

May 16, 2022

VIA FEDERAL EXPRESS

Debra Savage  
Illinois Health Facilities  
and Services Review Board  
525 West Jefferson  
Springfield, IL 62761

RE: Project 22-001 Kindred Hospital Chicago North Statement of Opposition

Dear Chairwoman Savage:

This letter is being provided to document Shirley Ryan AbilityLab's opposition to application 22-001, proposing the establishment of a comprehensive inpatient physical rehabilitation ("rehabilitation") unit at Kindred Hospital-Chicago North.

As the Board is aware, Chicago is grossly over-bedded in terms of comprehensive inpatient rehabilitation beds, and the approval of this duplicative project could set a precedent for subsequent projects.

In its deliberations, we would ask that the Board members consider the following.

- Kindred Hospital-Chicago North's position that the locating of a comprehensive inpatient rehabilitation unit in a long-term acute care hospital ("LTAC") will result in a convenience for patients has limited merit for a number of reasons:
  - The applicants anticipate that the patients to be admitted to the proposed rehabilitation unit will come from Kindred's three Chicago LTACs (as well as a small minority from other facilities). Therefore, only patients previously admitted to Kindred's one hospital will "benefit" from the "convenience", while all others, including those from Kindred's other LTACs will be transferred regardless of whether or not this project is approved.
  - Patients in need of inpatient rehabilitation are/will be transferred only once, and therefore it is not a significant imposition; right now patients are being transferred once.
  - Patients need not be transferred great distances, as there are three providers located within 15 minutes of the applicant hospital, and

those three providers have, on average, 42.4 rehabilitation beds vacant on any given day. And, in the metropolitan Chicago area (HSAs 6, 7 and 8) there are a total of 21 rehabilitation providers with 1,150 approved beds and a 2019 average daily census of 740 patients, resulting in a 64% occupancy rate (HFSRB data).

- Any “convenience” experienced by a patient not needing to be transferred would be offset by the broader scope of services provided by already experienced rehabilitation professionals offered through the larger rehabilitation providers in Chicago such as Shirley Ryan AbilityLab, Rush University Medical Center, and Schwab Rehabilitation Hospital, each of which is operating below the HFSRB’s 85% target occupancy rate..
- A critical shortage of trained staff for rehabilitation providers exists in the Chicago area market, and the need to staff yet another rehabilitation provider will only make existing providers’ ability to recruit and retain personnel more difficult.

*Career Builder* tracks job openings and the number of candidates seeking positions. Its recent Chicago area data for rehabilitation programs’ most common employee categories documents the challenges that existing providers are facing:

<u>Position</u>	<u>Supply (Candidates)</u>	<u>Demand (Job Openings)</u>
Physical Therapist	25	433
Occupational Therapist	39	2,244
Speech Pathologist	16	1,766
Registered Nurse	171	16,843

- The applicant hospital’s change of ownership Certificate of Exemption (“COE”) application was approved on November 22, 2021. That application stated that no “changes to the scope of services” to be provided at the hospital were anticipated:

***Criterion 1130.520(b)(9) A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.***

*None are currently anticipated.*

It appears that at some point prior to the Board's consideration of the change of ownership COE application, a decision contradicting the above response to Criterion 1130.520(b)(9) was made by the applicants, but not expressed to the Board or its staff.

Specifically, on November 24, 2022, a mere two days following the approval of the COE, a letter of determination was sent from the Illinois Department of Natural Resources ("DNR") for inclusion in the CON application (Attachment 6) now under consideration. Receipt of a letter of determination from DNR typically takes two to three weeks, making it highly likely that the decision to seek approval for the establishment of a comprehensive inpatient physical rehabilitation unit was made either prior to the filing of the COE application or during its review.

Because the applicants did not inform the HFSRB of its plans to seek approval for the establishment of the proposed comprehensive inpatient physical rehabilitation unit, the public, including existing providers, were not given an opportunity to comment on the proposal to establish another rehabilitation program at the time the COE application was being reviewed by HFSRB staff and considered by the Board.

The proposed establishment of another inpatient rehabilitation program in Chicago represents an unnecessary duplication of services, will not improve access in any appreciable manner, and will be detrimental to the existing underused providers. As such, on behalf of the Shirley Ryan AbilityLab, we respectfully encourage the Board to turn down this proposed project.

Sincerely Yours,



Nancy E. Paridy, JD, LLM  
President, Chief Administrative Officer

cc: M. Constantino