

24-037

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ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION **HEALTH FACILITIES & SERVICES REVIEW BOARD**

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Kindred Chicago Lakeshore		
Street Address: 6130 North Sheridan Road		
City and Zip Code: Chicago, Illinois 60660		
County: Cook	Health Service Area: 6	Health Planning Area: A-01

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Kindred Healthcare Operating, LLC		
Street Address: 680 South 4 th Street		
City and Zip Code: Louisville, Kentucky 40202		
Name of Registered Agent: The Corporation Trust Company		
Registered Agent Street Address: Corporation Trust Center 1209 Orange Street		
Registered Agent City and Zip Code: Wilmington, Delaware 19801		
Name of Chief Executive Officer: Julie Viers		
CEO Street Address: 680 South 4 th Street		
CEO City and Zip Code: Louisville, Kentucky 40202		
CEO Telephone Number:		

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Anne M. Cooper		
Title: Attorney		
Company Name: Polsinelli PC		
Address: 150 North Riverside Plaza, Suite 3000, Chicago, Illinois 60606		
Telephone Number: 312-873-3606		
E-mail Address: acooper@polsinelli.com		
Fax Number:		

Additional Contact [Person who is also authorized to discuss the application for permit]

Name: Steve Jones		
Title: Director of Communications		
Company Name: Kindred Healthcare		
Address: 680 South 4 th Street, Louisville, Kentucky 40202		
Telephone Number:		
E-mail Address:		
Fax Number:		

Post Permit Contact

[Person to receive all correspondence after permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]

Name: Steve Jones
Title: Director of Communications
Company Name: Kindred Healthcare
Address: 680 South 4 th Street, Louisville, Kentucky 40202
Telephone Number:
E-mail Address:
Fax Number:

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Ventas Realty, Limited Partnership
Address of Site Owner: 500 North Hurstbourne Parkway, #200, Louisville Kentucky 40222
Street Address or Legal Description of the Site: 6130 North Sheridan Road, Chicago, Illinois 60660
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: Kindred THC North Shore, LLC		
Address: 680 South 4 th Street, Louisville, Kentucky 40202		
<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other
<ul style="list-style-type: none">o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.		

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. This map must be in a readable format. In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>). **NOTE:** A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.

APPEND DOCUMENTATION AS **ATTACHMENT 5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT 6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification :

- Substantive
 Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, the "Applicants" or "Kindred") seek authority from the Illinois Health Facilities and Services Review Board (the "State Board") to discontinue its 103-bed long term acute care facility, operating as part of the Subacute Care Demonstration Program located at 6130 North Sheridan Road, Chicago, Illinois.

The Applicants anticipate Kindred Chicago Lakeshore will be discontinued soon as practicable after State Board approval, but no later than April 30, 2025.

The project constitutes a substantive project because it proposes the discontinuation of a health care facility.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$0	\$0	\$0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$0	\$0	\$0
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Purchase Price: \$ _____
Fair Market Value: \$ _____
The project involves the establishment of a new facility or a new category of service <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.
Estimated start-up costs and operating deficit cost is \$ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.
Indicate the stage of the project's architectural drawings: <input checked="" type="checkbox"/> None or not applicable <input type="checkbox"/> Preliminary <input type="checkbox"/> Schematics <input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>April 30, 2025</u>
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): NOT APPLICABLE <input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies <input type="checkbox"/> Financial Commitment will occur after permit issuance.
APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable? <input type="checkbox"/> Cancer Registry NOT APPLICABLE <input type="checkbox"/> APORS NOT APPLICABLE <input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted <input type="checkbox"/> All reports regarding outstanding permits NOT APPLICABLE Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.
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Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest Calendar Year for which data is available. Include observation days in the patient day totals for each bed service. Any bed capacity discrepancy from the Inventory will result in the application being deemed incomplete.

FACILITY NAME: Kindred Chicago Lakeshore		CITY: Chicago			
REPORTING PERIOD DATES: From: January 1, 2023 to: December 31, 2024					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long-Term Care					
Specialized Long-Term Care					
Long Term Acute Care	103	341	10,535	-103	0
Other ((identify))					
TOTALS:	103	341	10,535	-103	0

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Kindred Healthcare Operating, LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

DocuSigned by:
Kathy Teague
SIGNATURE

Kathy Teague
PRINTED NAME

Vice President & Corporate Secretary
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

DocuSigned by:
Scott Graeser
SIGNATURE

Scott Graeser
PRINTED NAME

Vice President & Treasurer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Kindred THC North Shore, LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

DocuSigned by:
Kathy Teague
SIGNATURE 01C4AE

Kathy Teague
PRINTED NAME

Manger
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

DocuSigned by:
Scott Graeser
SIGNATURE 8808A423

Scott Graeser
PRINTED NAME

Manger
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility or the discontinuation of more than one category of service in a 6-month period. If the project is solely for a discontinuation of a health care facility the **Background of the Applicant(s) and Purpose of Project MUST** be addressed. **A copy of the Notices listed in Item 7 below MUST be submitted with this Application for Discontinuation** <https://www.ilga.gov/legislation/ilcs/documents/002039600K8.7.htm>

Criterion 1110.290 – Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that are to be discontinued.
2. Identify all the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.
6. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.
7. For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to filing of the application.
8. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

IMPACT ON ACCESS

1. Document whether the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within the geographic service area.

APPEND DOCUMENTATION AS **ATTACHMENT 10**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted, or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction, and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant can submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

SECTION X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, *including the impact on racial and health care disparities in the community*, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in each community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 37.

Safety Net Information per PA 95-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)	Year	Year	Year
Inpatient			

	Outpatient			
	Total			

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS **ATTACHMENT 39**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, the "Applicants" or "Kindred") are attached at Attachment – 1.

Kindred THC North Shore, LLC is the current operator of Kindred Chicago Lakeshore.

As the person with final control of the operator, Kindred Healthcare Operating, LLC is named as an applicant for this certificate of need application. Kindred Healthcare Operating, LLC does not do business in the State of Illinois. A certificate of good standing for Kindred Healthcare Operating, LLC from the state of its incorporation, Delaware, is attached.

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "KINDRED HEALTHCARE OPERATING, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE ELEVENTH DAY OF OCTOBER, A.D. 2024.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "KINDRED HEALTHCARE OPERATING, LLC" WAS FORMED ON THE TWENTY-SIXTH DAY OF FEBRUARY, A.D. 1998.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



2864135 8300

SR# 20243928777

You may verify this certificate online at corp.delaware.gov/authver.shtml

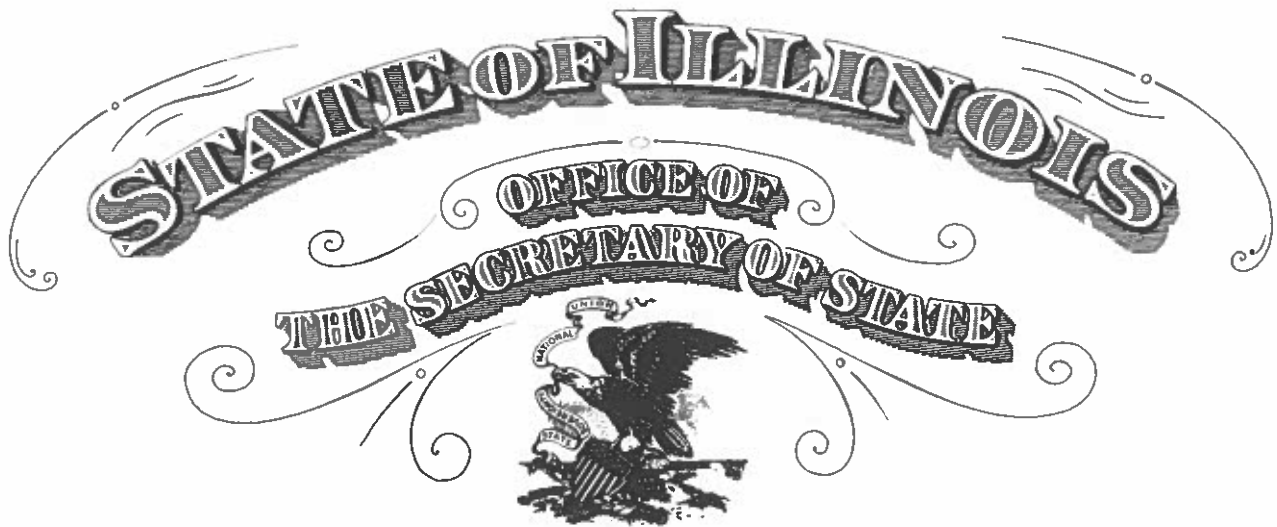
A handwritten signature in black ink, appearing to read "JBULLOCK", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Authentication: 204612600

Date: 10-11-24

File Number

0647090-4



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulas, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

KINDRED THC NORTH SHORE, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JANUARY 29, 2018, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 11TH day of OCTOBER A.D. 2024 .

Authentication #: 2428501706 verifiable until 10/11/2025
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulas
SECRETARY OF STATE

Section I, Identification, General Information, and Certification
Site Ownership

Documentation of site control will be submitted under separate cover.

Section I, Identification, General Information, and Certification
Operating Identity/Licensee

The Illinois Certificate of Good Standing for Kindred THC North Shore, LLC is attached at Attachment – 3.

File Number

0647090-4



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulis, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

KINDRED THC NORTH SHORE, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JANUARY 29, 2018, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 11TH day of OCTOBER A.D. 2024 .

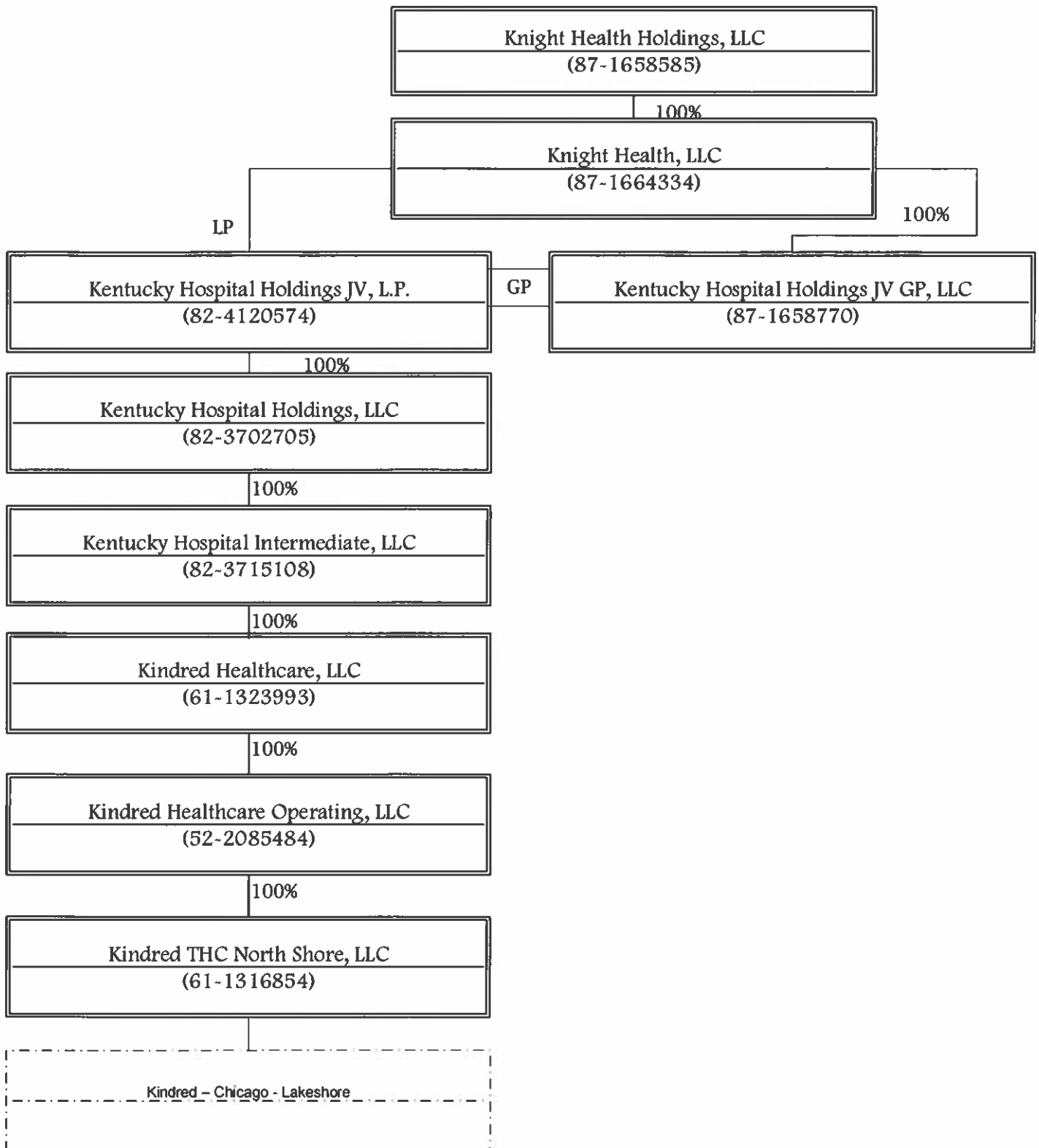
Authentication #: 2428501706 verifiable until 10/11/2025
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulis
SECRETARY OF STATE

Section I, Identification, General Information, and Certification
Organizational Relationships

The organizational chart showing the ownership structure of Kindred Chicago Lakeshore is attached at Attachment – 4.

Kindred Hospital - Chicago - Lakeshore Ownership Structure



The principal business address of each of the above entities (except indicated non-affiliated entities, if any) is 680 South Fourth Street, Louisville, KY 40202

Section I, Identification, General Information, and Certification
Flood Plain Requirements

This project does not involve construction or modernization. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Historic Resources Preservation Act Requirements

This project does not involve construction or modernization. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Project Costs and Sources of Funds

This project involves no costs. Accordingly, this criterion is not applicable.

Section II, Discontinuation
Criterion 1110.290(a), General

1. The Applicants will discontinue its 103-bed long term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore located at 6130 North Sheridan Road, Chicago, Illinois.
2. The Applicants will discontinue imaging services (general radiography/fluoroscopy, ultrasound, computerized axial tomography, and magnetic resonance imaging) as part of the discontinuation of Kindred Chicago Lakeshore.
3. Anticipated Discontinuation Date: The Applicants anticipate Kindred Chicago Lakeshore will be discontinued as soon as practicable after State Board approval, but no later than April 30, 2025.
4. The Applicants lease the physical plant from Ventas Realty, Limited Partnership. As a result, the Applicants will have no control over the physical plant after discontinuation of Kindred Chicago Lakeshore. Kindred Chicago Lakeshore has no major medical equipment, and any equipment available would be redistributed among Kindred's long-term acute care hospitals in Chicago.
5. Medical records will be maintained at the Kindred Healthcare Support Center (paper copies through Iron Mountain and electronic records in our information systems) pursuant to the time periods required by federal and state law.
6. A copy of the notice of discontinuation of Kindred Chicago Lakeshore published on November 13, 2024 is attached at Attachment – 10A.
7. The Applicants provided notice of their intent to file a Certificate of Need application to discontinue Kindred Chicago Lakeshore to the following state and local officials: (a) Honorable Brandon Johnson, Mayor, City of Chicago; (b) Illinois State Senator Mike Simmons; (c) Illinois State Representative Kelly M. Cassidy; (d) Director Sameer Vohra, MD, JD, MA, Illinois Department of Public Health; (e) Director Elizabeth M. Whitehead, Illinois Department of Healthcare and Family Services; and (f) John Kniery, Administrator, Illinois Health Facilities and Services Review Board. Copies of the notices are attached at Attachment – 10B.
8. An affidavit from Kathy Teague, Manager, Kindred THC North Shore, LLC, certifying all questionnaires and data required by the State Board or IDPH will be provided through the date of discontinuation and that all required information will be submitted no later than 90 days following the date of discontinuation is attached at Attachment – 10C.

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Chicago Tribune Media Group does hereby certify that it is the publisher of the Chicago Tribune. The Chicago Tribune is a secular newspaper, has been continuously published Daily for more than fifty (50) weeks prior to the first publication of the attached notice, is published in the City of Chicago, State of Illinois, is of general circulation throughout that county and surrounding area, and is a newspaper as defined by 715 IL CS 5/5.

This is to certify that a notice, a true copy of which is attached, was published 1 time(s) in the Chicago Tribune, namely one time per week or on 1 successive weeks. The first publication of the notice was made in the newspaper, dated and published on 11/13/2024, and the last publication of the notice was made in the newspaper dated and published on 11/13/2024.

This notice was also placed on a statewide public notice website as required by 715 ILCS 5/2. 1.

On the following days, to-wit: Nov 13, 2024.

Executed at Chicago, Illinois on this
14th Day of November, 2024, by

Chicago Tribune Company



Jeremy Gates

Chicago Tribune

LEGAL NOTICE

Kindred Chicago Lakeshore has imminent plans to close its subacute care hospital located at 6130 North Sheridan Road, Chicago, Illinois 60660. Kindred Chicago Lakeshore plans to file a Certificate of Need application for the closure with the Illinois Health Facilities and Services Review Board on November 15, 2024
11/13/24 7725293



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

October 15, 2024

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Fax
acooper@polsinelli.com

Via Certified Mail

The Honorable Brandon Johnson
Mayor
City of Chicago
121 North LaSalle Street
Chicago, Illinois 60602

Re: Kindred Chicago Lakeshore

Dear Mayor Johnson:

This office represents Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, "Kindred"). Pursuant to 20 Ill. Comp. Stat. 3960/8.7(a), I am writing on behalf of Kindred to notify you that Kindred intends to file a certificate of need application with the Illinois Health Facilities and Services Review Board (the "State Board") to discontinue, in its entirety, its 103-bed long-term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore (the "Facility") located at 6130 North Sheridan Road, Chicago, Illinois (the "Project").

The Project will result in the discontinuation of all the Facility's authorized beds as well as inpatient imaging services. Kindred anticipates the Facility will close as soon as practicable after State Board approval, but no later than April 30, 2025.

Kindred arrived at this decision after carefully evaluating the decline in utilization of the facility, which currently operates at 36% occupancy, as well as the known availability of beds at nearby facilities, including two long-term acute care hospitals Kindred operates within 10 miles of the Facility: Kindred Hospital North and Kindred Hospital Chicago Northlake. Both Kindred Hospital North and Kindred Hospital Northlake operate below the State Board's target occupancy of 85% and have sufficient capacity to accommodate the Facility's patients. This decision will best enable Kindred to care for the greater Chicago community and invest more robustly in the remaining facilities.

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The Honorable B. Johnson
October 15, 2024
Page 2

All patients will be discharged or transferred to another Kindred hospital prior to discontinuation of the Facility. Therefore, the discontinuation of the Facility will not affect access to long-term acute care services in the Chicago metropolitan area. Additionally, Kindred plans to offer the Facility's current employees positions at other Kindred locations to support a smooth transition. Both the continued access to long-term acute care services and job placement for employees have been priorities for the Company while considering this decision.

If you have any questions about Kindred's plans to discontinue Kindred Chicago Lakeshore, please feel free to contact Susan Feeney, AVP Communications and Public Policy at 202-607-0315.

Sincerely

A handwritten signature in black ink that reads "Anne M. Cooper".

Anne M. Cooper



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

October 15, 2024

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Fax
acooper@polsinelli.com

Via Certified Mail

The Honorable Mike Simmons
Illinois State Senator, District 7
1040 West Bryn Mawr Avenue
Chicago, Illinois 60660

Re: Kindred Chicago Lakeshore

Dear Senator Simmons:

This office represents Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, "Kindred"). Pursuant to 20 Ill. Comp. Stat. 3960/8.7(a), I am writing on behalf of Kindred to notify you that Kindred intends to file a certificate of need application with the Illinois Health Facilities and Services Review Board (the "State Board") to discontinue, in its entirety, its 103-bed long-term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore (the "Facility") located at 6130 North Sheridan Road, Chicago, Illinois (the "Project").

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The Honorable M. Simmons
October 15, 2024
Page 2

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Sincerely

A handwritten signature in black ink that reads "Anne M. Cooper".

Anne M. Cooper



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

October 15, 2024

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Fax
acooper@polsinelli.com

Via Certified Mail

The Honorable Kelly M. Cassidy
Illinois State Representative, District 14
1507 West Morse Avenue
Chicago, Illinois 60626

Re: Kindred Chicago Lakeshore

Dear Representative Cassidy:

This office represents Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, "Kindred"). Pursuant to 20 Ill. Comp. Stat. 3960/8.7(a), I am writing on behalf of Kindred to notify you that Kindred intends to file a certificate of need application with the Illinois Health Facilities and Services Review Board (the "State Board") to discontinue, in its entirety, its 103-bed long-term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore (the "Facility") located at 6130 North Sheridan Road, Chicago, Illinois (the "Project").

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The Honorable K. Cassidy
October 15, 2024
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If you have any questions about Kindred's plans to discontinue Kindred Chicago Lakeshore, please feel free to contact Susan Feeney, AVP Communications and Public Policy at 202-607-0315.

Sincerely

A handwritten signature in black ink that reads "Anne M. Cooper".

Anne M. Cooper



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

October 15, 2024

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Fax
acooper@polsinelli.com

Via Certified Mail

Sameer Vohra, MD, JD, MA
Director
Illinois Department of Public Health
525 West Jefferson Street
Springfield, Illinois 62761

Re: Kindred Chicago Lakeshore

Dear Director Vohra:

This office represents Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, "Kindred"). Pursuant to 20 Ill. Comp. Stat. 3960/8.7(a), I am writing on behalf of Kindred to notify you that Kindred intends to file a certificate of need application with the Illinois Health Facilities and Services Review Board (the "State Board") to discontinue, in its entirety, its 103-bed long-term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore (the "Facility") located at 6130 North Sheridan Road, Chicago, Illinois (the "Project").

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Director S. Vohra
October 15, 2024
Page 2

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If you have any questions about Kindred's plans to discontinue Kindred Chicago Lakeshore, please feel free to contact Susan Feeney, AVP Communications and Public Policy at 202-607-0315.

Sincerely

A handwritten signature in black ink that reads "Anne M. Cooper".

Anne M. Cooper



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

October 15, 2024

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Fax
acooper@polsinelli.com

Via Certified Mail

Elizabeth M. Whitehorn
Director
Illinois Department of Healthcare and Family
Services
Prescott Bloom Building
201 South Grand Avenue, East
Springfield, Illinois 62763

Re: Kindred Chicago Lakeshore

Dear Director Whitehorn:

This office represents Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, "Kindred"). Pursuant to 20 Ill. Comp. Stat. 3960/8.7(a), I am writing on behalf of Kindred to notify you that Kindred intends to file a certificate of need application with the Illinois Health Facilities and Services Review Board (the "State Board") to discontinue, in its entirety, its 103-bed long-term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore (the "Facility") located at 6130 North Sheridan Road, Chicago, Illinois (the "Project").

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Director E. Whitehorn
October 15, 2024
Page 2

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Sincerely

A handwritten signature in black ink that reads "Anne M. Cooper".

Anne M. Cooper



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

October 15, 2024

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Fax
acooper@polsinelli.com

Via Certified Mail

John Kniery
Administrator
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Kindred Chicago Lakeshore

Dear Mr. Kniery:

This office represents Kindred Healthcare Operating, LLC and Kindred THC North Shore, LLC (collectively, "Kindred"). Pursuant to 20 Ill. Comp. Stat. 3960/8.7(a), I am writing on behalf of Kindred to notify you that Kindred intends to file a certificate of need application with the Illinois Health Facilities and Services Review Board (the "State Board") to discontinue, in its entirety, its 103-bed long-term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore (the "Facility") located at 6130 North Sheridan Road, Chicago, Illinois (the "Project").

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Mr. J. Kniery
October 15, 2024
Page 2

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Sincerely

A handwritten signature in black ink that reads "Anne M. Cooper".

Anne M. Cooper

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9414814903055743021969 45274 Chicago	Illinois Dept. of Public Health 525 W JEFFERSON ST SPRINGFIELD, IL 62761-0001	ERR C	0.690	2.62 4.85			8.16
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9414814903055743021983 45278 Chicago	Illinois Health Facilities and Services Review 525 W JEFFERSON ST, 2nd Floor SPRINGFIELD, IL 62761-0001	ERR C	0.690	2.62 4.85			8.16
9414814903055743021990 45280 Chicago	Illinois State Senator, 15th District 527 COLMAN CENTER DR ROCKFORD, IL 61108-2747	ERR C	0.690	2.62 4.85			8.16
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9414814903055743022034 45288 Chicago	Illinois Health Facilities and Services Commission 525 W JEFFERSON ST, 2nd Floor SPRINGFIELD, IL 62761-0001	ERR C	0.690	2.62 4.85			8.16
9414814903055743022041 45290 Chicago	Illinois Dept. of Public Health 525 W JEFFERSON ST, SPRINGFIELD, IL 62761-0001	ERR C	0.690	2.62 4.85			8.16

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9414814903055743022058 45291 Chicago	Illinois Dept. of Healthcare and Family Services 201 S GRAND AVE E SPRINGFIELD, IL 62763-1000	ERR C	0.690	2.62 4.85			8.16
9414814903055743022065 45292 Chicago	City of Chicago 121 N LaSalle St Chicago, IL 60602	ERR C	0.690	2.62 4.85			8.16
9414814903055743022072 45293 Chicago	Illinois State Representative 70th District 158 W State St Suite C Sycamore, IL 62706	ERR C	0.690	2.62 4.85			8.16

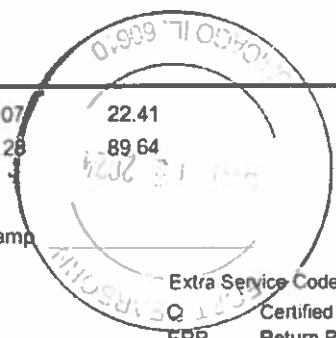
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Attachment - 10B

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Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chair Savage:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109, and pursuant to 77 Ill. Admin Code § 1110.290(a)(6) that Kindred Chicago Lakeshore will complete all questionnaires and data required by the Illinois Health Facilities and Services Review Board or the Illinois Department of Public Health (IDPH) (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation and that the required information will be submitted no later than 60 days following the date of discontinuation.

Sincerely,

DocuSigned by:


6607D11F401C4AE
Kathy Teague
Manager
Kindred THC North Shore, LLC

Section II, Discontinuation
Criterion 1110.290(b), Reason for Discontinuation

Kindred seeks authority from the Illinois Health Facilities and Services Review Board to discontinue its 103-bed long term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore located at 6130 North Sheridan Road, Chicago, Illinois. Kindred leases the building housing Kindred Chicago Lakeshore. Given lease expires on April 30, 2025, Kindred decided to discontinue its subacute care hospital.

**Section II, Discontinuation
Criterion 1110.290(c), Impact on Access**

1. The discontinuation of Kindred Chicago Lakeshore will not affect access to long-term acute care services in the planning area. Based on the Inventory of Health Care Facilities and Need Determinations, there is an excess of 231 long-term acute care beds in HSAs 6, 7, 8, and 9.¹ The discontinuation of Kindred Chicago Lakeshore will not affect access to long-term acute care services in the Chicago area.

Further, there are three long-term acute care hospitals within 30 minutes of Kindred Chicago Lakeshore. As of December 31, 2022, utilization of these hospitals was significantly below the State Board's 85% utilization standard.² See Table 1110.290(c). Patients requiring ongoing long-term acute care services will be transferred to Kindred Hospital Chicago North and/or Kindred Chicago Northlake. Patients not requiring ongoing long-term acute care will be discharged home or to a lower level of care appropriate for their medical condition and needs. Accordingly, the discontinuation of Kindred Chicago Lakeshore will not adversely affect patient access to long-term acute care services in metro Chicago.

Table 1110.290(c) Utilization of Hospitals within 30 Minutes of Kindred Chicago Lakeshore Hospital							
	Time	2021			2022		
		Beds	Patient Days	Utilization	Beds	Patient Days	Utilization
Kindred Chicago North	18 min	133	23,193	47.8%	128	20,425	43.7%
Rush Specialty Hospital*	27 min	100	N/A	N/A	100	N/A	N/A
RML Chicago	27 min	86	19,583	62.4%	86	17,594	56.0%

*Opened in 2024

2. There are no non-Kindred long-term acute care hospitals within the Kindred Chicago Lakeshore 10-mile geographic service area.

¹ Illinois Health Facilities and Services Review Board, Inventory of Health Care Facilities and Services and Need Determinations, G-4 (Dec. 18, 2023).

² Illinois Health Facilities and Services Review Board, 2021 and 2022 Hospital Profile Reports available at <https://hfsrb.illinois.gov/inventoriesdata/facilityprofiles.html> (last visited Oct. 11, 2024).

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(b), Project Purpose, Background and Alternatives

Background of Applicant

- 1. A listing of all health care facilities owned or operated by the Applicants, including licensing, and certificates, if applicable.**

Subsidiaries of Kindred Healthcare Operating, LLC own and operate the following health care facilities in Illinois:

Kindred THC Chicago, LLC d/b/a Kindred Hospital – Sycamore
225 Edward Street
Sycamore, Illinois 60178

Kindred THC North Shore, LLC d/b/a Kindred Chicago Lakeshore Hospital
6130 North Sheridan Road
Chicago, Illinois 60660

Kindred THC Chicago, LLC d/b/a Kindred Hospital Chicago North
2544 West Montrose Avenue
Chicago, Illinois 60618

Kindred THC Chicago, LLC d/b/a Kindred Hospital Chicago Northlake
365 East North Avenue
Northlake, Illinois 60164

Copies of IDPH licenses and Joint Commission accreditation for all health care facilities owned or operated by the Applicants in Illinois are attached at Attachment – 11A.

- 2. A certified listing of any adverse action taken against any facility owned and/or operated by the Applicant during the three years prior to the filing of the application.**

Certification that no adverse action has been taken against either of the Applicants or against any health care clinics owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11B.

- 3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including but not limited to: official records of DPH or other State Agencies; the licensing or certification records of other states, when applicable; and the records of national recognized accreditation organizations.**

An authorization permitting the Illinois Health Facilities and Services Review Board (“State Board”) and IDPH access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11B.

DISPLAY THIS PART IN A CONSPICUOUS PLACE



ILLINOIS DEPARTMENT OF PUBLIC HEALTH

HF131557

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Sameer Vohra, MD, JD, MA
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE 11/1/2025	CATEGORY	ID NUMBER 4000014
Subacute Care Hospital Demonstration Program		
Licensed Beds: 103		

Kindred Chicago- Lakeshore
6130 North Sheridan Road
Chicago, IL 60660

Exp. Date 11/1/2025
Lic Number 4000014

Date Printed 8/30/2024

Kindred Chicago- Lakeshore
6130 Sheridan Road
Chicago, IL 60641

FEE RECEIPT NO.

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ILLINOIS DEPARTMENT OF PUBLIC HEALTH

HF129440

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Sameer Vohra, MD,JD,MA
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE 12/15/2024	CATEGORY	I.D. NUMBER 0006197
Long Term Acute Care Hospital		
Effective: 12/16/2023		

Kindred Sycamore, LLC
dba Kindred Hospital - Sycamore
225 Edward Street

Sycamore, IL 60178

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 12/15/2024
Lic Number 0006197

Date Printed 11/28/2023

Kindred Sycamore, LLC
dba Kindred Hospital - Sycamore
225 Edward Street
Sycamore, IL 60178

Kindred THC North Shore, LLC Kindred Chicago Lakeshore

Chicago, IL

has been Accredited by

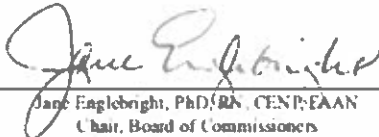


The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the
Hospital Accreditation Program

November 18, 2023

Accreditation is customarily valid for up to 36 months.


Jane Englebright, PhD, RN, CENP, EAAN
Chair, Board of Commissioners

ID #518225
Print/Reprint Date: 02/27/2024


Jonathan B. Petlin, MD, PhD, MSHA, MACP, FACMI
President and Chief Executive Officer

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



This reproduction of the original accreditation certificate has been issued for use as regulatory payer agency verification of accreditation by The Joint Commission. Please contact Quality Check on The Joint Commission's website to confirm the organization's current accreditation status and for a listing of the organization's locations of care.

Kindred Sycamore, LLC

Sycamore, IL

has been Accredited by




The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the
Hospital Accreditation Program

May 27, 2023

Accreditation is customarily valid for up to 36 months.


Jane Englebright, PhD, RN, CENP, EAAN
Chair, Board of Commissioners

ID #7437
Print/Reprint Date: 08/16/2023


Jonathan B. Perlin, MD, PhD, MSHA, MACP, FACMI
President and Chief Executive Officer

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



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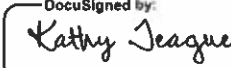
Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chair Savage:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 Ill. Admin. Code § 1130.140 has been taken against any health care facility owned or operated by Kindred Healthcare Operating, LLC in the State of Illinois during the three-year period prior to filing this application.

Additionally, pursuant to 77 Ill. Admin. Code § 1110.110(a)(2)(J), I hereby authorize the Health Facilities and Services Review Board (“HFSRB”) and the Illinois Department of Public Health (“IDPH”) access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,

DocuSigned by:

BB07D11F401C4AE

Kathy Teague
Vice President & Corporate Secretary
Kindred Healthcare Operating, LLC

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chair Savage:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 Ill. Admin. Code § 1130.140 has been taken against any health care facility owned or operated by Kindred THC North Shore, LLC in the State of Illinois during the three-year period prior to filing this application.

Additionally, pursuant to 77 Ill. Admin. Code § 1110.110(a)(2)(J), I hereby authorize the Health Facilities and Services Review Board (“HFSRB”) and the Illinois Department of Public Health (“IDPH”) access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,

DocuSigned by:

8B07D11F401C4AE
Kathy Teague
Manager
Kindred THC North Shore, LLC

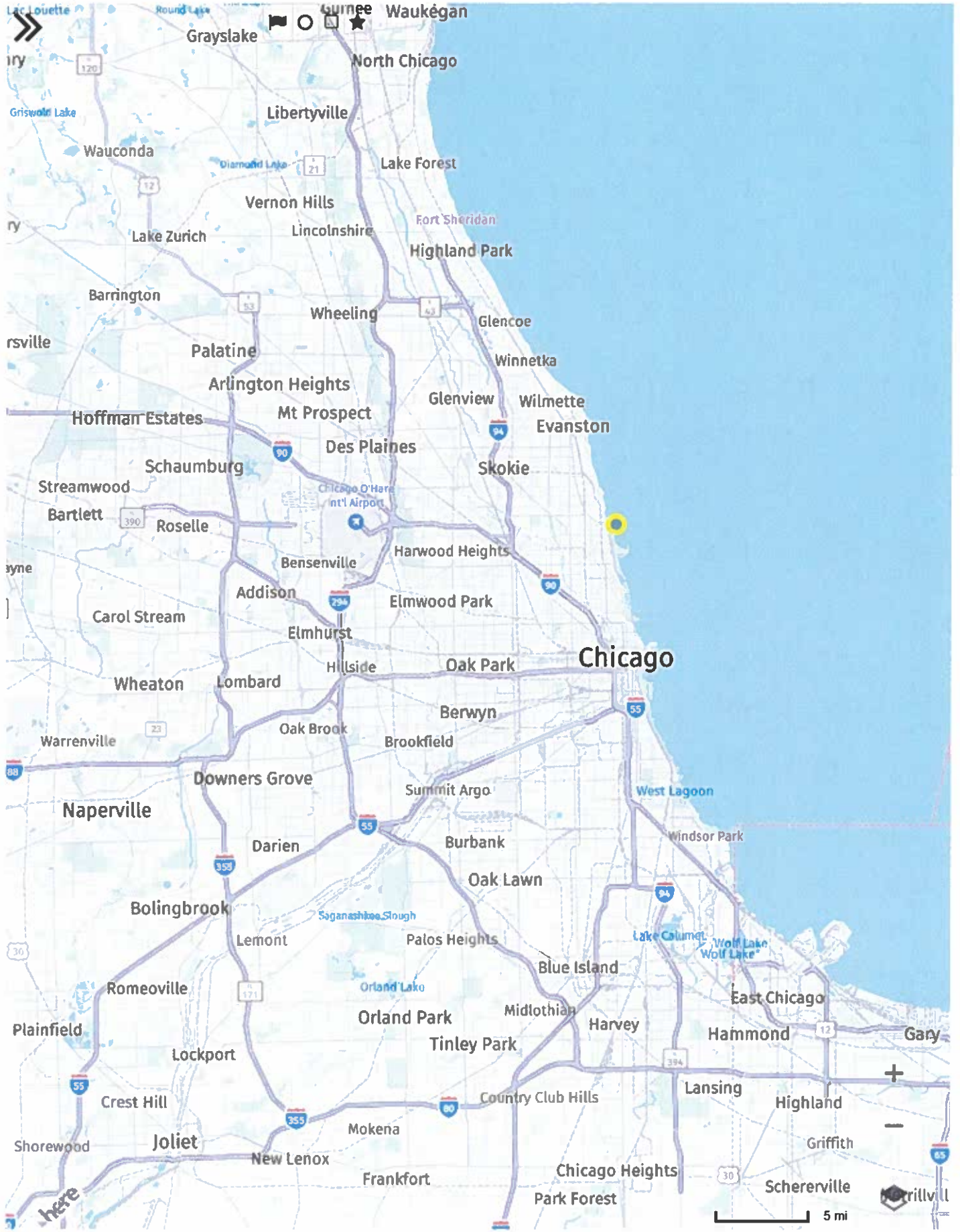
Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(b), Project Purpose, Background and Alternatives

1. Kindred seeks authority from the Illinois Health Facilities and Services Review Board to discontinue its 103-bed long term acute care facility, operating as part of the Subacute Care Demonstration Program known as Kindred Chicago Lakeshore located at 6130 North Sheridan Road, Chicago, Illinois. Given lease expires on April 30, 2025, Kindred decided to discontinue its subacute care hospital.
2. A map of the geographic service area of Kindred Chicago Lakeshore is attached at attachment – 12. The geographic service area encompasses a 10-mile radius around the hospital. The boundaries of the hospital's geographic service area are as follows:
 - North approximately 10 miles to Winnetka;
 - Northeast approximately 0.5 miles to Lake Michigan;
 - East approximately 0.5 miles to Lake Michigan;
 - Southeast approximately 0.5 miles to Lake Michigan;
 - South approximately 10 miles to Prairie Shores;
 - Southwest approximately 10 miles to Oak Park;
 - West approximately 10 miles to Rosemont; and
 - Northwest approximately 10 miles to Des Plaines.
3. Kindred leases the building housing the Kindred Chicago Lakeshore from Ventas Realty, Limited Partnership. Given lease expires on April 30, 2025, Kindred decided to discontinue its subacute care hospital.
4. The discontinuation of Kindred Chicago Lakeshore will not affect access to long-term acute care services in the planning area. Based on the Inventory of Health Care Facilities and Need Determinations, there is an excess of 231 long-term acute care beds in HSAs 6, 7, 8, and 9.³ The discontinuation of Kindred Chicago Lakeshore will not affect access to long-term acute care services in the Chicago area.

Further, there are three long-term acute care hospitals within 30 minutes of Kindred Chicago Lakeshore. As of December 31, 2022, utilization of these hospitals was significantly below the State Board's 85% utilization standard.⁴ Patients from Kindred Chicago Lakeshore will transfer to Kindred Chicago North, which can accommodate Kindred Chicago Lakeshore's historical volumes. Accordingly, the discontinuation of Kindred Chicago Lakeshore will not adversely affect patient access to long-term acute care services in metro Chicago.
5. The Applicants anticipate Kindred Chicago Lakeshore will be discontinued as soon as practicable after State Board approval, but no later than April 30, 2025.

³ Illinois Health Facilities and Services Review Board, Inventory of Health Care Facilities and Services and Need Determinations, G-4 (Dec. 18, 2023).

⁴ Illinois Health Facilities and Services Review Board, 2021 and 2022 Hospital Profile Reports *available* at <https://hfsrb.illinois.gov/inventoriesdata/facilityprofiles.html> (last visited Oct. 11, 2024).



Section IV, Safety Net Impact Statement

1. The discontinuation of Kindred Chicago Lakeshore will not affect access to long-term acute care services in the planning area. There are three long-term acute care hospitals within 30 minutes of Kindred Chicago Lakeshore. As of December 31, 2022, utilization of these hospitals was significantly below the State Board's 85% utilization standard.⁵ Patients requiring ongoing long-term acute care services will be transferred to Kindred Hospital Chicago North and/or Kindred Chicago Northlake. Patients not requiring ongoing long-term acute care will be discharged home or to a lower level of care appropriate for their medical condition and needs. Accordingly, the discontinuation of Kindred Chicago Lakeshore will not adversely affect patient access to long-term acute care services in metro Chicago.
2. The discontinuation of Kindred Chicago Lakeshore will not impact safety net providers in the community. There are three long-term acute care hospitals within 30 minutes of Kindred Chicago Lakeshore. As of December 31, 2022, utilization of these hospitals was significantly below the State Board's 85% utilization standard. Patients requiring ongoing long-term acute care services will be transferred to Kindred Hospital Chicago North and/or Kindred Chicago Northlake. Patients not requiring ongoing long-term acute care will be discharged home or to a lower level of care appropriate for their medical condition and needs. Accordingly, the discontinuation of Kindred Chicago Lakeshore will not adversely affect patient access to long-term acute care services in metro Chicago.

A table showing the charity care and Medicaid care provided by the Applicants for the most recent three calendar years is provided below.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	2020	2021	2022
Inpatient	0	0	0
Outpatient	0	0	0
Total	0	0	0
Charity (cost in dollars)			
Inpatient	0	0	0
Outpatient	0	0	0
Total	0	0	0
MEDICAID			
Medicaid (# of patients)	2020	2021	2022
Inpatient	292	159	120
Outpatient	0	0	0
Total	292	159	120
Medicaid (revenue)			
Inpatient	\$39,080,840	\$30,327,306	\$33,936,344
Outpatient			
Total	\$39,080,840	\$30,327,306	\$33,936,344

⁵ Id.

Section X, Charity Care

The table below provides charity care information for all health care facilities located in the State of Illinois that are owned and operated by Kindred.

CHARITY CARE			
	2020	2021	2022
Net Patient Revenue	\$157,399,347	\$136,638,173	\$121,079,128
Amount of Charity Care (charges)	\$0	\$0	\$0
Cost of Charity Care	\$0	\$0	\$0

Appendix - 1

Attached as Attachment – 1 is the 2019 – 2023 financial and utilization data for Kindred Chicago Lakeshore.

	Lakeshore				
	2019	2020	2021	2022	2023
Total Patient Revenue	23,624,293.49	26,069,000.03	28,915,167.32	24,607,211.02	20,844,091.09
Medicaid Revenue	4,219,735.83	4,874,006.12	5,021,169.31	788,175.21	1,101,619.29
Medicare Revenue	8,382,551.46	7,171,043.13	8,755,838.55	7,898,889.50	5,314,413.93
Other Public	8,843,565.76	11,283,216.69	11,262,167.91	12,047,195.16	9,946,295.12
Private Insurance	2,178,440.00	2,740,734.00	3,875,992.00	3,872,951.00	4,481,763.00
Private Pay			16,000.00	(1,770.00)	(20,800.00)
Charity Care					
Net Patient Revenue	23,811,446.04	26,379,290.02	28,686,200.43	23,800,512.16	21,149,440.96
Operating Revenue	23,629,641.14	26,377,506.31	29,202,908.72	24,645,234.72	21,055,268.93
Operating Expenses	21,617,258.72	22,788,828.40	24,582,731.61	23,688,704.46	24,323,744.32
Operating Margin	2,012,382.42	3,588,677.91	4,620,177.11	956,530.26	(3,268,475.39)
Other Income	5,347.65	6,185.12	5,074.05	15,738.64	37,846.22
Net Income	(1,781,321.93)	(874,889.90)	(658,068.48)	285,575.89	(946,633.03)
Number of authorized beds	103.00	103.00	103.00	103.00	103.00
Number of staff beds	103.00	103.00	103.00	103.00	103.00
Peak beds set up and staff	42.00	39.00	36.00	38.00	34.00
Peak census	42.00	39.00	36.00	38.00	34.00
Admissions	514.00	529.00	506.00	417.00	341.00
Patient Days	12,805.00	12,761.00	12,397.00	11,636.00	10,535.00
Average Daily Census	35.08	34.87	33.96	31.88	28.86
Average Length of Stay	24.91	24.12	24.50	27.90	30.89
CON/Authorized Bed Occupancy	34.1%	33.9%	33.0%	31.0%	28.0%
Staffed Bed Occupancy	34.1%	33.9%	33.0%	31.0%	28.0%

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

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