



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET ITEM A-01	BOARD MEETING: July 27, 2023	PROJECT NUMBER: 22-038
PERMIT HOLDERS(S): Methodist Health Services Corporation, Proctor Hospital, Iowa Health System d/b/a Unity Point Health, The Carle Foundation		
FACILITY NAME and LOCATION: Carle Health Proctor Hospital, Peoria		

STATE BOARD STAFF REPORT **PERMIT RENEWAL REQUEST**

I. Background

On January 31, 2023, the State Board approved Project #22-038. The permit authorized the establishment of a 20-bed comprehensive physical rehabilitation unit on the campus of Carle Health Proctor Hospital, Peoria. There are no associated costs with this project. The original completion date was March 31, 2023.

State Board Staff notes the permit holders submitted the permit renewal request on July 5, 2023. This submittal was in accordance with 77 Ill. Ad. Code 1130.740(c), which states that the State Board must receive renewal requests at least 45 days prior to the permit expiration date. A \$500.00 application processing fee accompanied the renewal request (per 77 Ill. Adm. Code 1130.230(h)(5)).

II. Findings

State Board Staff notes this is the **second** renewal request for this project and the permit holders have submitted all information required in Section 1130.740 for a permit renewal. The first permit renewal request was approved by the Chairwoman of the Board on May 21, 2023, extending the project completion date 5 months, from March 31, 2023, to August 31, 2023.

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of January 31, 2024. This would extend the project's completion date five months, from August 31, 2023, to January 31, 2024.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is essentially complete, with the remaining components being IDPH regulatory/licensure approvals and approvals from Medicaid and Medicare.

- C. Reason(s) Why the Project Has Not Been Completed: The permit holders state the delays result from an inability to obtain all regulatory approvals and certifications, to include Medicare certification, which is required for an inpatient rehabilitation facility.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate that the project has incurred no costs, and no funds are needed to complete this project.
- E. Anticipated Final Cost of the Project: The permit holders reiterate this project has no costs.

IV. Project Description & Other Background Information

The permit authorized the establishment of a 20-bed comprehensive physical rehabilitation unit on the campus of Carle Health Proctor Hospital, Peoria. There are no project costs.

Permit Issuance Date:	January 31, 2023
Project Obligation Date:	N/A (no project costs)
Original Project Completion Date:	March 31, 2023
Proposed Project Completion Date: (5-month renewal request)	August 31, 2023
Proposed Project Completion Date: (5-month renewal request)	January 31, 2024

V. Applicable Rules for Permit Renewal Requests

77 Ill. Adm. Code 1130.230(h)(5) states that a permit holder shall be assessed a \$500 application processing fee. Permit renewal requests that are not received at least 45 days prior to the expiration date of the permit shall be subject to an additional \$500 late application processing fee. Any permit renewal request received by the State Board after the stated completion date is subject to the fines provided in the Health Facilities Planning Act.

77 Ill. Adm. Code 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 Ill. Adm. Code 1130.740(b) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 Ill. Adm. Code 1130.740(c) (1-4) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following:

- 1) the requested completion date.
- 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date.
- 3) a statement as to the reasons why the project has not been completed; and
- 4) confirmatory evidence by the permit holder' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 Ill. Adm. Code 1130.740(d) states the State Board staff will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFSRB criteria, and if this is the first request for this project, then the request, staff's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFSRB, will approve, deny, or refer the request to the HFSRB for action. If staff finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFSRB for action, then HFSRB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 Ill. Adm. Code 1130.140). Denial of a permit renewal request constitutes HFSRB's Notice of Intent to revoke a permit and the permit holder will be afforded an opportunity for an administrative hearing.

VI. Other Information

Appended to this report are the following: the permit holders' documents for a permit renewal.



Via Federal Express and Email

Collin Anderson
(217) 902-5521
Collin.Anderson@Carle.com

July 5, 2023

Mr. Michael Constantino
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Permit Renewal Request for Permit #22-038

Dear Mike:

Pursuant to Section 1130.740 of the Illinois Health Facilities and Services Review Board ("HFSRB") rules, I am writing on behalf of Proctor Hospital d/b/a Carle Health Proctor Hospital ("Proctor Hospital") to request a renewal of Permit # 22-038. The processing fee of \$500 payable to the Illinois Department of Public Health will be sent under separate cover.

Status of the Project & Reasons for Renewal Request

The Hospital's CON permit for project #22-038 was approved on January 31, 2023. On May 21, 2023, the HFSRB approved the applicants' first permit renewal request, thereby extending the project completion date to August 31, 2023, as the applicants were awaiting various regulatory approvals and certifications, including, among others, approval from the Illinois Department of Public Health ("IDPH"). It was, and remains, the intention of the applicants to operate the approved rehabilitation unit at Proctor Hospital in the same manner the rehabilitation unit has been operated at The Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital ("Methodist Hospital"),¹ including providing the same level of robust, intensive rehabilitation care its patients need and have come to expect.

While Proctor Hospital has obtained licensure approval from IDPH, it has not yet received all regulatory approvals and certifications, including Medicare "Inpatient Rehabilitation Facility" excluded unit status, needed to fully operate the rehabilitation unit in the same manner as the rehabilitation unit at Methodist Hospital. The applicants expect to receive all remaining regulatory approvals and certifications by or before January 31, 2024.

¹ On January 31, 2023, the HFSRB approved Methodist Hospital's Certificate of Exemption ("COE") application to discontinue the rehabilitation unit at Methodist Hospital (Project No. E-072-22). The COE application was filed concurrently with Proctor Hospital's application to establish the rehabilitation unit at Proctor Hospital, and each application was contingent upon approval of the other, with the discontinuation of the rehabilitation unit at Methodist Hospital to be effective once the rehabilitation unit at Proctor Hospital was fully operational.



During the interim period, Proctor Hospital plans to continue providing rehabilitation services to any patients already admitted to the rehabilitation unit, but any new patients would be admitted to Methodist Hospital for rehabilitation services. At the time Proctor Hospital obtains its remaining regulatory approvals, expected around January 1, 2024, Proctor Hospital plans to resume furnishing rehabilitation services. At that time, any patients currently receiving rehabilitation services at Methodist Hospital would remain at Methodist Hospital for the short period of time necessary to complete their course of treatment, but any new admissions would be to Proctor Hospital. The applicants will work with IDPH to ensure all licensure requirements needed to effectuate this approach are fulfilled.

The Requested Project Completion Date

An extension of the Project Completion Date from August 31, 2023 until January 31, 2024 is hereby requested.

Thank you for your time and attention to this matter. Please contact me at Collin.anderson@carle.com if you require further information in order to consider this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Collin Anderson", written over a light grey rectangular background.

Collin Anderson
Strategic Planning Coordinator II
Carle Health