



STATE OF ILLINOIS  
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

|                                                                     |                                            |                              |                                               |
|---------------------------------------------------------------------|--------------------------------------------|------------------------------|-----------------------------------------------|
| <b>DOCKET NO:</b><br>H-07                                           | <b>BOARD MEETING:</b><br>February 25, 2020 | <b>PROJECT NO:</b><br>19-056 | <b>PROJECT COST:</b><br>Original: \$5,329,625 |
| <b>FACILITY NAME:</b><br>Javon Bea Hospital – Rockton Avenue Campus |                                            | <b>CITY:</b><br>Rockford     |                                               |
| <b>TYPE OF PROJECT:</b> Substantive                                 |                                            |                              | <b>HSA: I</b>                                 |

**PROJECT DESCRIPTION:** The Applicants (Javon Bea Hospital and Mercy Health Corporation) propose the establishment of a 17-bed skilled care unit (sub-acute care unit) at a cost or approximately \$5,329,625. The expected completion date is August 31, 2020.

## EXECUTIVE SUMMARY

### **PROJECT DESCRIPTION:**

- The Applicants (Javon Bea Hospital and Mercy Health Corporation) propose the establishment of a 17-bed skilled care unit (i.e. sub-acute unit) at a cost of approximately \$5,329,625. The expected completion date is August 31, 2020.
- The Applicants consider the proposed skilled care unit a subacute care unit or transitional care unit rather than long-term care. Subacute care is defined as *“the provision of medical specialty care for patients who need a greater intensity or complexity of care than generally provided in a skilled nursing facility but who no longer require acute hospital care. Subacute care includes physician supervision, registered nursing and physiological monitoring on a continual basis.”*
- *“Transitional care is defined as a set of actions designed to ensure the coordination and continuity of health care as patients transfer between different locations or different levels of care within the same location. Representative locations include (but are not limited to) hospitals, sub-acute and post-acute nursing homes, the patient’s home, primary and specialty care offices, and long-term care facilities. Transitional care is based on a comprehensive plan of care and the availability of health care practitioners who are well-trained in chronic care and have current information about the patient’s goals, preferences, and clinical status. It includes logistical arrangements, education of the patient and family, and coordination among the health professionals involved in the transition. Transitional care, which encompasses both the sending and the receiving aspects of the transfer, is essential for persons with complex care needs.”* (Source: American Geriatric Society)
- Long-term care (skilled care) is considered a category of service by the State Board and is subject to State Board review. The State Board does not have rules specific to subacute care.<sup>1</sup> Nor does the State Board have rules for the establishment of a long-term care unit in a hospital. The proposed project will be reviewed as the establishment of a long-term care category of service under Part 1125 – General Long-Term Care. Should the State Board approve this project, this 17-bed unit will be licensed as 17 long-term care beds under the hospital license and will be considered in the calculation of the need or excess of long-term care beds in the Winnebago County Long Term Care Planning Area by the State Board.

### **WHY THE PROJECT IS BEFORE THE STATE BOARD:**

- The project is before the State Board because the project proposes to establish a category of service per 20 ILCS 3960.

### **PURPOSE:**

- The Applicants are proposing this project *“to ensure that patients are placed in the most appropriate treatment setting. Specifically, the establishment of a subacute care unit will allow the transfer of certain patients from Mercyhealth acute care (typically Medical/Surgical) beds, to a short-term level of care appropriate to their needs. Caring for patients in this setting will reduce expenses for government payors, reduce post-discharge Emergency Department visits and re-admissions, and result in better care coordination and patient satisfaction for at-risk patients. As such, the health care and well-being of the service area population will be improved.”*

---

<sup>1</sup> The Alternative Health Care Delivery Act authorized a Subacute Care Hospital Model. That Model was evaluated by the Department of Public Health and has been discontinued. Those health facilities that were authorized under the subacute hospital care model continue to operate those beds and are required to renew their subacute care license every year by the Department. No new facilities can be established.

**PUBLIC HEARING/COMMENT:**

- No public hearing was requested. Letters of support were received from the following and are included at the end of this report:
  - University of Illinois College of Medicine
  - State Representative Maurice West II
  - State Senator Dave Syverson
  - State Representative Joe Sosnowski
  - Rockford Area Economic Development Council
  - The Lake County Community Foundation
  - Amberwood Care Center
  - PA Peterson at the Citadel
- No opposition letters were received.

**SUMMARY:**

- As mentioned above the Applicants view the proposed skilled care unit as a subacute care unit that will provide a “transition” for medical surgical patients requiring more care than what is provided in a skilled care facility but not severe enough to be in a medical surgical unit. The Applicants believe that the average length of stay will be 14-days with ADC of 16 patients in this unit which would equate to a 95% occupancy.
- According to the Applicants, the need for this long-term care unit is based upon the difficulty by the hospital in the attainment of third-party approvals for post-acute care, and the increasing reluctance of the area skilled care facilities to accept the transfer of patients requiring subacute care and not having prior third-party authorization.
- There is no need for long-term care beds in the Winnebago County Planning Area as there is a calculated excess of 144 long term care beds in this planning area. Additionally, there are 16 long term care facilities operating at approximately 68.5% in this planning area. The proposed project will have an impact on the skilled care facilities in the Winnebago County Planning Area as these facilities could lose at a maximum 5,840 nursing care days annually once the subunit reaches target occupancy.

**CONCLUSIONS:**

The Applicants addressed a total of 23 criteria and have not met the following:

| <b>Criterion</b>                                                                      | <b>Reasons for Non-Compliance</b>                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>77 ILAC 1125.530 (a) – Planning Area Need</b>                                      | There is a calculated excess of 144-long term care beds in the Winnebago County Long Term Care Planning Area. (See page 10 of this report)                                                                                                |
| <b>77 ILAC 1125.570 (a) &amp; (b) – Service Accessibility</b>                         | There is not an access issue as there are existing skilled care facilities in the Winnebago County Planning Area that have capacity to accommodate the patients proposed to be serve by the 17-bed unit. (See pages 10-11 of this report) |
| <b>77 ILAC 1125.580 (a) &amp; (b) – Unnecessary Duplication &amp; Maldistribution</b> | Two of the 16 Skilled Nursing Facilities within the 17-mile GSA are operating at the target occupancy of 90%. The establishment of this unit would result in a duplication of service. (See page 11 of this report)                       |
| <b>77 ILAC 1125 580 (c) – Impact of Project on Other Providers</b>                    | There would be an impact on other providers of the skilled care services in this Planning Area. (See pages 11-12 of this report)                                                                                                          |

## STATE BOARD STAFF REPORT

#19-056

### Javon Bea Hospital – Rockton Avenue Campus

### APPLICATION SUMMARY/CHRONOLOGY

|                                                       |                                                 |
|-------------------------------------------------------|-------------------------------------------------|
| Applicants                                            | Javon Bea Hospital and Mercy Health Corporation |
| Facility Name                                         | Javon Bea Hospital                              |
| Location                                              | 2400 North Rockton Avenue, Rockford, Illinois   |
| Application Received                                  | November 18, 2019                               |
| Application Deemed Complete                           | November 21, 2019                               |
| Review Period Ends                                    | March 20, 2020                                  |
| Permit Holder                                         | Javon Bea Hospital and Mercy Health Corporation |
| Operating Entity                                      | Javon Bea Hospital                              |
| Owner of the Site                                     | Javon Bea Hospital                              |
| Project Financial Commitment Date                     | August 31, 2020                                 |
| Gross Square Footage                                  | 12,450 GSF                                      |
| Project Completion Date                               | August 31, 2020                                 |
| Expedited Review                                      | Yes                                             |
| Can Applicants Request a Deferral?                    | Yes                                             |
| Has the Application been extended by the State Board? | No                                              |

#### **I. The Proposed Project**

The Applicants (Javon Bea Hospital and Mercy Health Corporation) propose the establishment of a 17-bed skilled care unit at a cost or approximately \$5,329,625. The expected completion date is August 31, 2020.

#### **II. Summary of Findings**

- A. The State Board Staff finds the proposed project is **not** in conformance with the provisions of Part 1110.
- B. The State Board Staff finds the proposed project is conformance with the provisions of Part 1120.

#### **III. General Information**

The Applicants are Javon Bea Hospital and Mercy Health Corporation. Mercy Health Corporation is a not-for-profit entity that serves as the parent corporation of three hospitals in Illinois. Mercy Harvard Hospital, Inc. in Harvard, Illinois is a critical access hospital with 5 acute care and 45 long-term care beds. Javon Bea Hospital, previously Rockford Memorial Hospital, operates a 94-bed hospital – Rockton Avenue Campus and a 194-bed hospital-Riverside Campus in Rockford, Illinois. The State Board approved a 13-bed hospital in Crystal Lake, Illinois in 2017- Mercy Crystal Lake Hospital. That decision is being challenged in court.

This is a substantive project subject to a Part 1110 and Part 1120 review. Financial commitment will occur at the time of permit issuance should the project be approved.

#### IV. Health Service Area

Javon Bea Hospital is in Health Service Area I and the Winnebago Long Term Care Planning Area.<sup>2</sup> Health Service Area I include the Illinois Counties of Boone, Carroll, DeKalb, Jo Daviess, Lee, Ogle, Stephenson, Whiteside, and Winnebago. Population in this Health Service Area is estimated to be 702,200 by 2022 (IDPH est.) an increase of 5.5% from 2017 estimate of 665,800 (IDPH est.). The Illinois Department of Public Health is estimating an increase in the population in Winnebago County by 5.65%. See Table below.

**TABLE ONE**  
Estimate of Population in Winnebago County by Age Cohort

| Age             | 2017    | 2022    | % Change |
|-----------------|---------|---------|----------|
| 0-64 Years Old  | 236,100 | 242,900 | 2.88%    |
| 65-74 Years Old | 28,100  | 33,200  | 18.15%   |
| 75+ Years Old   | 20,600  | 24,800  | 20.39%   |
| Total           | 284,800 | 300,900 | 5.65%    |

The Geographical Service Area (“GSA”) is a 17-mile radius for this project. There is a population of approximately 406,200 in this 17-mile GSA.

#### V. Project Details

The Applicants propose the establishment of a 17-bed skilled care unit (i.e. subacute care unit) through the modernization of the pediatric unit on the third floor of the "B" wing of Javon Bea Hospital-Rockton Avenue Campus.<sup>3</sup> The Applicants stated that *“admission to the long-term care unit will routinely be limited to patients discharged from an acute care unit and in need of short-term care, prior to returning either to a private residence or being admitted to a long-term care facility. At the time of discharge from a hospital acute care setting, many patients still require services that are only available in a hospital setting (e.g. diagnostic, dialysis, tracheotomy management, etc.). These patients are no longer acute enough to require or justify hospitalization but are not medically ready to be discharged to rehabilitation hospitals, skilled nursing facilities, or their own home. Therefore, many of them fall through the cracks” clinically speaking and would be better served at a lower cost in Mercyhealth's proposed unit.*

---

<sup>1</sup>Long-Term Care Planning Areas: There are 95 general long-term nursing care planning areas are located within the 11 Health Services Areas. Most of these 95 planning areas are by county. Chicago is divided into 3 long term planning areas and the Cook and DuPage County are divided into 5 long-term planning areas. A few of the long-term planning areas are a combination of smaller population counties to total 95 planning areas. (Source: 77 ILAC 1125.210)

<sup>3</sup> Permit #15-038 approved the discontinuation of the pediatric category of service at the Rockton Avenue campus and Permit #15-039 reestablished the pediatric category of service at the Riverside Campus. (Approved November 18, 2015)

## VI. Project Uses and Sources of Funds

The Applicants are funding this project in its entirety with cash/securities of \$5,329,625. The expected operating start-up costs is expected to be approximately \$200,000.

**TABLE TWO**  
Project Uses and Sources of Funds

| PROJECT USES OF FUNDS          |             |         |
|--------------------------------|-------------|---------|
| Preplanning                    | \$65,000    | 1.22%   |
| Modernization Contracts        | \$3,265,625 | 61.27%  |
| Contingencies                  | \$249,000   | 4.67%   |
| Architectural/Engineering Fees | \$350,000   | 6.57%   |
| Consulting and other Fees      | \$250,000   | 4.69%   |
| Movable and Other Equipment    | \$350,000   | 6.57%   |
| Other Costs to be Capitalized  | \$800,000   | 15.01%  |
| TOTAL USES OF FUNDS            | \$5,329,625 | 100.00% |
| SOURCES OF FUNDS               |             |         |
| Cash and Securities            | \$5,329,625 | 100.00% |

## VII. **Background of the Applicants, Purpose of the Project, Safety Net Impact Statement, Alternatives to the Project**

### A) **Criterion 1110.110 (a) - Background of the Applicants**

The Applicants provided the necessary attestation that no adverse<sup>4</sup> action has been taken against Mercy Health Corporation, or any of its IDPH-Licensed health care facilities, directly or indirectly, within three (3) years prior to the filing of this Application and authorized HFSRB and IDPH to access any documents which it finds necessary to verify any information submitted, including, but not limited to: official records of IDPH or other State agencies and the records of nationally recognized accreditation organizations. The Applicants have complied with Executive #2006-05 and the Illinois State Agency Historic Resources Preservation Act as required.

### B) **Criterion 1110.110 (b) - Purpose of the Project**

The purpose of the project is to establish a long-term care unit (i.e. subacute care unit) at Javon Bea Hospital – Rockton Campus. Subacute care is defined by the State Board as *the provision of medical specialty care for patients who need a greater intensity or complexity*

---

<sup>4</sup> "Adverse Action" means a disciplinary action taken by IDPH, CMMS, or any other State or federal agency against a person or entity that owns or operates or owns and operates a licensed or Medicare or Medicaid certified healthcare facility in the State of Illinois. These actions include, but are not limited to, all Type "A" and Type "AA" violations. As defined in Section 1-129 of the Nursing Home Care Act [210 ILCS 45], "Type 'A' violation" means a violation of the Nursing Home Care Act or of the rules promulgated thereunder which creates a condition or occurrence relating to the operation and maintenance of a facility presenting a substantial probability that risk of death or serious mental or physical harm to a resident will result therefrom or has resulted in actual physical or mental harm to a resident. As defined in Section 1-128.5 of the Nursing Home Care Act, a "Type AA violation" means a violation of the Act or of the rules promulgated thereunder which creates a condition or occurrence relating to the operation and maintenance of a facility that proximately caused a resident's death. [210 ILCS 45/1-129]

*of care than generally provided in a skilled nursing facility but who no longer require acute hospital care. Subacute care includes physician supervision, registered nursing and physiological monitoring on a continual basis. (Section 35 of the Alternative Health Care Delivery Act [210 ILCS 3/35])*

According to the Applicants the establishment of this unit will allow the transfer of certain patients from the Applicants' acute care beds (generally medical surgical beds), to a short-term level of care appropriate to their needs. The Applicants state further *"The purpose of the proposed project is to ensure that patients are placed in the most appropriate treatment setting. Specifically, the establishment of a subacute care unit will allow the transfer of certain patients from Applicants' acute care (typically Medical/Surgical) beds, to a short-term level of care appropriate to their needs. Caring for patients in this setting will reduce expenses for government payors, reduce post discharge Emergency Department visits and re-admissions, and result in better care coordination and patient satisfaction for at-risk patients. As such, the health care and well-being of the service area population will be improved."*

According to the Applicants it is their *"expressed intention of Applicants to admit only those patients into the Subacute Unit for whom the hospital could not find appropriate placement in a skilled nursing facility ("SNF") after making efforts to do so. Further, once the condition or circumstance which precluded the placement into a skilled care unit has been resolved, the Applicants shall be obligated to immediately transfer any such resident to a skilled care unit that is willing to accept such patient."*

Examples of the types of patients that will benefit from this level of care are medical patients with complications who may not need the skill level of a long term acute care hospital but require patients requiring multiple ambulance transports per week to be seen by specialists, patients with infusion needs such as frequent albumin/blood products, daily physician visits and evaluations, and patients requiring complex post-operative or patients who are too fragile to be moved out of the greater hospital setting.

According to the Applicants the hospital's discharge planning department routinely has difficulties in the placement of these types of short-stay patients in skilled care facilities, and they are in essence "falling through the cracks" clinically speaking. Additionally, the hospital routinely needs to "hold" patients in a Medical/Surgical bed for non-clinical reasons, such as delays in securing third party approval for skilled care, a patient's lack of a payment source for skilled care, or a variety of social issues (i.e. sex offenders, patients with criminal backgrounds, etc. making placement in a skilled care facility difficult. Patients who resided in a skilled nursing facility immediately prior to admission to the hospital for acute care, or patients typically admitted to a long-term care hospital, will not be admitted to the proposed subacute care unit unless 1) requested by the skilled care facility, 2) admission is medically necessary for the patient, or 3) it is the expressed preference of the patient. (See Revised Purpose and Utilization submitted January 29, 2020)

The origin of the patients to utilize the proposed skilled care unit will be the same as those transferred to long acute care facilities or nursing homes. The table below shows the population by zip code within the 17-mile GSA and the number of referrals made by Javon Bea Hospital to long term acute care hospitals or skilled care facilities of residents that

resided within the 17-mile GSA. Of the total referrals for FY18 and FY19 approximately 85% came from within the 17-mile GSA.

**TABLE THREE**  
Referrals by Zip Code, City, County, Population  
2018-2019

| Zip   | City              | County    | Population | Referrals to LTAC Hospitals or Skilled Care Facilities From Zip Codes the within 17-mile GSA |      |
|-------|-------------------|-----------|------------|----------------------------------------------------------------------------------------------|------|
|       |                   |           |            | 2018                                                                                         | 2019 |
| 53511 | Beloit, Wisconsin | Rock      | 49,327     | 2                                                                                            | 3    |
| 61008 | Belvidere         | Boone     | 35,893     | 7                                                                                            | 6    |
| 61011 | Caledonia         | Boone     | 3,043      | 0                                                                                            | 3    |
| 61012 | Capron            | Boone     | 2,094      | 0                                                                                            | 0    |
| 61016 | Cherry Valley     | Winnebago | 5,101      | 2                                                                                            | 2    |
| 61020 | Davis Junction    | Ogle      | 3,247      | 0                                                                                            | 0    |
| 61024 | Durand            | Winnebago | 2,342      | 6                                                                                            | 12   |
| 61052 | Monroe Center     | Ogle      | 860        | 0                                                                                            | 0    |
| 61063 | Pecatonica        | Winnebago | 3,156      | 12                                                                                           | 15   |
| 61065 | Poplar Grove      | Boone     | 11,865     | 4                                                                                            | 8    |
| 61072 | Rockton           | Winnebago | 11,716     | 23                                                                                           | 22   |
| 61073 | Roscoe            | Winnebago | 21,036     | 26                                                                                           | 22   |
| 61080 | South Beloit      | Winnebago | 11,150     | 8                                                                                            | 9    |
| 61084 | Stillman Valley   | Ogle      | 2,975      | 0                                                                                            | 0    |
| 61088 | Winnebago         | Winnebago | 5,991      | 12                                                                                           | 24   |
| 61101 | Rockford          | Winnebago | 22,205     | 83                                                                                           | 60   |
| 61102 | Rockford          | Winnebago | 18,891     | 41                                                                                           | 33   |
| 61103 | Rockford          | Winnebago | 23,354     | 108                                                                                          | 128  |
| 61104 | Rockford          | Winnebago | 19,130     | 26                                                                                           | 47   |
| 61107 | Rockford          | Winnebago | 30,944     | 43                                                                                           | 31   |
| 61108 | Rockford          | Winnebago | 28,679     | 30                                                                                           | 25   |
| 61109 | Rockford          | Winnebago | 28,840     | 22                                                                                           | 20   |
| 61111 | Loves Park        | Winnebago | 24,483     | 46                                                                                           | 27   |
| 61112 | Rockford          | Winnebago | 104        | 0                                                                                            | 1    |
| 61114 | Rockford          | Winnebago | 15,871     | 48                                                                                           | 33   |
| 61115 | Machesney Park    | Winnebago | 23,955     | 33                                                                                           | 48   |
|       |                   |           | 406,252    | 582                                                                                          | 589  |
|       |                   |           | Other      | 130                                                                                          | 107  |
|       |                   |           |            | 712                                                                                          | 698  |

**C) Criterion 1110.110 (c) - Safety Net Impact Statement**

The proposed project, that being the establishment of a subacute care unit, will have no negative impact on safety net services provided by Javon Bea Hospital or through its parent, Mercy Health Corporation, nor will it have any impact on the community's safety net services or safety net services provided by other area facilities and programs, and it will have no impact on the ability of other providers to cross-subsidize safety net services.

When the applicants sought approval for the establishment of a hospital on the east side of Rockford (the Riverside campus), great concern was voiced that the applicants, in doing so, were "abandoning" the west side of Rockford, and the applicants' legacy facility (the Rockton Avenue campus). The applicants have held true to their commitment to Rockford's west side, and through the proposed project, the applicants are further supporting their commitment to the West Side of Rockford. Javon Bea Hospital is a regional provider of safety net services, including the operating of a Level I Trauma center, the largest (52 beds) NICU and commitment to newborn and pediatric care in the region, service as the area's perinatal center, and being, by far, the largest provider of inpatient and outpatient services to Medicaid recipients. In addition, Mercy Health Corporation and Javon Bea Hospital are active sponsors of and participants in community-based wellness and health education programs.

**TABLE FOUR**  
**Net Patient Revenue, Charity Care, and Medicaid Information**

|                                               | <b>2016</b>   | <b>2017</b>   | <b>2018</b>   |
|-----------------------------------------------|---------------|---------------|---------------|
| Net Patient Revenue                           | \$369,089,552 | \$387,363,902 | \$367,623,621 |
| Charity # of patients                         |               |               |               |
| Inpatient                                     | 313           | 332           | 82            |
| Outpatient                                    | 1,720         | 2,038         | 378           |
| Total                                         | 2,033         | 2,370         | 460           |
| Charity Care Expense                          |               |               |               |
| Inpatient                                     | \$731,425     | \$447,125     | \$493,290     |
| Outpatient                                    | \$591,477     | \$657,120     | \$1,245,389   |
| Total                                         | \$1,322,902   | \$1,104,245   | \$1,738,679   |
| % of Charity Care Expense/Net Patient Revenue | 0.36%         | 0.29%         | 0.47%         |
| Medicaid # or Patients                        |               |               |               |
| Inpatient                                     | 3,911         | 4,770         | 4,490         |
| Outpatient                                    | 43,081        | 46,362        | 49,411        |
| Total                                         | 46,992        | 51,132        | 53,901        |
| Medicaid Revenue                              |               |               |               |
| Inpatient                                     | \$63,808,298  | \$77,974,985  | \$72,895,865  |

**TABLE FOUR**  
**Net Patient Revenue, Charity Care, and Medicaid Information**

|                                   | <b>2016</b>  | <b>2017</b>   | <b>2018</b>  |
|-----------------------------------|--------------|---------------|--------------|
| Outpatient                        | \$21,971,736 | \$24,450,651  | \$24,740,328 |
| Total                             | \$85,780,034 | \$102,425,636 | \$97,636,193 |
| % of Medicaid Revenue/Net Revenue | 23.24%       | 26.44%        | 26.56%       |

**D) Criterion 1110.110 - Alternatives to the Proposed Project**

The Applicants considered the following alternatives to the proposed project:

1. Transfer patients to the Applicants' Transitional Care Center in Janesville Wisconsin.
2. Add an addition to the hospital at the Riverside campus or construct a separate building to house the unit.

The first alternative was rejected because most of the patients reside in Winnebago County and the transfer of patients to the Wisconsin facility would significantly reduce patient and family accessibility. The second alternative was rejected because of the capital cost of approximately \$6.7 to \$7.2 million.

**VIII. General Long-Term Care**

**A) Criterion 1125.530 (a) - Bed Need Determination**

The Planning Area for Long-Term Care Beds is Winnebago County. As of January 2020, there is an excess of the 144 Long Term Care Beds in the Winnebago County Planning Area. No additional long-term care beds are needed at this time.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION PLANNING AREA NEED (77 ILAC 1125.530 (a))**

**B) Criterion 1125.530 (b) – Service to Planning Area Residents**

As documented above at 1110.110 Purpose of the Project approximately 85% of the referrals to long term acute care hospitals or skilled care facilities came from within the 17-mile GSA. The Applicants do not expect that to change. The Applicants will be providing services to the planning area residents as required.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION SERVICE TO PLANNING AREA RESIDENTS (77 ILAC 1125.530 (b))**

**C) Criterion 1125.540 (a) (b) – Service Demand – Establishment of a Long-Term Care Unit<sup>5</sup>**

---

<sup>5</sup> Note: Physician referral letters are required by rule to document the demand for the establishment of this long-term care unit. The referrals for this unit according to the Applicants will be coming from patients of the medical-surgical beds of Javon Bea Hospitals only. As such no physician referral letters have been required.

According to the Applicants the proposed subacute facility will be utilized by patients who have complex medical needs that may require immediate access to a physician and/or other specialized care providers on a 24-hour basis. The Applicants' goal is to provide a place for patients who are ready to be discharged from the hospital but are not yet stable enough to receive care in a rehabilitation hospital, skilled nursing facility, or at home. The applicants aim to provide an integrated care center for complex patients until they are able to be safely discharged to one of these environments. Listed below are some of the services the Applicants can provide to patients via its subacute unit that are not available in the other settings:

- On-site access to clinical specialists, including Cardiology, Neurology, Pulmonary Medicine, etc.
- On-site access to 24-hour physician oversight for patients unable to meet the required skill level for admission to a Long-Term Acute Care Hospital
- Access to a wide variety of ancillary diagnostics, such as imaging and laboratory services, without having to leave the facility.

The clinical and non-clinical difficulties experienced by JBH discharge planners in transferring patients to clinically appropriate facilities in the community result from issues such as:

- patients requiring frequent diagnostic modalities, such as imaging
- patients needing to be closely monitored by certain medical specialists
- patients not yet able to tolerate three hours of daily therapy, therein delaying admission to a rehabilitation unit
- patients with a variety of social issues, such as sex offenders or patients with criminal background
- patients without payor sources
- patients without Determination of Need scores

The Applicants are estimating 417 admissions two years after project completion. The Applicants are estimating a stay of 14 days for a total of 5,838 days and an ADC of 16 patients. This would equate to a 95% utilization for the 17-bed unit. Based upon the Applicants estimate should the State Board approve this project there would be sufficient demand for the number of beds proposed.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION SERVICE DEMAND (77 ILAC 1125.540 (a) (b))**

**D) Criterion 1125.570 (a) & (b) - Service Accessibility**

There is no absence of long-term care services in the Winnebago County Long Term Care Planning Area as shown in the Table below. No access limitations or restrictive admission policies have been identified by the Applicants. There is sufficient access in the Winnebago County Planning Area to accommodate this workload.

**TABLE FIVE**  
Long-Term Care Facilities in Winnebago County

| Facility                             | City         | Miles | Total Beds | Occ.   |
|--------------------------------------|--------------|-------|------------|--------|
| Amberwood Nursing & Rehab Ctr        | Rockford     | 0.2   | 141        | 87.00% |
| Willows Health Care                  | Rockford     | 1.7   | 91         | 70.30% |
| Rock River Health Care               | Rockford     | 2.6   | 130        | 49.00% |
| River Bluff Nursing Home             | Rockford     | 2.8   | 304        | 58.20% |
| East Bank Center, LLC.               | Loves Park   | 3.2   | 54         | 59.30% |
| Pa Peterson at the Citadel           | Rockford     | 3.3   | 129        | 88.80% |
| Presence St. Anne Center             | Rockford     | 4.3   | 179        | 64.90% |
| Alpine Fireside Health Center        | Rockford     | 5.2   | 66         | 52.80% |
| Fairhaven Christian Retirement       | Rockford     | 5.4   | 96         | 90.40% |
| Presence Cor Marie Center            | Rockford     | 5.9   | 73         | 63.01% |
| Forest City Rehab & Nursing Ctr      | Rockford     | 6.9   | 213        | 91.00% |
| Alden Debes Rehab and Healthcare Ctr | Rockford     | 7.4   | 268        | 65.40% |
| Alden-Park Strathmoor Rockford       | Rockford     | 8     | 189        | 77.30% |
| Rosewood Care Center of Rockford     | Rockford     | 8.2   | 120        | 59.20% |
| Fair Oaks Rehab & HCC                | South Beloit | 14.4  | 78         | 41.20% |
| Medina Nursing Center                | Durand       | 17.9  | 89         | 77.50% |
| Total Beds/Occupancy                 |              |       | 2,220      | 68.46% |

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS NOT IN CONFORMANCE WITH CRITERION SERVICE ACCESSIBILITY (77 ILAC 1125.570 (a) & (b))**

**E) Criterion 1125.580 (a) & (b) – Unnecessary Duplication of Service/Maldistribution**

As can be seen by the Table above two of the existing 16-skilled care facilities are operating at the target occupancy of 90%. Since 2008 there has been a 13% reduction in the number of patient days and a 11% reduction in the number beds at the long term care facilities in the Winnebago County Planning Area.

There are 89,945 skilled care beds in the State of Illinois. The population in the State is 12,802,000 (est.). The number of skilled care beds to population in the State of Illinois is one bed for every 143 residents. The number of beds in the Winnebago County Planning Area is 2,200 beds. The population in Winnebago County is 665,800 residents (Est). The number of skilled care beds to population in Winnebago County is one bed for every 303 residents. There is no maldistribution of service in this Long-Term Care Planning Area.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS NOT IN CONFORMANCE WITH CRITERION UNNECESSARY DUPLICATION OF SERVICE (77 ILAC 1125.580 (a) & (b))**

**F) Criterion 1125.580 (c) Impact on Other Facilities**

The proposed 16-bed unit will impact skilled care facilities in the Winnebago County Planning Area. In 2019, 507 patients were transferred from Javon Bea Hospital to facilities in the Winnebago County Planning Area. There will be an impact on these long-term care facilities as there will be a loss of patient days that could be as great as 5,840 days of care if all these patients were to be transferred from the medical-surgical beds to nursing care facilities in the area.

**TABLE SIX**  
Transfers to LTC Facilities

| Facility                             | City         | Miles | Beds  | # of transfers to LTC Facilities from Javon Bea Hospital |
|--------------------------------------|--------------|-------|-------|----------------------------------------------------------|
| Alden Debes Rehab and Healthcare Ctr | Rockford     | 7.4   | 268   | 15                                                       |
| Alden-Park Strathmoor Rockford       | Rockford     | 8     | 189   |                                                          |
| Alpine Fireside Health Center        | Rockford     | 5.2   | 66    | 12                                                       |
| Amberwood Nursing & Rehab Ctr        | Rockford     | 0.2   | 141   | 85                                                       |
| East Bank Center, LLC.               | Loves Park   | 3.2   | 54    | 65                                                       |
| Fair Oaks Rehab & HCC                | South Beloit | 14.4  | 78    | 14                                                       |
| Fairhaven Christian Retirement       | Rockford     | 5.4   | 96    |                                                          |
| Forest City Rehab & Nursing Ctr      | Rockford     | 6.9   | 213   |                                                          |
| Medina Nursing Center                | Durand       | 17.9  | 89    | 18                                                       |
| Pa Peterson at The Citadel           | Rockford     | 3.3   | 129   | 61                                                       |
| Presence Cor Marie Center            | Rockford     | 5.9   | 73    | 18                                                       |
| Presence St. Anne Center             | Rockford     | 4.3   | 179   | 27                                                       |
| River Bluff Nursing Home             | Rockford     | 2.8   | 304   | 38                                                       |
| Rock River Health Care               | Rockford     | 2.6   | 130   | 57                                                       |
| Rosewood Care Center of Rockford     | Rockford     | 8.2   | 120   | 18                                                       |
| Willows Health Care                  | Rockford     | 1.7   | 91    | 79                                                       |
|                                      |              |       | 2,220 | 507                                                      |

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION IMPACT ON OTHER FACILITIES (77 ILAC 1125.580 (c))**

**G) Criterion 1125.590 – Staffing Availability**

The Applicants do not believe that staffing for the unit will be a problem. All federal and state requirements for the staffing of the unit will be met. The Applicants are estimating 23.7 FTE Nurses, 7.5 FTE ancillary/therapy staff, and 3.0 FTE equivalent managerial and administrative staff for this unit. The medical director will be Dr. Rani N. Rao.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION STAFFING AVAILABILITY (77 ILAC 1125.590)**

**H) Criterion 1125.600 – Bed Capacity**

The Applicants are proposing a 17-bed long term care unit at the hospital. The criterion requires that the proposed long-term care unit not exceed 250 beds unless the Applicants document that a larger facility would provide personalization of patient/resident care. The Applicants have met this requirement.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION BED CAPACITY (77 ILAC 1125.600 (a))**

**I) Criterion 1125.610 – Community Related Functions**

Javon Bea Hospital is a not-for-profit hospital providing benefits to the community. The community benefits report can be found at <https://mercyhealthsystem.org/community-needs/>.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION COMMUNITY RELATED FUNCTIONS (77 ILAC 1125.610))**

**J) Criterion 1125.620 – Project Size**

The proposed 17-bed unit will be in 12,450 DGSF of space. The unit will be developed through the renovation of a vacant pediatrics on the third floor of the hospital “B” wing. The renovated unit will be divided into two areas; the patient unit and the other a therapy area. The patient unit will be 11,875 DGSF include patient rooms, common areas, a nursing station, and all other functions required by licensure and the therapy unit will be 575 DGSF. The State Board Standard for long term care beds is 713 GSF per bed, the maximum for long term care beds. The Applicants are proposing 699 DGSF.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION PROJECT SIZE (77 ILAC 1125.620)**

**K) Criterion 1125.630 – Zoning**

The proposed 17-bed unit will be located within the hospital. The Hospital has been appropriately zoned.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION ZONING (77 ILAC 1125.630)**

**L) Criterion 1125.640 – Assurances**

The Applicants have attested that the proposed 17-bed unit will be at the target occupancy of 90% by the second year of operation after completion.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1125.640)**

## **IX. FINANCIAL VIABILITY**

### **A) Criterion 1120.120 – Availability of Funds**

### **B) Criterion 1120.130 – Financial Viability**

The Applicants are funding this project with cash in the amount of \$5,329,625. The Applicants had available in cash at the end of the 2018 approximately \$122 million (Application for Permit page 67). Since the Applicants are funding this project from internal sources (i.e. cash) no financial viability ratios are required to be submitted. The Applicants have met the requirements of these two criteria.

**TABLE SEVEN**  
Mercy Healthcare Corporation  
(in thousands)  
June 30<sup>th</sup>

|                                  | 2019        | 2018        |
|----------------------------------|-------------|-------------|
| Cash                             | \$121,878   | \$195,359   |
| Current Assets                   | \$408,989   | \$440,150   |
| Assets (Limited)                 | \$731,743   | \$774,074   |
| PPE                              | \$870,707   | \$760,712   |
| Other                            | \$26,639    | \$26,686    |
| Total Assets                     | \$2,038,078 | \$2,001,622 |
| Current Liabilities              | \$182,360   | \$206,404   |
| LTD                              | \$696,526   | \$702,876   |
| Net Assets                       | \$998,637   | \$947,729   |
| Total Revenue                    | \$1,152,423 | \$1,094,414 |
| Expenses                         | \$1,138,170 | \$1,061,242 |
| Income from Operations           | \$14,253    | \$33,172    |
| Nonoperating Income              | \$47,933    | \$39,311    |
| Excess of Revenues over Expenses | \$62,186    | \$72,483    |

Source: Application for Permit pages 65-110

## **X. ECONOMIC FEASIBILITY**

### **A) Criterion 1120.140 (a) – Reasonableness of Financing Arrangements**

### **B) Criterion 1120.140 (b) – Terms of Debt Financing**

As mentioned above the Applicants are funding this project with cash and no debt is being utilized. These criteria are not applicable to this project.

### **C) Criterion 1120.140 (c) – Reasonableness of Project Costs**

Preplanning Costs are \$65,000 and are 1.7% of modernization, contingencies and movable equipment costs of \$3,864,625. This appears reasonable when compared to the State Board Standard 1.8% or \$69,564.

Modernization and Contingency Costs are \$3,514,625 and are \$282.30. This appears reasonable when compared to the State Standard of \$370.97.

Architectural and Engineering Fees are \$350,000 or 9.96% of modernization and contingency costs of \$3,514,625. This appears reasonable when compared to the State Board Standard of 10.54% or \$370,441.

The State Board does not have standards for the costs listed below.

Consulting and Other Fees total \$250,000. These costs include the following:

|                      |                  |
|----------------------|------------------|
| CON-Related          | \$80,000         |
| Permits and Fees     | \$40,000         |
| Legal and Accounting | \$20,000         |
| Insurance            | \$15,000         |
| Commissioning        | \$40,000         |
| Miscellaneous        | <u>\$55,000</u>  |
|                      | <u>\$250,000</u> |

Movable and Other Equipment total \$350,000. These costs include the following:

|                      |                  |
|----------------------|------------------|
| Patient Unit         | \$144,500        |
| PT/OT/Speech Therapy | <u>\$205,500</u> |
|                      | <u>\$350,000</u> |

Other Costs to be Capitalized total \$800,000. These costs include the following:

|                     |            |
|---------------------|------------|
| Internal Demolition | \$ 150,000 |
| Air Handling System | \$ 650,000 |

**D) Criterion 1120.140 (d) - Direct Operating Costs**

The direct operating costs per adjusted patient day for the skilled care unit is \$39.54 and the direct operating costs per adjusted patient day for the hospital is \$7,989.14. The State Board does not have a standard for these costs.

**E) Criterion 1120.140 (e) – Total Effect of the Project on Capital Costs**

The capital costs for the hospital per adjusted patient day is \$907.39. The State Board does not have a standard for these costs.

**THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERIA AVAILABILITY OF FUNDS, FINANCIAL VIABILITY, REASONABLENESS OF FINANCING, TERMS OF DEBT SERVICE, REASONABLENESS OF PROJECT COSTS, DIRECT OPERATING COSTS, TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS (77 ILAC 1120.120, 77 ILAC 1120.130, 77 ILAC 1120.140 (a) (b) (c) (d) (e))**

## Project 19-056 Javon Bea Hospital - Rockton Avenue Campus



January 9, 2020

Ms. Debra Savage  
Chair  
Illinois Health Facilities and Services Review Board  
525 W Jefferson Street, Second Floor  
Springfield, Illinois 62761

**RECEIVED**

JAN 15 2020

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

RE: Javon Bea Hospital – Rockton Avenue Campus' Establishment of Subacute Care Unit

19-056

Dear Ms. Savage:

The University of Illinois College of Medicine Rockford has long worked collaboratively with Javon Bea Hospital to deliver healthcare services in and around Winnebago County. I write at their request to express the college's support for the hospital's certificate of need application for a 17-bed subacute care unit.

The hospital provides faculty to train medical students on campus; we also work with the hospital on placements of our pharmacy and medical students in a practice setting. Most recently, we worked closely to set up an affiliation arrangement to enable resident training.

The establishment of a subacute unit that will serve acute care patients ready for discharge, but in need of specialized services not typically available in skilled care facilities will enhance student and resident training opportunities. Furthermore, we know this care, including for Rockford's senior population, is needed in the Rockford community.

In sum, we urge approval of the Hospital's application and hope you will quickly approve it.

Sincerely,



Alex Stagnaro-Green, MD, MHPE, MHA

ILLINOIS HOUSE OF REPRESENTATIVES

DISTRICT OFFICE:  
E. J. "ZEKE" GIORGI CENTER  
200 S. WYMAN  
SUITE 304  
ROCKFORD, ILLINOIS 61101  
(815) 987-7433



SPRINGFIELD OFFICE:  
237-E STRATTON BUILDING  
SPRINGFIELD, ILLINOIS 62706  
(217) 782-3167  
EMAIL: MAURICE@STATEREPIWEST.COM

**MAURICE A. WEST II**  
STATE REPRESENTATIVE • 67TH DISTRICT

**RECEIVED**  
**JAN 16 2020**  
**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

January 15, 2020

Ms. Debra Savage  
*Chairwoman*, Illinois Health Facilities and Services Review Board  
525 W Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

*RE: Mercyhealth Javon Bea Hospital – Rockton Avenue Campus' Cert. of Need Project 19-056*

Dear Ms. Savage:

I represent the State of Illinois' 67<sup>th</sup> District, which includes Rockton Avenue in Rockford, Illinois, where Javon Bea Hospital has made application to establish a subacute care unit - CON Project No. 19-056. I support this project and its purpose.

Javon Bea Hospital has a demonstrated commitment and has consistently provided care to those most in need. The area's need for post-hospitalization subacute care exceeds the existing availability of services. Also, there are very few providers of the type of care proposed here on Rockford's west side – which is the underserved area of my district. Mercyhealth's commitment to those in need, coupled with its modest 17-bed proposal that will make available much needed services to the Rockford community, leads me to believe this unit will be highly beneficial in the Rockford area and to my constituents.

In closing I ask you that you promptly consider and approve Mercyhealth's application.

Thank you for your consideration.

Be well and talk soon.

A handwritten signature in black ink, appearing to read "Maurice A. West II", with a long horizontal line extending to the right.

**Maurice A. West II**  
State Representative | 67<sup>th</sup> District

**DISTRICT OFFICE:**

STATE OF ILLINOIS BUILDING  
200 S. WYMAN, STE. 302  
ROCKFORD, IL 61101  
815/987-7555  
FAX 815/987-7563  
E-MAIL: [info@senatordavesyverson.com](mailto:info@senatordavesyverson.com)

**CAPITOL OFFICE:**

105E STATE HOUSE  
SPRINGFIELD, IL 62706  
217/782-5413



**SENATOR DAVE SYVERSON**  
ILLINOIS SENATE – 35TH DISTRICT  
DEPUTY SENATE REPUBLICAN LEADER

**COMMITTEES:**

**REPUBLICAN SPOKESMAN**

- HUMAN SERVICES
- INSURANCE
- PUBLIC HEALTH

**MEMBER:**

- COMMISSION ON GOVERNMENT FORECASTING & ACCOUNTABILITY
- EXECUTIVE
- ENVIRONMENT & CONSERVATION
- SUBCOMMUNITY ON GAMING

**REC**

**JAN 16 2020**

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

January 13, 2020

Ms. Debra Savage, Chair  
Ms. Courtney Avery, Administrator  
Illinois Health Facilities & Services Review Board  
525 W. Jefferson Street, Second Floor  
Springfield, IL 62761

**RE: Application for Certificate of Need for Mercyhealth Javon Bea Hospital – Rockton Avenue Campus; Establishment of Subacute Care Unit – 17 Beds; Project #19-056**

Dear Ms. Savage and Ms. Avery:

I serve in the Illinois Senate and on Mercy Health Corporation's board. I write in my capacity as the Senator representing the 35<sup>th</sup> District to urge your approval of Mercyhealth's Certificate of Need for Project # 19-056.

Javon Bea Hospital has provided excellent healthcare in the greater Rockford area for over 100 years. The proposed project is consistent with Mercyhealth's vertically integrated services delivery model, which provides a cost-efficient means for delivering healthcare services. The proposed project will also provide much needed services for Rockford's residents. Mercyhealth collaboratively works with a number of skilled nursing and other rehabilitation facilities in the area, several of whom have expressed their support for this project to the board.

The project is appropriately calibrated to meet the community's needs and I do not believe this project an unnecessary duplication of services. Indeed, there is insufficient sub-acute post discharge care in Rockford. Moreover, the services will be provided on Rockford's West Side, which is a federally designated medically underserved area. For my part, I think it commendable that Mercyhealth continues to make investment in the Rockton Avenue campus and seeks to productively repurpose existing space in its buildings.

I thus, urge your thorough consideration and prompt approval of the Mercyhealth's proposed project

Sincerely,

A handwritten signature in blue ink, appearing to read "DS", with a horizontal line extending to the right.

**SENATOR DAVE SYVERSON**  
Deputy Senate Republican Leader

ILLINOIS HOUSE OF REPRESENTATIVES

DISTRICT OFFICE:

305 AMPHITHEATER DRIVE  
ROCKFORD, ILLINOIS 61107  
815-547-3436  
815-516-8434 FAX



CAPITOL OFFICE:

200-2N STRATTON BUILDING  
SPRINGFIELD, ILLINOIS 62706  
217-782-0548  
217-782-1141 FAX

**JOE SOSNOWSKI**  
STATE REPRESENTATIVE  
69TH DISTRICT

**RECEIVED**  
JAN 17 2020  
HEALTH FACILITIES &  
SERVICES REVIEW BOARD

January 13, 2020

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

Dear Ms. Avery:

I am pleased to send this letter of support for Mercyhealth Javon Bea Hospital's CON application for Project 19-056 to establish a subacute care unit at its Rockton Avenue Campus in Rockford, Illinois. I serve as Illinois State Representative for the 69<sup>th</sup> District, which includes Riverside Boulevard in Rockford. Javon Bea Hospital opened its second campus, the state-of-the-art Riverside location, in my district just over a year ago. It is clear to me that they are an economic engine in area.

I write now to express my appreciation for the care Mercyhealth provides in the community, and to whole-heartedly support their efforts to expand available services. I commend Mercyhealth for repurposing its existing space at Javon Bea Hospital's Rockton Avenue campus. Rockford's west side remains challenging and a medically underserved area. Despite these challenges, Mercyhealth has admirably continued to make significant capital investments in the facility, and remains committed to keeping that campus both viable and vibrant. As I understand it, this sub-acute unit will enable Mercyhealth to make more efficient use of hospital beds at both Javon Bea Hospital's Rockton Avenue and Riverside Boulevard campus locations.

I fully support CON Project 19-056 without reservation, and I ask that you approve their request at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Sosnowski", written over a horizontal line.

Joe Sosnowski  
State Representative 69<sup>th</sup> District

RECEIVED

JAN 17 2020

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

January 13, 2020

Illinois Health Facilities and Services Review Board  
525 W Jefferson Street  
Second Floor  
Springfield, IL 62761

RE: *Javon Bea Hospital's Proposed Project 19-056 To Establish a 17-bed Subacute Care Unit  
at Rockton Avenue*

To Whom It May Concern:

I am pleased to extend my support for Javon Bea Hospital's proposed Project No. 19-056. The Rockford Area Economic Development Corporation notes that Mercyhealth consistently strives to improve available healthcare in Rockford. I call to your attention that Mercyhealth has created additional economic opportunity in the area through its commitment to continued growth, and will create more opportunities through the proposed project.

We thus, enthusiastically support Mercyhealth Javon Bea Hospital's application, Project #19-056, and commend Mercyhealth for its investments in our community and on Rockford's West Side. Thank you in advance for your consideration.

To the extent you have questions, please do not hesitate to reach out.

Sincerely,



Nathan Bryant  
President & CEO





THE LAKE COUNTY  
COMMUNITY FOUNDATION  
An affiliate of The Chicago Community Trust

January 13, 2020

Ms. Courtney Avery, Administrator  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Ms. Avery:

On behalf of the board and staff of The Lake County Community Foundation, I am writing to express support for Advocate Condell Medical Center's application to expand the number of beds in the Condell Intensive Care Unit. Condell has been a valuable partner to us and many others across the health and human services network in Lake County for several years..

As you may be aware, Lake County's population of adults ages 50+ is projected to grow significantly and we anticipate an increased need for additional acute care. As such, we also anticipate additional ICU beds will be required to address this increased need. Currently, Condell's ICU continues to operate at over 90% occupancy, which speaks to the urgency of this request.

As the only Level 1 Trauma Center in our community, it is imperative that Condell increase its bed capacity in the ICU to accommodate for the anticipated increase in need. Therefore, I respectfully request your support to increase Condell's ICU capacity by an additional 15 beds.

Many thanks for your thoughtful consideration. Your support will enable us to better address the growing needs of our aging population in Lake County.

With appreciation,

Maggie Morales  
Executive Director  
The Lake County Community Foundation

**RECEIVED**

JAN 17 2020

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

**BOARD OF  
DIRECTORS**

Martha R. Hinchman  
*Chair*

Gale Strenger Wayne  
*Vice Chair*

Kenneth Gotsch  
*Treasurer*

Tiffany Alexander  
*Secretary*

Jeanne Ang

Bert Carstens

C. Lawrence Connolly

Lisa S. Cowhey

Rev. Dr. Robert A. Davis

Steve Fox

Laura Brown Hoult, DVM

Scott Humphrey

Mary Reidy McMahon

Malcolm Newsome

Edward U. Notz

John Sonnier

Steve Sullivan

**STAFF**

Maggie Morales  
*Executive Director*

Wendy Richter  
*Manager of Donor  
Services and Operations*

Emily Weber  
*Manager of Community  
Leadership and  
Investment*

**FOUNDING  
BOARD OF  
DIRECTORS**

John L. Anderson  
*Founding Chair  
2003-2007*

Prudence R. Beidler

Charles M. Brennan III

R. Gerald Fox

Richard L. Keyser

Harry M. Jansen  
Kraemer, Jr.

Robert D. Krebs

Donald G. Lubin

Robert McCormack

Eben Morgan

Adeline S. Morrison

Gretchen J. Naff

Aurie A. Pennick

Victoria Ranney

Robert F. Reusché

Stuart L. Scott

Richard L. Wambold

Miles D. White

John S. Wineman, Jr.

James Wintrobe

Michael Zafirovski

January 14, 2020

Illinois Health Facilities and Services Review Board  
525 W Jefferson Street, Second Floor  
Springfield, IL 62761

**RECEIVED**

**JAN 21 2020**

**HEALTH FACILITIES  
SERVICES REVIEW BOARD**

RE: Javon Bea Hospital's Establishment of Subacute Care Unit

To Whom It May Concern:

In collaboration with Mercyhealth, Van Matre Encompass Health Rehabilitation Hospital provides rehabilitation services to residents of the greater Rockford region including those relating to stroke, spinal cord, and brain injuries. We are in support of the establishment of a subacute care unit at the Javon Bea Hospital - Rockton Avenue Campus.

The establishment of a subacute unit (with 17 beds) will enable the hospital to better meet the needs of the greater Rockford community, including its most vulnerable residents by providing appropriate care to patients who, for any number of reasons, cannot either be timely transferred to a skilled nursing facility, or require services that are only available in a hospital setting. The proposed subacute unit thus, does not unnecessarily duplicate services provided in area skilled care facilities, and "plugs a hole" in available care in and around Rockford.

As you likely are aware, there is not sufficient rehabilitative care available to Medicare and Medicaid patients. Mercyhealth's proposal to provide stepped-down care will make it possible for more patients to access needed services after a hospital stay.

We have experienced this with Mercyhealth's sub-acute facility at their Janesville, Wisconsin hospital. Patients are more quickly prepared in their sub-acute facility and then transferred to Van Matre to receive the comprehensive rehabilitative services we provide. This is best for optimal recovery following any number of injuries.

Thank you for your prompt consideration and allowing the opportunity to encourage your approval of the Hospital's application.

Sincerely,



Jeffrey Reese  
Chief Executive Officer

January 9, 2020

Illinois Health Facilities and Services Review Board  
525 W Jefferson Street  
Second Floor  
Springfield IL 62761

**RECEIVED**

JAN 21 2020

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

RE: Hospital Application 19-056 to Establish Subacute Care Unit

To Whom It May Concern:

We write to support Javon Bea Hospital's application for a certificate of need and proposed establishment of a subacute care unit at its Rockton Avenue Campus.

Ascension Saint Anne Center and Cor Mariae Center provide therapeutic, rehabilitation, short and long-term care for its residents. We believe this project will meet an identified gap and need for high intensity subacute outpatient services. These services are essential for some patients' recovery, and we believe the subacute unit and the 17 beds that will be added, as proposed, will serve an unmet Rockford community need; access to high-quality services on Rockford's West side.

Furthermore, we understand that patients transferred will be those requiring services not typically provided in skilled care facilities. We believe this step-down in care will enable these patients to transition better to short and long-term care. We thus recommend approval of the hospital's application.

Thank you for your consideration.

Sincerely,



SHERY GILLMAN  
4405 HILLCREST RD  
ROCKFORD, IL 61107

200 S. WYMAN, SUITE 301  
ROCKFORD, IL 61101  
PHONE: 815-987-7557  
FAX: 815-987-7529



1218 STATE CAPITOL  
SPRINGFIELD, IL 62706  
PHONE: 217-782-8022  
WEBSITE: [www.SenatorStadelman.com](http://www.SenatorStadelman.com)

ILLINOIS STATE SENATE  
**STEVE STADELMAN**  
STATE SENATOR • 34TH DISTRICT

**RECEIVED**

**JAN 21 2020**

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

January 15, 2020

Ms. Debra Savage, Chair  
Illinois Health Facilities and Services Review Board  
525 W Jefferson Street, Second Floor  
Springfield, IL 62761

*Re: Support for Javon Bea Hospital's Certificate of Need Application for Establishment of  
Subacute Care Unit at the Rockton Avenue Campus (CON Project 19-056).*

Dear Chairwoman Savage:

Please accept this letter as my endorsement of Javon Bea Hospital's application to establish a 17-bed subacute care unit at its Rockton Avenue Campus.

The new unit, as proposed, would meet an underserved need for post-acute rehabilitative care centered on Rockford's urban westside, which I'm privileged to represent in the Illinois General Assembly.

Mercyhealth has a reputation for providing quality medical care to the Rockford region, and its Rockton Avenue campus has a longstanding commitment to the most at-risk members of my community.

I support Mercyhealth's continued investment in the Rockton Avenue campus and therefore its proposal to offer sub-acute, post-discharge care at this location. I trust your review of the Javon Bea application will be fair and expeditious, and I'm hopeful of a positive outcome.

Thank you for considering my viewpoint as you reach your decision.

Sincerely,

A handwritten signature in blue ink that reads "Steve Stadelman".

Steve Stadelman  
Illinois State Senator, 34<sup>th</sup> District

January 9, 2020

Ms. Debra Savage  
Chair  
Illinois Health Facilities and Services Review Board  
525 W Jefferson Street, Second Floor  
Springfield, Illinois 62761

**RECEIVED**

JAN 22 2020

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

RE: Javon Bea Hospital – Rockton Avenue Campus' Establishment of Subacute Care Unit

Dear Ms. Savage:

The University of Illinois College of Medicine Rockford has long worked collaboratively with Javon Bea Hospital to deliver healthcare services in and around Winnebago County. I write at their request to express the college's support for the hospital's certificate of need application for a 17-bed subacute care unit.

The hospital provides faculty to train medical students on campus; we also work with the hospital on placements of our pharmacy and medical students in a practice setting. Most recently, we worked closely to set up an affiliation arrangement to enable resident training.

The establishment of a subacute unit that will serve acute care patients ready for discharge, but in need of specialized services not typically available in skilled care facilities will enhance student and resident training opportunities. Furthermore, we know this care, including for Rockford's senior population, is needed in the Rockford community.

In sum, we urge approval of the Hospital's application and hope you will quickly approve it.

Sincerely,



Alex Stagnaro-Green, MD, MHPE, MHA



January 30, 2020

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

Re: CON Project 19-056

Dear Ms. Avery;

Amberwood Care Centre, a 132-Bed Skilled Nursing Facility, located at 2313 N. Rockton Ave, Rockford, Illinois, is directly across the street from Javon Bea Hospital's Rockton Avenue Campus.

Amberwood is a CMS 5-Star rated facility of excellence, providing both personalized integrated short term rehabilitative care, skilled and medically complex services, as well as long term care, as it collaborates closely with Mercyhealth in providing skilled nursing health care services to Rockford's residents. I respectfully note that my company and I have been in the health care profession for more than 50 years, and during that time have owned and managed more than 40 skilled nursing facilities throughout the State of Illinois. It is based on those years of experience that I have acquired the understanding of the possible implications to both the long term care and general health care communities of this 17-bed subacute initiative which is the subject matter of this CON application.

We believe the Illinois Health Facilities and Services Review Board should approve Javon Bea Hospital's application to establish a 17-bed subacute care unit at its Rockton Avenue Campus.

The establishment of such a unit will serve discharged acute care patients, for whom it is most difficult to find proper placement into skilled nursing facilities, and will offer improved care coordination for these barely stable and most fragile patients.

As we understand it and as referenced in the Narrative, Purpose and Utilization portions of the CON application, admission to this proposed unit will routinely be limited to patients who otherwise could not find placement in a skilled nursing facility; patients who are too fragile and unstable to leave the greater hospital setting; and limiting their stay to approximately 14 days before transfer to alternative settings. We believe that this type of care is needed in the Rockford community for hospital patients unable to be discharged due to a lack of funding source and other reasons, as well as the 24/7 medical and clinical monitoring required by their very fragile and compromised physical conditions.

In sum, we support the Hospital's application and hope you will approve it.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shael Bellows', with a long, sweeping horizontal stroke extending to the right.

Shael Bellows  
Amberwood Healthcare Centre, Inc.  
President

January 30, 2020

PA Peterson

AT THE CITADEL

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

RECEIVED

FEB 03 2020

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

Re: CON Project 19-056

Dear Ms. Avery;

I am writing this Letter of Support for the approval of the Javon Bea Hospital application to establish a 17-bed subacute care unit at its Rockton Avenue Campus. Our facility is the PA Peterson at The Citadel, a 129-bed skilled long term care facility, as well as 29-bed assisted living unit, located at 1311 Parkview Avenue in Rockford. We provide an array of skilled nursing services to residents admitted from hospitals, home, and other venues needing skilled care.

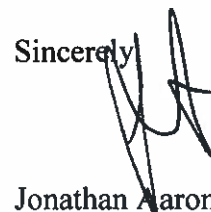
There are residents whom we cannot accept for a variety of reasons, including but not limited to, lack of funding source; residents who are so fragile as to present a risk in transfer out of the hospital setting; residents who still require highly skilled monitoring of both medical and clinical nursing staff almost hourly until stable; just to mention a few.

As we understand, admissions to this subacute unit will be limited to these above described patients, as well as those limited patients who lack funding sources and who may have social issues which would preclude their transfer to a long term care setting.

We believe that this type of unit would be a benefit to the greater community of Rockford, to the healthcare community of Rockford, as well as the hospital, as it would make acute care beds available to those patients who need them immediately.

We are in full support of the hospital's application and urge its approval.

Sincerely,



Jonathan Aaron  
Manager

PA Peterson at the Citadel  
1311 Parkview Avenue  
Rockford, IL 61107  
Ph • 815-399-8832  
Fax • 815-399-2060

**DISTRICT OFFICE:**

STATE OF IL BUILDING  
200 S. WYMAN, STE. 302  
ROCKFORD, IL 61101  
815/987-7555  
FAX 815/987-7563  
E-MAIL: info@senatordavesyverson.com

**CAPITOL OFFICE:**

105E STATE HOUSE  
SPRINGFIELD, IL 62706  
217/782-5413



**SENATOR DAVE SYVERSON**  
ILLINOIS SENATE • 35TH DISTRICT  
DEPUTY SENATE REPUBLICAN LEADER

**COMMITTEES:**

**REPUBLICAN SPOKESMAN:**

- HUMAN SERVICES
- INSURANCE
- PUBLIC HEALTH

**MEMBER:**

- EXECUTIVE
- COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY
- ENVIRONMENT & CONSERVATION
- SUBCOMMITTEE ON GAMING

February 4, 2020

**RECEIVED**

FEB 4 2020

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

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

Project 19-056, Mercyhealth Rockford

Dear Courtney,

Enclosed please find a letter from HCCL in regards to the Mercy proposed request to add acute care beds at their Rockton campus. These beds would be for those patients that cannot be placed in Long Term Care for a number of reasons discussed in their application. The Long Term Care industry realizes that this is a problem and this agreement is the right solution.

As you have already received, this project has received bipartisan local support and as far as I know, no opposition.

On behalf of the patients, their families, and Mercyhealth, thank you for your consideration of this worthy project.

Respectfully,

A handwritten signature in black ink, appearing to read "Dave Syverson", written over a horizontal line.

Senator Dave Syverson



February 4, 2020

The Honorable Dave Syverson  
200 S. Wyman, Suite 302  
Rockford, IL. 61101

Dear Senator Syverson:

On behalf of the HCCI Board, we commend your work to ensure that the health care needs of seniors in the Rockford area come first.

Most recently your leadership was pivotal in the development of a stronger working relationship between a local acute care setting and a nearby skilled care facility. The compromise you helped broker resulted in a more seamless approach to transitioning older patients to less acute settings.

Again, please accept our heartfelt thank you for your efforts. As a result, the real winners are the senior citizens in the Rockford area and their families, who have come to rely on your unwavering support.

We look forward to continuing to partner with you on behalf of the seniors across the State impacted by your good work.

Sincerely

A handwritten signature in black ink, appearing to read "Donna Ginther", is written over a light blue horizontal line.

Donna Ginther  
Senior Advisor to the Board of Directors  
217-494-9188