

June 9, 2021

Ira Bodenstein

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

**Re: Letter of Support – Woodlake Specialty Hospital, LLC
Certificate of Exemption Application E-011-021**

Dear Ms. Avery:

I am the duly appointed chapter 7 trustee for the bankruptcy estates of Pipeline – Westlake Hospital, LLC and Westlake Property Holdings, LLC¹ in those jointly administered bankruptcy cases styled as *In re Westlake Property Holdings, LLC*, pending the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division (the “Bankruptcy Court”) as Case No. 19-22878 (Jointly Administered) (collectively, the “Cases”). I submit this letter in support of the Certificate of Exemption application E-011-021 (the “Application”) filed with the Illinois Health Facilities and Services Review Board (the “Board”) by Woodlake Specialty Hospital LLC and Woodlake Pacific Holdings LLC (collectively, “Woodlake”).

I firmly believe that Woodlake’s proposed use of the facility formerly known as Westlake Hospital is in the best interests of, and supported by, the Village of Melrose Park and the community at-large. Westlake Hospital was discontinued shortly after the filing of the Cases when it surrendered its general acute care hospital license to the Illinois Department of Public Health on August 14, 2019. On October 5, 2020, the Bankruptcy Court entered an order approving the sale of the facility to Woodlake contingent upon the Board’s authorizing the re-establishment of a licensed healthcare facility at the site. In addition to the purchase price, an important consideration in my decision to agree to the sale with this contingency was my understanding that the Village of Melrose Park supported a sale of the site to an entity that would re-establish a needed healthcare facility in the community.

Woodlake’s proposed use of the facility as reflected in the Application meets that criteria. Woodlake has requested authorization for 230 authorized beds, 80 acute mental illness beds, 60 long term care beds, 44 long term acute care beds, 6 intensive care unit beds and 40 comprehensive rehabilitation beds. Importantly, Woodlake has also committed to serving all patients regardless of their ability to pay and will accept Medicare, Medicaid, and Medicaid Managed Care plans.

¹ The bankruptcy estate of Westlake Property Holdings, LLC shall be referred to herein as the “Estate.”

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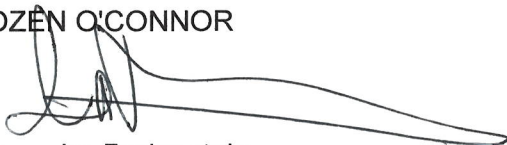
In addition, I support the expedited approval of the Application as in the best interests of all stakeholders, including the Estate, its creditors and the residents of the surrounding communities. First, any delay in approving the Application will postpone the commencement of the planned improvements at the facility. Those delays will further push back the reopening of a much needed healthcare facility in the community. Second, the Estate and its creditors have a substantial interest in the Board approving this project as soon as possible. Significant financial implications will result from further delay, all to the detriment of the creditors of the Estate. If the sale is unable to close prior to July 1, 2021, the Estate will incur sizeable additional penalties for unpaid real estate taxes which cannot be paid until the sale closes. Further, the existing insurance policies for the property do not extend beyond June 30, 2021, and new policies will be extremely expensive to procure. Any delay in the consideration and approval of the Application will also force the Estate to continue to incur significant operating expenses in order maintain the property.

For all of the foregoing reasons, I, as Trustee, on behalf of the creditors of the Estate, support the proposed transaction and the re-establishment of the facility as an operating hospital in the Village of Melrose Park. I therefore respectfully request that the Chair exercise its discretion and promptly approve the Application.

If you have any questions or need any additional information regarding the project, please feel free to contact me via email at ibodenstein@cozen.com or by phone at (312) 474-1647. Thank you for your consideration.

Sincerely,

COZEN O'CONNOR

A handwritten signature in black ink, appearing to read 'Ira Bodenstein', with a long horizontal flourish extending to the right.

By: Ira Bodenstein

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