shortages nation-wide, for both licensed nurses and certified nursing assistants. Depleting this already strained pool, will most certainly have a negative impact on the quality of care that is provided to our seniors.

We respectfully request that you reconsider approving this project.

Thank you for your time.

Sincerely,

A handwritten signature in black ink, appearing to be 'CH', written over a circular stamp or seal.

Cheryl Hahn
Administrator



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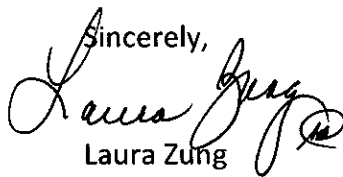
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Sincerely,

Laura Zung
CEO