

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 1:15-cv-8782
	)	
LINCOLNSHIRE SENIOR CARE, LLC, d/b/a	)	CONSENT ORDER
SEDGEBROOK and	)	
LIFE CARE SERVICES LLC,	)	
	)	
Defendants.	)	

I. INTRODUCTION

1. The United States' Complaint alleges that Defendants, Lincolnshire Senior Care, LLC, d/b/a Sedgebrook and Life Care Services LLC ("Defendants"), discriminated against residents of the Sedgebrook Continuing Care Retirement Community because of disability in violation of the Fair Housing Act, 42 U.S.C. §§ 3601-3619 ("FHA" or "Act"). Defendants deny they violated the FHA or any other law prohibiting discrimination. Defendants also deny any and all allegations made by the United States in this Order. Defendants agree to the terms of this Consent Order resolving this action filed by Plaintiff United States solely to avoid the time and significant cost of litigation.

II. BACKGROUND

2. Defendant Lincolnshire Senior Care, LLC owns, and Defendant Life Care Services LLC manages, Sedgebrook, a Continuing Care Retirement Community (or "CCRC"), as defined by 26 U.S.C. § 7872(h)(3), in Lincolnshire, Illinois.

3. Sedgebrook holds a life care permit issued by the Illinois Department of Public

Health, and as such offers life care contracts to residents in addition to meeting certain financial requirements as prescribed in the Illinois Life Care Facilities Act, 210 ILCS 40 *et seq.*

4. In September 2010, Lincolnshire Senior Care, LLC purchased Sedgebrook from Erickson Retirement Communities. Lincolnshire Senior Care, LLC retained Life Care Services LLC, a third party manager specializing in senior living, to manage Sedgebrook.

5. Sedgebrook includes “dwellings” within the meaning of the Act, 42 U.S.C. § 3602(b), and consists of 467 residential living residences, 44 assisted living residences, and 84 private skilled nursing rooms in the health center. Sedgebrook also has common areas associated with those dwellings.

6. In its residential living section, Sedgebrook offers unregulated dining services at the Shoreline Restaurant, a full service sit-down dining room, and the Monarch Café (also known as the Harvest Bistro), a less formal, self-service cafeteria. The Assisted Living and Skilled Nursing sections have separate, regulated dining facilities.

7. The United States alleges that Sedgebrook residents who need assistance with the activities of daily living (“ADLs”) of eating and feeding are persons with disabilities¹ within the meaning of the Act, 42 U.S.C. § 3602(h). In addition, the United States alleges that Sedgebrook residents who need assistance with the ADLs of dressing, bathing, grooming, and household management activities are also persons with disabilities within the meaning of the Act, *id.*

8. In or about September 2011, Defendants adopted a Personal Service Provider Policy (“2011 PSP Policy”) that provided, in relevant part, “The PSP may assist the resident with

¹ Although the Act refers to the protected class as persons with “handicap[s],” the term “disabilities” is synonymous and generally preferred, *see Bragdon v. Abbott*, 524 U.S. 624, 631 (1998), and will be used in this Consent Order.

transportation to and from the dining areas in the Community but the PSP is not allowed to stay with the resident in the Shoreline Restaurant or Monarch Café during dining time.”

9. The 2011 Sedgebrook Resident Handbook similarly provided, “A Personal Service Provider is allowed to escort a Resident to and from their table in the Shoreline restaurant or Café but a Personal Service Provider is not allowed to stay with the Resident in the Shoreline restaurant or Café during meal time.”

10. The United States alleges that in or about April 2012, Defendants adopted the “Dining Services Policy for Independent Living Shoreline Restaurant and Monarch Café” (“2012 Dining Services Policy”), which outlined the criteria a resident must meet to dine in the Restaurant or the Café. The 2012 Dining Services Policy required that a resident “must be able to feed himself/herself in independent living dining room” with or without the use of unobtrusive adaptive eating devices and provided:

A resident using the Restaurant or Café should meet the following criteria:

- 1.1 Able to follow directions and communicate with others;
- 1.2 Able to dine with little or no assistance; and
- 1.3 Exhibit acceptable social behavior. Examples of unacceptable social behavior include, but are not limited to: a) food debris on clothing; b) use of uncontrollable or continued yelling or offensive language or gestures; c) drool, food and/or liquid seeping from the mouth; d) offensive body odor; e) continual rudeness, arguing and/or threatening behavior to staff, other residents and/or guests; and f) inadequately controlled incontinence.
- 1.4 Able to access the restroom on their own or with the assistance of a Personal Service Provider (PSP).

11. Like the September 2011 PSP Policy, the April 2012 Dining Services Policy also provided that a “PSP will not be allowed to dine in the Restaurant or Café with the resident.”

12. The 2012 Dining Services Policy provided in Section 3.5 the following: “Any additional assistance needed while dining will be provided by the wait staff or the resident’s PSP.” Further, the 2012 Dining Services Policy provided in Section 4.6 the following: “Additional Assistance. Any additional assistance needed will be provided by the wait staff or the resident’s personal service provider.” Also, in the 2012 Dining Services Policy it states in Sections 3.4 and 4.5 that the PSP can carry the food tray to the table in the Café. Further, it states in Section 4.2 of the 2012 Dining Services Policy that the PSP can assist with transfer to a dining room chair at the resident’s request. Finally, in Section 8 of the 2012 Dining Services Policy it states that the PSP can provide minimal assistance with dining but not feeding.

13. The United States alleges that these practices were continued after a revision to Sedgebrook’s “Dining Services Policy for Residential Living Restaurant and Café” that was made in June 2013 (“2013 Dining Services Policy”).

14. In or about February 2014, Sedgebrook revised its Personal Service Provider Policy (“2014 PSP Policy”) to allow PSPs to stay and eat at the table in the Monarch Café. The United States alleges that in practice, this allowed PSPs or family members to assist a resident with, for example, setting up a plate, cutting food, and placing food on utensils in the Monarch Café; however, neither PSPs nor family members, including spouses, were allowed to assist a resident with such activities in the Shoreline Restaurant. Family members and PSPs remain barred from feeding a resident in both the Café and the Restaurant under the 2014 PSP Policy and the 2013 Dining Services Policy.

15. The United States alleges that as a result of the policies and practices described above, residents who needed assistance with dining due to their disabilities were unable to have a PSP or family member, including a spouse, assist with certain tasks associated with dining,

including feeding, in the Shoreline Restaurant and the Monarch Café.

16. The United States alleges that a resident's failure to follow these policies could, and did, result in residents with disabilities losing their dining privileges at the Shoreline Restaurant and Monarch Café.

17. Beginning in or about September 2011 as set forth in the PSP Policy and continuing until at least February 2014, Defendants maintained a written policy that allowed Residential Living residents who needed assistance caring for themselves while living in residential living to hire qualified PSPs to provide 24-hour care in eight- or 12-hour shifts but prohibited residents from hiring live-in PSPs.

18. The United States alleges that residents with disabilities, through their family members, requested that they be granted exceptions to Sedgebrook's policy prohibiting live-in care because live-in care would better meet their health-related needs. The United States alleges that Sedgebrook denied or failed to respond to these requests.

19. The United States alleges other residents would have preferred to have live-in care as well, but did not seek exceptions to Sedgebrook's rule because they knew similar requests had been denied.

20. In or about February 2014, Sedgebrook amended its PSP Policy to remove the language prohibiting live-in PSPs in a resident's Residential Living apartment.

21. The United States alleges that through these policies and practices, Defendants have discriminated in violation of the FHA and that this conduct constitutes a pattern or practice of discrimination in violation of the Act and a denial to a group of persons of rights granted by the Act, which raises an issue of general public importance.

22. The Defendants deny that any of their current or former policies, practices,

procedures, or other conduct violate the FHA or any other statute, regulation, rule or policy that prohibits discrimination and instead contend that they adopted their policies, practices and procedures in compliance with the FHA and the Americans with Disabilities Act (“ADA”). This Agreement is not and should not be construed as an admission of liability by the Defendants.

23. The Defendants further assert that their policies, practices, procedures, and other conduct was based upon a good faith belief formulated from review of the applicable laws, regulations, case law, and informal federal agency guidance such as the Joint Statement of HUD and the Department of Justice On Reasonable Accommodations Under the Fair Housing Act and the Joint Statement of HUD and the Department of Justice On Reasonable Modifications Under the Fair Housing Act.

24. The parties agree that this Court has jurisdiction over the subject matter of this case pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3614(a). The parties further agree that this controversy should be resolved without further proceedings and without an evidentiary hearing or a trial in order to avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the allegations in the Complaint.

25. As indicated by the signatures appearing below, the parties agree to the entry of this Consent Order.

It is hereby ORDERED, ADJUDGED, and DECREED:

III. GENERAL INJUNCTION

26. Defendants and each of their officers, employees, agents, successors, and assigns, and all other persons in active concert or participation with them are enjoined from:

- (a) discriminating because of disability as prohibited by the FHA, 42 U.S.C. § 3604(f); and

- (b) refusing to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford a person an equal opportunity to use and enjoy a dwelling as required by the FHA, 42 U.S.C. § 3604(f)(3)(B).

IV. NON-DISCRIMINATION POLICIES

27. Within ten (10) days after the entry of this Consent Order, Defendants shall post and prominently display in the Sedgebrook main office in an area accessible to, or frequented by, the public and residents a poster no smaller than 10 by 14 inches indicating that all dwelling units are available on a non-discriminatory basis as required by the FHA. A poster that comports with 24 C.F.R. Part 110 will satisfy this requirement.

28. Dining Room and Events Policies: Within fifteen (15) days after the entry of this Consent Order, Defendants shall implement the Sedgebrook Dining Room and Events Policy at Sedgebrook, attached as Appendix A.

29. Personal Service Provider Policy: Within fifteen (15) days after the entry of this Consent Order, Defendants shall implement a revised version of the Sedgebrook Personal Service Provider Policy at Sedgebrook that shall be approved in advance by the United States and shall meet the minimum criteria stated in Appendix B. The United States may extend this timeline if, after good faith efforts and continued productive negotiations, the parties require additional time to finalize the Sedgebrook Personal Service Provider Policy.

30. Reasonable Accommodations Policy: Within fifteen (15) days after the entry of this Consent Order, Defendants shall implement the Sedgebrook Reasonable Accommodations Policy at Sedgebrook, attached as Appendix C.

31. Within thirty (30) days after the entry of this Consent Order, Defendants shall

provide to all current Sedgebrook residents the Sedgebrook Dining Room and Events Policy (adopted version of Appendix A), the Sedgebrook Personal Service Provider Policy (adopted version of Appendix B) and the Sedgebrook Reasonable Accommodations Policy (adopted version of Appendix C) (collectively “the Non-Discrimination Policies”). To the extent that a current Sedgebrook resident is incapacitated, Defendant shall provide the Non-Discrimination Policies to such resident’s next of kin or other responsible party as identified in the resident’s file. The Defendant shall, for the duration of this Order, provide the Non-Discrimination Policies to all new Sedgebrook residents on or before the date on which any disclosure statement is required to be provided and, in any event, before they move into the facility. Within thirty-five (35) days after the entry of this Consent Order, Defendants shall provide a sworn affidavit to counsel for the United States stating that the Nondiscrimination Policies were distributed to all current Sedgebrook residents or their next of kin.

32. Within sixty (60) days after the entry of this Consent Order, Defendant Life Care Services shall review its template policies for all CCRC and Residential Living Facilities (i.e. independent living) to determine if its template CCRC and Residential Living Facility policies are consistent with the Non-Discrimination Policies.

33. Subject to the requirements and time periods contained in Paragraphs 34 and 35, Defendants shall not manage any CCRC or Residential Living Facility inconsistently with the requirements contained in this Consent Order, including the material terms of the Non-Discrimination Policies.

34. At all CCRCs and Residential Living Facilities in which Defendants (or their affiliates) have a controlling ownership interest, within ninety (90) days after the entry of this Consent Order, Defendants shall revise any such community policies that are inconsistent with

the Non-Discrimination Policies (excluding such provisions that are unique to a facility such as dress codes, guest dining fees, and similar provisions and excluding the requirement that the facility have a Fair Housing Act Compliance Officer) and implement the revised policies so they are consistent with the Non-Discrimination Policies. Within one hundred (100) days after the entry of this Consent Order, Defendants shall provide a sworn affidavit to the United States confirming the policy review and revision of all CCRCs and Residential Living Facilities covered by this paragraph, unless Defendant Life Care Services can show a good faith reason for such delay in implementation of such policies. During the term of this Consent Order, no CCRCs and Residential Living Facilities in which Defendants (or their affiliates) have a controlling ownership interest shall adopt policies inconsistent with the Non-Discrimination Policies.

35. For all CCRCs and Residential Living Facilities that are managed by Defendant Life Care Services but in which Defendants have no controlling ownership interest, to the extent a community policy is inconsistent with the Non-Discrimination Policies, Defendant Life Care Services shall prepare policies consistent with the Non-Discrimination Policies and recommend their adoption by each facility as soon as reasonably practical (excluding such provisions that are unique to a facility such as dress codes, guest dining fees and similar provisions and excluding the requirement that the facility have a Fair Housing Act Compliance Officer). For the duration of this Consent Order, until all facilities covered by this paragraph have adopted policies consistent with the Non-Discrimination Policies or until Defendant Life Care Services has fully terminated all management contracts with all facilities that have refused or failed to adopt policies consistent with the Non-Discrimination Policies, Defendant Life Care Services shall report every ninety (90) days on the status of the implementation of policies at the facilities

covered by this paragraph by providing (i) the number of facilities covered by this paragraph, (ii) the number of facilities that have adopted revised Non-Discrimination Policies consistent with this paragraph, (iii) the number of facilities that have refused to adopt revised Non-Discrimination Policies consistent with this paragraph, and (iv) the steps taken, if applicable, to terminate any management agreement as required in this paragraph. With respect to any facility that has failed to adopt revised Non-Discrimination Policies consistent with this paragraph within three hundred and sixty (360) days after the entry of this Consent Order, unless Defendant Life Care Services can show a good faith reason for such failure, Defendant Life Care Services shall take prompt and appropriate action, consistent with any legal or contractual obligations that it may have, to commence termination of any management agreement regarding such a facility. In addition, with respect to any such facility that has refused to adopt revised Non-Discrimination Policies consistent with this paragraph within three hundred and sixty (360) days after the entry of this Consent Order, Defendant Life Care Services shall take prompt and appropriate action after such refusal, consistent with any legal or contractual obligations that it may have, to commence termination of any management agreement regarding such facility. Defendant Life Care Services shall take the same action if, during the term of this Consent Order, Defendant Life Care Services becomes aware that a CCRC or Residential Living Facility that is managed by Defendant Life Care Services but in which Defendants have no controlling ownership interest adopts a policy inconsistent with the Non-Discrimination Policies.

V. FAIR HOUSING ACT COMPLIANCE OFFICER

36. Within fifteen (15) days after the entry of this Consent Order, Defendants shall designate an employee as the “Fair Housing Act Compliance Officer” at Sedgebrook. The Fair Housing Act Compliance Officer serves as a resident advocate by ensuring a full review of the

pertinent criteria resulting in fair access and accommodation to facilities and services available to residents. The Fair Housing Act Compliance Officer shall also have the responsibility to receive complaints of alleged housing discrimination by Defendants from Sedgebrook residents, guests, or family and coordinate Defendants' compliance with this Consent Order. The Fair Housing Act Compliance Officer shall have the additional responsibility of providing consultation to the healthcare professionals regarding access to dining rooms and requests for reasonable accommodations, pursuant to the Non-Discrimination Policies. The Fair Housing Act Compliance Officer shall maintain copies of this Consent Order, the Non-Discrimination Policies, the HUD Complaint Form, the HUD pamphlet entitled "Are you a victim of housing discrimination" (HUD official forms 903 and 903.1, respectively), the Joint Statement of HUD and the Department of Justice On Reasonable Accommodations Under the Fair Housing Act, and the Joint Statement of HUD and the Department of Justice On Reasonable Modifications Under the Fair Housing Act. The Fair Housing Act Compliance Officer shall make these materials available free of charge to residents and their family members upon request, including all persons making housing discrimination complaints to Defendants. The Fair Housing Act Compliance Officer shall be knowledgeable regarding the rights of residents of nursing and assisted living facilities and shall be experienced regarding resident relations and services. The Fair Housing Act Compliance Officer shall designate an alternate person to perform the function of the Fair Housing Act Compliance Officer in the absence or other unavailability of the Fair Housing Act Compliance Officer.

VI. NO RAISING OF RENTS OR FEES

37. Defendants, their agents and affiliated companies, may not raise the rent or fees of any dwelling unit, or demand a deposit or other fee for a dwelling unit at Sedgebrook because

of this Consent Order. This provision does not prohibit Defendants from increasing a fee or otherwise requiring a resident to pay an amount to Defendants that is unrelated to this Consent Order or the adoption of Policies not specified in this Consent Order.

VII. MONETARY DAMAGES TO AGGRIEVED PERSONS²

38. Within ten (10) days after the entry of this Consent Order, Defendants shall deposit in an interest-bearing escrow account the total sum of **TWO HUNDRED TEN THOUSAND DOLLARS and 00/100 (\$210,000.00)** for the purpose of compensating the aggrieved persons identified in Appendix D as well as any additional persons whom the Court determines may have been harmed by the Defendants' discriminatory practices (hereinafter "aggrieved persons"). This money shall be referred to as the "Settlement Fund."

39. Any interest accruing to the fund shall become a part of the Settlement Fund and be utilized as set forth herein.

40. All expenses related to the establishment of the account referenced in Paragraph 38 above, shall be borne by the Defendants.

41. Within thirty (30) days after the entry of this Consent Order, Defendants shall provide a copy of the Notice set forth in Appendix E to all of Sedgebrook's current and former residents with life-care contracts ("CCRC Residents") since January 1, 2011 (using the last known address of any former resident). To the extent that a former Sedgebrook CCRC Resident is deceased, or a current Sedgebrook CCRC Resident is incapacitated, Defendants shall send a copy of the Notice set forth in Appendix E to the last known next of kin or other responsible

² Defendants have reached an agreement in the lawsuit filed in the United States District Court Northern District of Illinois captioned *Richard Miller, Individually, and as Appointed Independent Executor of the Estate of Phyllis Miller and the Estate of Sheldon Miller v. Lincolnshire Senior Care, LLC, Senior Care Development, LLC, and Life Care Services LLC*, Case No. 1:14-cv-01303, and dismissal papers are expected to be filed on or before October 3, 2015.

party identified in Defendants' records. Within forty five (45) days after the entry of this Consent Order, Defendants shall provide a sworn affidavit to counsel for the United States confirming that the Notice has been sent in accordance with this paragraph and the identity of the individuals to whom the Notice was sent. Upon request by the United States, Sedgebrook shall provide individual contact information for individuals to whom the notice was sent whom the United States believes it needs to contact to carry out the requirements set forth herein.

42. Within thirty (30) days after the entry of this Consent Order, Defendants shall make available to the United States for inspection and copying all CCRC Resident records at Sedgebrook not previously produced for the United States' use in identifying potential aggrieved persons related to the allegations in this Consent Order. Defendants shall permit the United States, upon reasonable notice, to review and copy any CCRC Resident records that may facilitate its determinations regarding the claims of allegedly aggrieved persons at Sedgebrook. Such records shall include, but not be limited to, records relating to resident complaints, requests for reasonable accommodations, and requests by a resident for a live-in PSP. The parties have submitted or will submit a Stipulated Protective Order to the Court and the disclosure of any resident record(s) or other information shall be subject to the Protective Order.

43. Nothing in this Consent Order shall preclude the United States from making its own efforts to locate and provide notice to potential aggrieved persons pursuant to the terms of this Consent Order.

44. Within one hundred and eighty (180) days of the entry of this Consent Order, the United States shall make a preliminary determination as to which additional persons have been allegedly aggrieved and a recommendation of an appropriate amount of monetary damages that should be paid from the Settlement Fund to each allegedly aggrieved person. The United States

will inform Defendants in writing of its preliminary determinations, together with a copy of a sworn declaration from each alleged aggrieved person setting forth the factual basis of the claim. Defendants hereby waive the right to dispute the United States' determinations regarding the currently identified aggrieved persons identified at Appendix D, both as to the identified individuals' entitlement to an allocation from the Settlement Fund and the amount of that allocation, which will be determined by the United States. With respect to any additional identified aggrieved persons, Defendants shall have fourteen (14) days to review the declarations and provide to the United States any additional documents or information that they believe may refute the claims.

45. After completion of the process described in Paragraph 44, the Parties shall submit their joint final recommendations to the Court for approval if they agree, or separate recommendations if they do not agree. When the Court issues an order providing for the distribution of funds to aggrieved persons the Defendants shall, within thirty (30) days, deliver to the United States checks payable to the alleged aggrieved persons or their representative in the amounts approved by the Court provided the alleged aggrieved person or their representatives have executed a release in the form of Appendix F. In no event shall the aggregate of all such checks exceed the amount of the Settlement Fund, including any accrued interest.

46. In the event that less than the total amount in the Settlement Fund including accrued interest is distributed to persons deemed aggrieved by the United States, the Court shall order the remainder of the Settlement Fund to be distributed to a qualified organization(s) for the purpose of conducting fair housing enforcement or educational activities in the metropolitan Chicago, Illinois area. Before selecting the qualified organization(s), the Defendants will obtain a proposal from the organization(s) on how the funds will be used consistent with the above-

stated purpose, submit such proposal to the United States, and consult with and obtain the non-objection of the United States. The United States and the Defendants may request modification of the proposal before approving the organization(s). The parties shall thereafter seek approval from the Court to distribute the remaining funds to the qualified organization(s). The qualified organization(s) receiving the funds shall submit to the United States and Defendants a detailed report on how the funds are utilized within one year of receipt of funds, and every year thereafter until the funds are exhausted.

VIII. CIVIL PENALTY

47. Within thirty (30) days after the entry of this Consent Order, Defendants shall pay a total of **FORTY FIVE THOUSAND DOLLARS AND 00/100 (\$45,000.00)** to the United States as a civil penalty, pursuant to 42 U.S.C. § 3614(d)(1)(C). This payment shall be in the form of an electronic funds transfer pursuant to written instructions provided by the United States.

IX. EDUCATIONAL PROGRAM

48. Within fifteen (15) days after the entry of this Consent Order, Defendants shall provide current employees and agents with direct or supervisory authority for entering into life care contracts at Sedgebrook (i.e. Marketing Department) and/or managing Sedgebrook (i.e. Administration) and current employees and agents with direct or supervisory authority for resident services at Sedgebrook (i.e. Resident Services Department) (collectively, the “Responsible Employees”) with a copy of the Non-Discrimination Policies and the summary of this Consent Order (“Summary”) appearing at Appendix G. Defendants shall secure a signed statement from each Responsible Employee acknowledging that he or she has received and read the Summary and the Non-Discrimination Policies and has had an opportunity to have questions

about the Summary and the Non-Discrimination Policies answered. This statement shall be substantially similar to the form of Appendix H.

49. For the duration of this Consent Order, within thirty (30) days after the date he or she commences an agency or employment relationship with Defendants, each new Responsible Employee will be given a copy of the Summary and the Non-Discrimination Policies and be required to sign the statement acknowledging that he or she has received and read the Summary and the Non-Discrimination Policies and has had an opportunity to have questions about the Summary and the Non-Discrimination Policies answered. This statement shall be substantially similar to the form of Appendix H.

50. Within ninety (90) days after the entry of this Consent Order, the Responsible Employees shall undergo training on the requirements of the FHA, including the requirement to provide reasonable accommodations to persons with disabilities. The training shall be conducted by a qualified individual who has been previously approved by Counsel for the United States. Any expenses associated with this training shall be borne by Defendants. Defendants shall provide to the United States, within thirty (30) days after the training, the name(s), address(es) and telephone number(s) of the trainer(s); copies of the training outlines and any materials distributed by the trainer(s); and certifications executed by the Responsible Employees confirming their attendance, in a form substantially equivalent to Appendix I.

X. NOTIFICATION AND DOCUMENT RETENTION REQUIREMENTS

51. Every six months during the duration of this Consent Order, Defendants shall submit to the United States³ a report containing the signed statements of new Responsible

³ For purposes of this Consent Order, any notices, documents or written materials that are required to be provided to the United States shall be sent by commercial (non-USPS) overnight delivery to: United States Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, 1800 G Street, N.W., Suite 7002,

Employees who, in accordance with Paragraph 48 of this Consent Order, have received and read the Summary and the Non-Discrimination Policies, and had an opportunity to have questions about the Summary and the Non-Discrimination Policies answered. The report will also include (1) a copy of any request for reasonable accommodations made to Sedgebrook and all documents relating thereto, including documentation of how each request was handled and all reasons for that determination; and (2) all documentation regarding any determinations made regarding any resident's ability to dine in the Shoreline Restaurant or Monarch Café. The final report shall be submitted 60 days prior to the termination date of this Order.

52. For the duration of this Consent Order, Defendant shall advise the United States in writing within fifteen (15) days of receipt of any fair housing complaint filed with a court or governmental agency of competent jurisdiction, or lodged with the Defendants themselves, against Defendants, or against any employee or agent of Defendants working in his or her capacity as an agent or employee at or for Sedgebrook, regarding discrimination on the basis of disability at Sedgebrook. Upon reasonable notice, Defendants shall also provide the United States all non-privileged information it may request concerning any such complaint. Defendants shall also advise counsel for the United States, in writing, within fifteen (15) days of resolution of any such complaint.

53. Defendants are required to preserve all records related to this Consent Order until the termination date of this Order. Upon reasonable notice to Defendant, representatives of the United States shall be permitted to inspect and copy the records Defendants are required to preserve under this Consent Order, provided however, that the United States shall endeavor to minimize any inconvenience to Defendants.

XI. DURATION OF CONSENT ORDER AND TERMINATION OF LEGAL ACTION

54. This Consent Order shall remain in effect for three (3) years after the date of its entry. By consenting to entry of this Consent Order, the parties agree that in the event that any Defendant engages in any future conduct occurring after entry of this Consent Order that leads to a determination of a violation of the Fair Housing Act, such conduct shall constitute a subsequent violation pursuant to 42 U.S.C. § 3614(d)(1)(C)(ii).

55. The Court shall retain jurisdiction for three (3) years from the date of entry of this Consent Order to enforce the terms of the Consent Order, at which time the case shall be dismissed with prejudice. The United States may move the Court to extend the duration of the Consent Order in the interests of justice, subject to the Defendants' rights to object to any such motion.

56. The United States and Defendants shall endeavor, in good faith, to resolve informally any differences regarding interpretation of and compliance with this Consent Order prior to bringing such matters to the Court for resolution. However, in the event any Defendant fails to perform, in a timely manner, any act required by this Consent Order, or otherwise fails to act in conformance with any provision thereof, the United States may move this Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring performance of such act or deeming such act to have been performed, and an award of any damages, costs, and reasonable attorney's fees which may have been occasioned by the violation or by the failure to perform.

XII. TIME FOR PERFORMANCE

57. Any time limits for performance imposed by this Consent Order may be extended by the mutual written agreement of the United States and the Defendant, and granting

an extension will not be unreasonably withheld.

XIII. COSTS OF LITIGATION

58. All parties will bear their own costs and attorney's fees associated with this litigation.

XIV. TERMINATION OF LITIGATION HOLD

59. The parties agree that, as of the date of the entry of this Consent Order, litigation is not "reasonably foreseeable" concerning the matters described above. To the extent that either party previously implemented a litigation hold to preserve documents, electronically stored information (ESI), or things related to the matters described above, the party is no longer required to maintain such litigation hold. Nothing in this paragraph relieves either party of any other obligations imposed by this Consent Order.

SO ORDERED this 19th day of October, 2015.

A handwritten signature in black ink, appearing to read 'Manish S. Shah', is written over a horizontal line.

MANISH S. SHAH
UNITED STATES DISTRICT COURT JUDGE

The undersigned apply for and consent to the entry of this Consent Order:

For Plaintiff United States:

ZACHARY T. FARDON
United States Attorney
Northern District of Illinois

VANITA GUPTA
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and

s/ William S. Fish, Jr.
William S. Fish, Jr.

HINCKLEY ALLEN
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APPENDIX A

SEDGEBROOK DINING ROOM AND EVENTS POLICY

PRINCIPLES:

The nature of our operations and the varied health conditions of our Residents means Sedgebrook must be particularly sensitive to ensuring full and fair participation by all in the dining program, consistent with the varying health status of our Residents, the health and well-being of all Residents, and our regulatory obligations as a health care provider. We have established guidelines for use of the Shoreline Restaurant and Harvest Bistro (collectively, the “Residential Dining Rooms”) in an effort to provide Residents and guests with a safe and enjoyable dining experience and to promote equal access to services and amenities, regardless of the existence of actual or potential impairments.

As a Continuing Care Retirement Community offering multiple levels of care, including independent residential living (“Residential Living”), assisted living and skilled nursing (collectively, “Levels of Care”), Sedgebrook has multiple dining options for Residents that are based on the specific Levels of Care and that are staffed and operated consistent with the respective regulations associated with each Level of Care. The Residential Dining Rooms are not staffed or monitored in the manner required by laws and regulations applicable to dining and living areas in the assisted living and skilled nursing units (collectively, the “Healthcare Units” and individually a “Healthcare Unit”). Accordingly, the Residential Dining Rooms are considered “unregulated” dining rooms. Medical supervision and assistance by licensed personnel is only available in the Healthcare Units or at events that are specifically designated for those populations. Physician ordered

special diets are not provided in the Residential Dining Rooms and dietary restrictions and food intake cannot be properly monitored and recorded in the Residential Dining Rooms. Residents whose health status requires the Level of Care provided in one of the Healthcare Units are welcome in the Residential Dining Rooms and Residential Living events under the terms of this Policy. However, if specific medical concerns are present with respect to an individual Resident, they may be addressed through a reasonable accommodation process by our Level of Care Committee in consultation with the Fair Housing Act Compliance Officer.

Participation by Healthcare Residents in Residential Living events and Residential Dining Rooms will be assessed on an individualized basis, consistent with medical necessity and the recommendations and directions of the Level of Care Committee in consultation with the Fair Housing Act Compliance Officer.

POLICY AND PROCEDURE:

- A. Dress Code: Sedgebrook requests that Residents and their guests must be dressed in a socially acceptable manner while in the Restaurant. Sedgebrook requests that Residents and their guests wear collared shirts and not wear the following: sleeping attire, bedroom slippers, robes, tee shirts, sweatshirts, sweat pants, tank tops, blue jeans, stretch pants, shorts, jogging suits, beachwear or beach shoes, which are considered inappropriate attire in the Residential Dining Rooms. Sedgebrook requests Residents and their guests not wear hats while in the Residential Dining Rooms unless needed for medical or cultural reasons. The dress code may not apply on special days such as Memorial Day, Fourth of July, and Labor Day and during family-friendly casual events. Sedgebrook

will inform Residents if the dress code will not apply on a specific day.

The Café offers Residents and their guests a casual dining atmosphere for breakfast, lunch, and dinner. Residents and their guests are asked to dress in good taste as a courtesy to fellow Residents and to uphold an atmosphere of casual dining. Bathing attire is considered inappropriate for the Café. Proper footwear is required.

- B. Guests: All Residents are permitted to invite a reasonable number of guests to dine with them in the Residential Dining Rooms, space permitting, on an equal basis with other Residents. When inviting guests, reservations are recommended to ensure that adequate seating is available. When the Resident's party is more than four, reservations are required to ensure adequate seating is available and that the table is set properly. Any guest who resides in a Healthcare Unit, but who is not a Resident within the meaning of this Policy, must also comply with all aspects of this Policy applicable to Healthcare Residents. Guests must comply with all aspects of this Policy. A Resident who invites a guest(s) to dine in the Residential Dining Rooms will be charged the guest meal fee for each guest. However, Residents of Residential Living are able to use up to four of their own meals each month for guests if they choose to do so. Should the guest be a Healthcare Resident, a credit will not be given to such Healthcare Resident for the meal not taken in the Healthcare Units.
- C. Rules and Regulations: All Residents and their guests must comply with all rules and procedures in effect for the regulation of the enjoyment of the Residential Dining Rooms, including without limitation, rules and procedures regarding personal conduct such as smoking policies, limitations on cell phone usage, rules prohibiting

loud or inappropriate language and prohibitions against offensive or disruptive conduct.

- D. Notification: Healthcare Residents must notify their assigned dining room in the Healthcare Units not later than during breakfast if that Resident intends to eat lunch in a Residential Dining Room. Healthcare Residents must notify their assigned dining room in the Healthcare Units not later than during lunch if that Resident intends to eat dinner in a Residential Dining Room.
- E. Personal Aides: Any Resident may have an Aide accompany them to the Residential Dining Rooms or to Residential Living events to assist the Resident with transportation and feeding. Aides are permitted to eat with the Resident in the Residential Dining Rooms as a guest of the Resident provided that the Resident will be charged a guest fee (or the Resident can use a meal credit if applicable) in such circumstance and the Aide must comply with all applicable policies and procedures for dining in the Residential Dining Rooms including policies and procedures regarding dress codes and reservations. All Residents must make arrangements to get to and from the Residential Dining Rooms and/or events on their own or with private assistance.
- F. Canes and Walkers: The use of a walker or cane by a Resident who prefers to use such aid, or whose medical needs makes it necessary to use such aid, is permitted. However, the following rules will apply:
 - 1. After entering the Residential Dining Room and being seated, a server will, when necessary, valet the walker.
 - 2. A cane should be hung from the table or on the Resident's chair.

3. When the Resident is ready to leave, the wait staff will return the walker to the table.
4. For safety considerations, wait staff or a Resident's family member, guest, or Aide, will carry the food trays to the tables of Residents who are unable to do so on their own, if not otherwise offered waited table service.
5. All canes and walkers must be identified by the Resident's name and residence number.

G. Wheelchairs and Electric Mobility Vehicles (Carts):

1. Resident Choice/Ingress/Egress. A Resident shall not be required to transfer from a wheelchair or a cart to a chair. All Residents and guests must comply with all rules and procedures regarding ingress or egress in the case of an emergency.
2. Resident Who Desires To Transfer With Assistance.

A Resident who desires to transfer from a wheelchair or a cart to a chair with assistance should provide a written statement from his/her attending physician authorizing an assisted transfer from the wheelchair or cart.

If the Resident does not provide a written statement from his/her attending physician authorizing an assisted transfer from the wheelchair or a cart to a chair and the Resident still desires to transfer with assistance, the Resident and Sedgebrook may sign an Informed Choice Agreement (attached as Exhibit 1).

If the Resident does not provide a written statement from his/her attending physician authorizing an assisted transfer from the wheelchair or a cart to a chair and if the Resident and Sedgebrook do not sign an Informed Choice Agreement, then the Resident shall be promptly referred to the Fair Housing Act Compliance Officer who shall assist the Resident and family in evaluating whether any reasonable accommodations may be proposed on behalf of the Resident regarding transferring and coordinate a further review with the Nurse, Physician and/or the Level of Care Committee. In conducting its determinations, the Nurse, Physician and/or the Level of Care Committee will make an individualized determination in consultation with the Fair Housing Act Compliance Officer as to whether and how the Resident should be permitted to transfer, including whether the parties should sign an Informed Choice Agreement.

Transfers must be assisted by the Resident's Aide, family member or guest at the Resident's expense. Wait staff is not trained to and shall not transfer a Resident from their wheelchair or a cart to a chair.

If a Resident is transferred to a chair, a server will valet park the wheelchair or cart. When the Resident is ready to leave, the wait staff will return the wheelchair or cart to the table.

3. Resident Who Transfers Independently.

A Resident who desires to transfer from his/her wheelchair or cart independently should provide a written statement from his/her attending physician stating that the Resident is capable of transferring from his/her cart to a chair without assistance.

If the Resident does not provide a written statement from his/her attending physician authorizing a transfer from his/her wheelchair or cart to a chair without assistance and the Resident still desires to transfer without assistance, the Resident and Sedgebrook may sign an Informed Choice Agreement (attached as Exhibit 1).

If the Resident does not provide a written statement from his/her attending physician stating that the Resident is capable of transferring from his/her cart to a chair without assistance and if the Resident and Sedgebrook do not sign an Informed Choice Agreement, then the Resident shall be promptly referred to the Fair Housing Act Compliance Officer who shall assist the Resident and family in evaluating whether any reasonable accommodations may be proposed on behalf of the Resident regarding transferring and coordinate a further review with the Nurse, Physician and/or the Level of Care Committee. In conducting its determinations, the Nurse, Physician and/or the Level of Care Committee will make an individualized determination in consultation with the Fair Housing Act Compliance Officer as to whether and how the Resident should be permitted to transfer, including whether the parties should sign an Informed Choice Agreement.

If the Resident transfers to a chair, wait staff will valet park the wheelchair or cart. When the Resident is ready to leave, wait staff will return the wheelchair or cart to the table.

4. Labeling of Assistive Devices. All wheelchairs and carts must be labeled with the Resident's name and residence number

- H. Acknowledgement: Healthcare Residents must execute and have on file with Sedgebrook an appropriate Release of Responsibility for Leave of Absence form (attached as Exhibit 2) for that Resident's use of the Residential Dining Rooms or attendance at Residential Living events. Additionally, Healthcare Residents must

execute an Against Medical Advice (AMA) Form and Liability Release (attached as Exhibit 3) if a Resident wants to eat in the Residential Dining Rooms or attend Residential Living events against medical advice.

- I. Level of Care Committee: The "Level of Care Committee" is composed of Health Care and other trained professionals who are responsible for the assessment of the functional ability of Residents and who are tasked with the responsibility of providing guidance and support in level of care determinations.
- J. Prohibited Conditions: There are medical conditions that may impact a Resident's ability to dine in the Residential Dining Rooms or to attend Residential Living events. These conditions include a contagious infection, communicable disease or infected open wound. A Resident with one or more of these conditions may be prohibited from dining in the Residential Dining Rooms or attending Residential Living events by the Nurse, Physician or the Level of Care Committee, until the Resident's condition is resolved or no longer poses a direct threat to self or others. In such event, the Resident shall be promptly referred to the Fair Housing Act Compliance Officer who shall assist the Resident and family in evaluating whether any reasonable accommodations may be proposed on behalf of the Resident and coordinate a further review with the Nurse, Physician and/or the Level of Care Committee. In conducting its determinations, the Nurse, Physician and/or the Level of Care Committee will make an individualized determination in consultation with the Fair Housing Act Compliance Officer as to whether the Resident should be permitted to continue to eat in the Residential Dining Rooms or to attend a specified Residential Living event.
- K. Certain Medical Conditions: Any Resident who has a medical condition other than a

contagious infection, communicable disease, or infected open wound as described in Paragraph J above, which may limit his/her ability to safely or in a non-disruptive manner eat in the Residential Dining Rooms or to attend Residential Living events may be refused access to the Residential Dining Rooms or Residential Living event venues by the Nurse, Physician or the Level of Care Committee. In such event, the Resident shall be promptly referred to the Fair Housing Act Compliance Officer who shall assist the Resident and family in evaluating whether any reasonable accommodations may be proposed on behalf of the Resident and coordinate a further review with the Nurse, Physician and/or the Level of Care Committee. In conducting its determinations, the Nurse, Physician and/or the Level of Care Committee will make an individualized determination in consultation with the Fair Housing Act Compliance Officer as to whether the Resident should be permitted to continue to eat in the Residential Dining Rooms or to attend a specified event.

- L. All evaluations of a Resident's ability to dine in the Residential Dining Rooms, attend Residential Living events, and/or transfer from wheelchair or cart to a chair, and any reasonable accommodations requested, granted or denied, shall be documented in writing and maintained in a confidential file by the Fair Housing Act Compliance Officer. A copy shall also be placed in the Resident's medical file, if required by regulation.
- M. For purposes of this Policy, a "Resident" is defined as any Resident of Sedgebrook who is a party to a Residency and Care Agreement with Sedgebrook regardless of the Level of Care to which the Resident has been assigned.
- N. An individual who is not a party to a Residency and Care Agreement with

Sedgebrook who resides in a Healthcare Unit but who does not otherwise meet the definition of a Resident set forth above shall be referred to herein as a "Direct Admit."

- O. A "Healthcare Resident" shall mean an individual who is a Resident assigned to one of the Healthcare Units.
- P. "Aides" are personal aides to Residents, such as a family member, volunteer, or personal service provider engaged to accompany the Resident to assist with transportation and feeding.
- Q. A Direct Admit shall only be entitled to use the Residential Dining Rooms or attend Residential Living events open to Residents of Residential Living to the extent specified by the terms of his/her individual contract with Sedgebrook and in compliance with the terms of this Policy. To the extent that a Direct Admit contracts for access to the Residential Dining Rooms and/or attendance at Residential Living events, they shall be treated as a Resident for purposes of this Policy. Notwithstanding the foregoing, a Direct Admit may dine in a Residential Dining Room or attend Residential Living events open to Residents of Residential Living as a guest of a Resident subject to compliance with all aspects of this Policy applicable to guests.
- R. A Direct Admit spouse of a Resident shall be treated as a Resident for purposes of this Policy.

APPENDIX A - EXHIBIT 1

SEDGEBROOK

INFORMED CHOICE AGREEMENT

THIS [NEGOTIATED RISK/INFORMED CHOICE] AGREEMENT ("Agreement") is made effective this ____ day of _____, 20____, by and between **[Legal Name of Owner/Provider]** ("we", "us", or "our"), the owner of an **[assisted living/continuing care/life care]** community known as **[Community Name]** and _____ ("**Resident**", "you", or "your").

RECITALS

A. Whereas, you and we have entered into a **[Name of Residency Agreement]** dated _____, 20____ ("**Residency Agreement**") in which we agree to provide certain services in connection with your agreement to abide by our policies.

B. Whereas, it is our policy that you have a physician's order to transfer from a motorized cart to a chair when using the dining room with/without assistance from another person ("**Policy**").

C. Whereas, you have requested to transfer from a motorized cart to a chair when using the dining room without a physician's order ("**Exception to Policy**").

D. Whereas, you are aware of the risks associated with the Exception to Policy and despite these risks desire that the Exception to Policy be implemented with respect to your stay in the **[Community Name]**.

E. Whereas, we agree to implement the Exception to Policy to support your right to make individual decisions, to live independently and to preserve your personal autonomy, subject to the following terms and conditions contained herein.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. **Recognition of Risk Factors.** You acknowledge that you have been informed by us of the risk of falling and/or risk of injury associated with the Exception to Policy ("**Risk Factors**") and have had all of your questions or concerns addressed and answered to your satisfaction.

2. **Modification Plan.** You and we agree to take the following actions in order to implement the Exception to Policy while attempting to minimize Risk Factors ("**Modification Plan**"):

- ☐ Resident transfers, with assistance from personal service provider
- ☐ Resident transfers, with assistance from home health agency
- ☐ Resident transfers, with assistance from another person:
_____ (name & relationship)
- ☐ Resident transfers independently, without assistance
- ☐ Other: _____

Both you and we agree to abide by the Modification Plan during the duration of this Agreement. If you fail to abide by the Modification Plan at any time during your stay at **[Community Name]**, this Agreement may be terminated and you will be required to comply with the Policy. In the event you fail to comply with the Policy after termination of this Agreement, **[you may be discharged/we may cancel your Residency Agreement]**. **[Comment: Use the "discharge" language for AL and "cancellation" language for IL/ motorized cart residents.]**

3. **Review of Modification Plan.** The Modification Plan will be reviewed by us every _____ days or as often as circumstances require to ensure that the Modification Plan is still appropriate. In the event that we, in our sole discretion, determine the Modification Plan is no longer effective or that the Exception to Policy is no longer appropriate, we may request that this Agreement be modified accordingly. In the event the parties cannot agree on a modification to the Agreement within thirty (30) days of our request to modify the Agreement, this Agreement shall immediately terminate and you will be required to comply with the Policy.

4. **Termination.** This Agreement shall immediately terminate upon the termination of the Residency Agreement or upon the mutual agreement of both parties.

5. **Acknowledgement of Liability.** You acknowledge that you fully understand the Risk Factors and your duties and responsibilities under the Modification Plan. You agree that you shall indemnify, defend, and hold us harmless from claims, damages, and expenses, including attorney's fees and court costs, resulting from any injury or death to you or other persons and any damages to property caused by, resulting from, attributable to, or in any way connected with the Exception to Policy, your failure to meet any of your duties or responsibilities under the Modification Plan or the failure of the Modification Plan to prevent such injury, death, or damage to property.

6. **Residency Agreement.** All the terms of the Residency Agreement shall remain in full force and effect to the extent those terms do not conflict with any of the terms of this Agreement.

7. **No Third Party Beneficiary.** The parties specifically disclaim the existence of any third-party beneficiaries to this Agreement or the existence of any other individual or entity who is intended to have a right to enforce any provision of this Agreement.

8. **Severability.** In the event any provision of this Agreement is held invalid, illegal or unenforceable, in whole or in part, the remaining provisions of this Agreement shall not be affected and shall continue to be valid and enforceable.

9. **Governing Law.** This Agreement shall be construed and interpreted according to the laws of the State of _____.

10. **Legal Review.** We recommend that you have this Agreement reviewed by your legal counsel prior to signing.

IN WITNESS WHEREOF, you and we have caused this Agreement to be signed and executed by each party's duly authorized representatives on the date first above written.

Resident or Resident's Responsible Party
(Print)

Resident or Resident's Responsible Party
(Signature)

Witness

LINCOLNSHIRE SENIOR CARE, LLC
d/b/a/ Sedgebrook

By: _____
(Authorized Representative)



APPENDIX A - EXHIBIT 2

ASSISTED LIVING/SKILLED NURSING CENTER
RELEASE OF RESPONSIBILITY FOR LEAVE OF ABSENCE

Each of the undersigned (Responsible Party and Resident), hereby accepts complete responsibility for [name of resident] (the "Resident") while the Resident is away or signed out from the portion of the Sedgebrook Continuing Care Retirement Community "Sedgebrook") regulated as the ["Assisted Living"/"Skilled Nursing"] area. Each of the undersigned, on behalf of themselves and their heirs, executors, administrators and/or personal or legal representatives, absolves and releases Sedgebrook, the owners and management of Sedgebrook, its personnel and agents, and all physicians ("Releasees") from responsibility and liability for any accident, injury, or deterioration in medical (including psychological or emotional) condition related to Sedgebrook's treatment or care of, or failure to treat or care for, the Resident's medical condition that may occur while the Resident is outside the Resident's regulated area, and accepts the risk of such events. Specifically but not exclusively, each of the undersigned understands and accepts the risk of, and releases Releasees from liability for, any injury to the Resident that may arise from Sedgebrook's responsibility to treat and care for the Resident as a health care provider (including any duty as a licensed assisted living or nursing facility, or for malpractice), as well as for any injury caused in whole or in part by the medical (including psychological) condition of the Resident, while outside the ["Skilled Nursing"/"Assisted Living"] regulated area.

[illegible]

APPENDIX A – EXHIBIT 3

SEDGEBROOK AGAINST MEDICAL ADVICE (AMA) FORM & LIABILITY RELEASE

Purpose: Residents have the right to refuse medical care. This form is to be fully completed when Resident wishes to refuse medical care, or leave a Healthcare Unit, against the advice or approval of their Attending Physician and/or Charge Nurse.

REASON FOR AMA: Refusal of Medical Care _____ Leave Healthcare Unit _____

Resident Name: _____ Date Received: _____

AL: _____ SNF: _____ Residence Number: _____

Resident Telephone Number: _____

If request is being made by Responsible Party:

Requesting Person: _____ Relationship: _____

Telephone: _____ Email: _____

Address: _____

Staff Member Completing Form:

(Print Name and Title)

CRITERIA WHICH MUST BE MET:

_____ Resident or his or her responsible party is deemed capable of exercising his or her right to refuse or leave medical care.

_____ Potential risks and consequences for leaving care must be disclosed and discussed.

_____ Resident or his or her responsible party has confirmed his or her understanding of the risk discussion.

_____ Attending Physician has been notified of AMA leave.

_____ Resident or his or her responsible party has released Sedgebrook from liability from consequences.

_____ AMA Consent must be properly documented in the Individual Service Plan (ISP) or Medical Care Plan.

I, _____ am refusing/removing myself from (*circle one*) medical care at my own insistence without the approval or against the advice of my Attending Physician or Charge Nurse.

I have been advised and understand the nature of my medical condition, as well as the risks and consequences of refusing care or removing myself from care.

I acknowledge that the Shoreline Restaurant and Harvest Bistro and event facilities are not capable of monitoring my food consumption and my dietary restrictions or otherwise providing care or supervision of the kind available in the assisted living, memory care, or skilled nursing areas of the community and will not be staffed by the same level of trained personnel present in my assigned healthcare unit. Accordingly, I am assuming the risks associated with foregoing my recommended level of care.

Each of the undersigned (Responsible Party and Resident), hereby accepts complete responsibility for [name of resident] (the "Resident") while the Resident is away or signed out from the portion of the Sedgebrook Continuing Care Retirement Community "Sedgebrook") regulated as the ["Assisted Living"/"Skilled Nursing"] area. Each of the undersigned, on behalf of themselves and their heirs, executors, administrators and/or personal or legal representatives, absolves and releases Sedgebrook, the owners and management of Sedgebrook, its personnel and agents, and all physicians ("Releasees") from responsibility and liability for any accident, injury, or deterioration in medical (including psychological or emotional) condition related to Sedgebrook's treatment or care of, or failure to treat or care for, the Resident's medical condition that may occur while the Resident is outside the Resident's regulated area, and accepts the risk of such events. Specifically but not exclusively, each of the undersigned understands and accepts the risk of, and releases Releasees from liability for, any injury to the Resident that may arise from Sedgebrook's responsibility to treat and care for the Resident as a health care provider (including any duty as a licensed assisted living or nursing facility, or for malpractice), as well as for any injury caused in whole or in part by the medical (including psychological) condition of the Resident, while outside the ["Skilled Nursing"/ "Assisted Living"] regulated area.

Resident and/or Responsible Party Date

Staff Member Date

Witness Date



APPENDIX B

MINIMUM CRITERIA FOR SEDGEBROOK PERSONAL SERVICE PROVIDER POLICY

1. Statements affirming that Residential Living residents may employ a PSP to reside with the resident in the resident's Residential Living residence (i.e., on a 24-hour/7-day a week basis) in any applicable sections of the policy.
2. Differentiation between requirements and recommendations for a Residential Living resident who wishes to employ a PSP without utilizing the recommended home health agency.
3. Specification of any charges applicable to a resident's employment of a PSP. A resident shall not be charged any fee for the resident's employment of a PSP that is not based on additional costs incurred by Sedgebrook for a PSP's use of the facilities.
4. No language regarding a PSP's use of the common use dining facilities or at events, or ability to assist a resident in the common use dining facilities or at events, that conflicts with the Sedgebrook Dining Room and Events Policy (Appendix A).

APPENDIX C
SEDGEBROOK
REASONABLE ACCOMMODATIONS POLICY

POLICY:

Sedgebrook (“the Community”) will make reasonable accommodations in its rules, policies, practices, or services that are necessary for a resident or prospective resident with a disability to have an equal opportunity to use and enjoy a residence and the facilities and services offered in the Community.

PROCEDURE:

To request a reasonable accommodation, a resident or prospective resident (hereafter “Resident”), or any representative acting on behalf of the Resident, may make a verbal or written request or may complete the Request for Reasonable Accommodation form attached to this Reasonable Accommodations Policy and submit it to the Fair Housing Act Compliance Officer or the Sedgebrook Executive Director, Administrator, or any staff in the administrative offices (“Authorized Representative”), who shall, as soon as possible, but no later than 3:00 p.m. on the next business day after it was received, forward any reasonable accommodation request to the Fair Housing Act Compliance Officer.

If a request is made verbally, the Fair Housing Act Compliance Officer shall record the request on the Request for Reasonable Accommodation form attached to this Reasonable Accommodations Policy and ask the Resident or the Resident’s representative to sign the form. Requests for reasonable accommodations will be treated as confidential and will only be shared with the Community staff who are engaged in determining if the requested accommodation is necessary and reasonable. Regardless of how the Resident or the authorized representative of the

Resident makes the request for reasonable accommodation, he/she must cooperate with the Community in providing all of the information necessary for the Community to evaluate if the requested accommodation is necessary because of a disability and reasonable.

Sedgebrook shall keep written records regarding each request for reasonable accommodation. These records shall include the following information (if applicable): the Resident's name, address or residence number, level of care where the Resident currently resides, whether the Resident has signed a continuing care contract or is a Direct Admit, and contact information; the name of the representative making the request on behalf of the Resident and his/her contact information; the date on which the request was received by the Fair Housing Act Compliance Officer or the Authorized Representative, the name of the Sedgebrook employee who received the request, and the date the request was received by the Fair Housing Act Compliance Officer or the Authorized Representative and his/her initials; the nature of the request; whether the request was granted or denied; if the request was denied, the reason(s) for denial; and to the extent any alternative accommodation was offered, the alternative accommodation, and whether the alternative accommodation was accepted by the Resident.

In determining whether a requested accommodation is reasonable, the Community may consider, among other things, whether the request would fundamentally alter the facilities or services provided by the Community, whether the request would result in an undue burden to the Community, whether the request would result in a threat to the health or safety of other residents, whether the request places a Resident at risk due to his/her medical condition and/or has the potential to impact the health and safety of other individuals, or would create a substantial disruption.

When the Community refuses a requested accommodation because it is unreasonable, the

Community will discuss with the Resident and/or the Resident's representative and appropriate staff if there is an alternative accommodation that would address the Resident's disability-related need that is otherwise reasonable.



Received by Sedgebrook employee _____ (name) on _____ (date)
Date received by Fair Housing Act Compliance Officer & initials: _____

SEDGEBROOK
REASONABLE ACCOMMODATION REQUEST FORM

Name of resident or prospective resident: _____

Address/Residence Number: _____

Level of care where the resident currently resides or prospective resident plans to reside:

CCRC resident or Direct Admit: _____

Contact information: _____

Name of resident/prospective resident's representative (and contact information):

Describe the accommodation that you are seeking: _____

Describe how your disability is related to the accommodation that you are seeking:

Dated: _____

Signature of resident/prospective resident (or representative, if applicable):

FOR COMMUNITY USE

REASONABLE ACCOMMODATION DOCUMENTATION FORM

Reasonable Accommodation Request (check one): Granted _____ Denied _____

Fair Housing Act Compliance Officer's assessment result: _____

Nurse, Physician, or Level of Care Committee assessment result: _____

If the requested Accommodation was denied, explain why: _____

If Reasonable Accommodation was denied, was an alternative accommodation(s) offered?

If yes, explain the alternative accommodation offered, the date accepted or denied, the reason it was denied (if applicable), and who participated in the discussion: _____

Fair Housing Act Compliance Officer Signature: _____

Nurse, Physician, or Level of Care Committee Signature: _____

Date Assessment Form was Completed: _____

Date Outcome was Communicated to Resident: _____

Resident or Responsible Party Signature: _____ Date: _____



APPENDIX D

IDENTIFIED AGGRIEVED PERSONS

Estate of Al Hoover

Katy Hoover

Estate of Alice Benjamin

Barbara Kahn

Estate of Sanford Kahn

Dee Keller

Estate of Evelyn Cohen

APPENDIX E

NOTICE

On _____, 2015, the United States District Court for the Northern District of Illinois entered a consent order resolving litigation brought by the United States Department of Justice involving Lincolnshire Senior Care, LLC and Life Care Services LLC (“Defendants”) relating to Sedgebrook, a Continuing Care Retirement Community in Lincolnshire, Illinois. The litigation alleged that the Defendants discriminated against Sedgebrook residents with disabilities by implementing policies and practices that resulted in residents who needed assistance with dining due to their disabilities being unable to have a PSP or family member, including a spouse, assist with certain tasks associated with dining, including feeding, in the Shoreline Restaurant and the Monarch Café. The litigation also alleged that the Defendants discriminated against Residential Living residents with disabilities who wanted to hire a live-in personal service provider. Lincolnshire Senior Care, LLC and Life Care Services LLC deny they engaged in discrimination and/or violated any federal, state, or local law. However, the Parties have agreed to this Consent Order to avoid costly and protracted litigation and the Consent Order and this document are not and should not be construed as an admission of liability.

Under this Consent Order, you or an estate may be entitled to receive monetary relief if you or a family member:

- Were unable to dine in the Shoreline Restaurant or Monarch Café because you needed assistance that you were prohibited from receiving from the person of your choice; or
- Were discouraged or prohibited from hiring a live-in personal service provider.

If you believe that you or a family member has been discriminated against in any way

described above, please contact the United States Department of Justice at: 1-800-896-7743, mailbox number 995, or write or send an e-mail to:

United States Department of Justice Attn: DJ# 175-23-820
Civil Rights Division
Housing and Civil Enforcement Section
950 Pennsylvania Ave., NW – G Street
Washington, DC 20530
E-mail address: fairhousing@usdoj.gov

You must call or write by[150 days after entry of decree], 2015, and your message or letter must include your name, address and at least one telephone number where you may be reached.

APPENDIX F

RELEASE

In consideration of and contingent upon the payment of the sum of _____ dollars (\$_____), pursuant to the Consent Order entered in *United States v. Lincolnshire Senior Care, LLC, et al.*, I hereby release and forever discharge Lincolnshire Senior Care, LLC, and Life Care Services LLC, and their parents, subsidiaries, related, sister or affiliated corporations, entities or organizations and insurers, and all of its respective past or present trustees, members, partners, directors, officers, employees, agents, predecessors, successors and assigns, in both their individual and organizational capacities (collectively, the “Released Persons”), from any and all liability for any claims, legal or equitable, I may have against any of them arising out of the issues and facts alleged in this action as of the date I sign this release. I fully acknowledge and agree that this release of the Released Persons shall be binding on my heirs, representatives, executors, successors, administrators, and assigns. I hereby acknowledge that I have read and understood this release and have executed it voluntarily and with full knowledge of its legal consequences.

(Signature)

NAME: _____

ADDRESS: _____

DATE: _____

APPENDIX G

Summary of Consent Order

On October 5, 2015, the United States filed a complaint and consent order resolving allegations that Lincolnshire Senior Care, LLC and Life Care Services LLC, the owners and managers of Sedgebrook (collectively, “Defendants”), violated the federal Fair Housing Act (“FHA”) by discriminating against residents on the basis of disability. The FHA is a federal law that prohibits discrimination in the rental and sale of housing on the bases of race, color, religion, national origin, disability, sex, and other bases.

Specifically, the United States’ lawsuit alleged that the Defendants implemented policies and practices that resulted in residents who needed assistance with dining due to their disabilities being unable to have a PSP or family member, including a spouse, assist with certain tasks associated with dining, including feeding, in the Shoreline Restaurant and the Monarch Café. The United States’ lawsuit also alleged that Sedgebrook discriminated against residents with disabilities by prohibiting independent living residents from hiring live-in personal service providers. The Defendants deny that their actions violated the FHA.

The consent order, which resolves the United States’ lawsuit, was entered as an order of the Federal District Court for the Northern District of Illinois. The consent order requires that the Defendants undertake several steps to ensure compliance with the Fair Housing Act and to compensate residents who were affected by these policies. The consent order requires the following:

- Defendants must comply with the Fair Housing Act in the future.
- Defendants must revise their Dining Room and Events Policy, Personal Service Provider Policy, and Reasonable Accommodation Policy to ensure they are in compliance with the FHA. Among other things, the new policies provide that residents may receive assistance with feeding in the dining facilities, residents may be barred from the dining facilities if they pose a health threat to other residents or if they have a condition that limits their ability to dine safely or in a non-disruptive manner, and residential living residents may contract for live-in PSP care.
- Defendants must appoint a Fair Housing Act Compliance Officer at Sedgebrook who will receive complaints and act as a resident advocate regarding access to the dining rooms and requests for reasonable accommodations.

- Defendants must pay monetary damages totaling \$210,000 to compensate individuals who were affected by the restrictive policies.
- Defendants must pay a civil penalty of \$45,000 to the United States.
- Defendants must keep certain records and regularly report to the United States for a period of three years.

The United States Department of Justice will continue to monitor the Defendants to ensure that they comply with the Fair Housing Act.

If you would like a copy of the consent order or any of the new policies, please ask [Sedgebrook representative].

APPENDIX H

**ACKNOWLEDGMENT OF RECEIPT OF CONSENT ORDER AND
NON- DISCRIMINATION POLICIES**

On _____, I received copies of and have read the summary of the Consent Order entered by the federal district court in *United States v. Lincolnshire Senior Care, LLC, et al.* and a copy of the Non-Discrimination Policies. I have had all of my questions concerning the summary of the Consent Order and the Non-Discrimination Policies answered to my satisfaction.

(Signature)

(Print name)

(Position)

(Date)

APPENDIX I

CERTIFICATION OF FAIR HOUSING TRAINING

On _____, I attended training on the Fair Housing Act, including its requirements concerning reasonable accommodations for people with disabilities. I have had all of my questions concerning the Fair Housing Act answered to my satisfaction.

(Signature)

(Print name)

(Position)

(Date)