

July 14, 2023

**VIA EMAIL:**

Health Facilities and Services Review Board  
c/o John Kniery and Michael Constantino

Re: Project #23-024 – DeKalb County Rehab and Nursing Center

In response to the Board staff's questions, please accept the following:

1. We have reviewed the DeKalb County Board Meeting website and we could not find where the Chairman of the County Board was approved by the County Board to enter into an Asset Purchase Agreement and an Operations Transfer Agreement with DeKalb Healthcare Holdings, LLC. In October 2022 the Chairman of the County Board was approved to enter into an Asset Purchase Agreement and Operations Transfer Agreement with Illuminate HC. Is DeKalb Healthcare Holdings, LLC new entity of Illuminate HC? We need documentation that DeKalb Healthcare Holdings, LLC. has been approved by the County Board as the purchaser of the long-term care facility from the County.

The intention was always that new entities would be created to own/operate the facility and the land. Ultimately, the County Board authorized the Chair to enter into the Asset Purchase and Operational Transfer Agreements with Illuminate Healthcare wherein the control of the facility/license would rest with DeKalb Healthcare Holdings, LLC and the control of the land would rest with DeKalb SNF Realty, LLC as described in the deal documents presented as part of the application. The transaction reflected in the CON has been approved by the County Board.

2. Please provide an explanation of what the area of the expansion of the nursing home approved under Permit #18-005 is being used for by the residents of the Nursing Home.

IDPH authorized utilization of a limited space for a meeting room, but the renovated space it is not being utilized for resident care or living space, nor will it be until approved by IDPH.

3. Please provide the terms and conditions of the mortgage.

See attached.

4. Please provide an explanation of why proforma financial statements were not provided for the owner of the site.

DeKalb SNF Land Holdings, LLC is a new entity created solely to own the land. There is no operational pro forma to be presented. The operational pro forma was presented for the licensee, DeKalb Healthcare Holdings, LLC.

5. Please provide a narrative describing Sabo Healthcare including ownership structure. Please explain why Sabo Healthcare is not a co-applicant on this Application.

There is no Sabo Healthcare. Presuming you mean Saba Healthcare, it is a consulting company that has no involvement in this transaction, thus it is not a co-applicant, nor is it even referenced anywhere in this application.

6. Please provide a narrative describing Illuminate HC including ownership structure.

Illuminate HC is a consulting company owned by Mr. Zuckerman. Illuminate presented a bid to purchase this facility, the result of which is ultimately reflected in the deal documents presented accompanying this CON. As reflected therein, the ownership of the facility and license will be held by DeKalb Healthcare Holdings, LLC and the land will be held by DeKalb SNF Land Holdings, LLC, as described in the CON application. DeKalb Healthcare Holdings and DeKalb SNF Land Holdings are not subsidiaries of Illuminate, they are single purpose entities created for this transaction.

7. Will these letters be forthcoming? Yes, See Attached.

A letter from the CEO certifying that the admission policies of the facilities involved will not become more restrictive.

Notarized statement that is referenced on page 130 of the Application for Permit.

8. Please Explain why the following criteria were not addressed.

These criteria were not addressed because this is an existing health care facility that is already operational, is not part of a health system, and will not become part of a health care system. This does not involve the establishment of a facility. The space will continue to be utilized as it exists, the bed compliment will remain unchanged, and every resident will be welcomed at the facility if and when the change of ownership is approved.

**Criterion 1110.234 (a) - Size of the Project**

This regulation does not exist.

**Criterion 1110.234 (b) - Projected Utilization**

This regulation does not exist.

**Criterion 1110.240 (d) – Health Care System**

This regulation relates to the Category of Service Modernization standards for a Selected Organ Transplantation project, thus it was not addressed.

That said, we tried to present an answer above that addressed the intended questions being raised.

Best regards,

BENESCH, FRIEDLANDER,  
COPLAN & ARONOFF LLP



Mark J. Silberman