



# STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

<b>DOCKET ITEM:</b> A-01	<b>BOARD MEETING:</b> June 27, 2023	<b>PROJECT NUMBER:</b> 14-057
<b>PERMIT HOLDERS(S):</b> Advocate Health Care Network Advocate Health and Hospitals Corporation d/b/a Advocate Christ Medical Center		
<b>FACILITY NAME and LOCATION:</b> Advocate Christ Medical Center, Oak Lawn		

## **STATE BOARD STAFF REPORT** **PERMIT RENEWAL REQUEST**

### **I. Background**

On January 27, 2015, the State Board approved Project #14-057. The permit authorized the modernization and expansion of the existing Trauma and Emergency (ED) Departments on the campus of Advocate Christ Medical Center, Oak Lawn. The State Board Staff notes the project is obligated, and the current project completion date is August 31, 2023. Project cost: \$85,519,082.

State Board Staff notes the permit holders submitted the permit renewal request on May 1, 2023. This submittal was in accordance with 77 IAC 1130.740(d), which states that the State Board must receive renewal requests at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

### **II. Findings**

State Board Staff notes this is the second renewal request for this project and the permit holders have submitted all the information required in Section 1130.740 for a permit renewal. The first permit renewal request was approved in October 2019, and extended the project completion date thirty-two months, from December 31, 2020, to August 31, 2023.

### III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of February 29, 2024. This would extend the project's completion date six months, from August 31, 2023, to February 29, 2024.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is approximately 87% complete, which includes relocation of existing departments/services affected by the modernization/expansion. Pediatric ED space on Floor 1 is complete, ED Administrative space, and three of the four Adult ED areas affected by the modernization are complete. Remaining components involve the fourth ED section, all licensure/certification inspections, and project close-out.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state construction was initially on hold for 11 months to provide more patient care space in the ER and clinical areas during the Pandemic. The Permit Holders note construction has commenced in areas designated as Phase II of the project, with all components to be completed by the permit expiration date requested.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate that at the time of renewal request, \$74,344,723 (86.9% of the overall project cost), has been expended to date, and the permit holders can attest to the existence of sufficient financial resources to complete the project.
- E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the original permit amount of \$85,519,082.

### IV. Project Description & Other Background Information

The permit authorized a modernization/expansion project of existing Trauma and Emergency (ED) services on the campus of Advocate Christ Medical Center, Oak Lawn. Project cost: \$85,519,082.

Permit Issuance Date:	January 27, 2015
Project Obligation Date:	July 27, 2016
Original Project Completion Date:	December 31, 2020
Proposed Project Completion Date: (32-month renewal request)	August 31, 2023
Proposed Project Completion Date: (6-month renewal request)	February 29, 2024

**V. Applicable Rules for Permit Renewal Requests**

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

77 IAC 1130.230(h)(5) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

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

77 IAC 1130.740(c) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

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

**VI. Other Information**

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

May 3, 2023

Via Overnight Carrier

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

**REQUEST FOR PERMIT RENEWAL FOR PERMIT 14-057**

**Permit:** Trauma I Center/Emergency Department Expansion and Renovation  
Permit #14-057

**Permit Holder:** Advocate Health and Hospitals Corporation d/b/a/  
Advocate Christ Medical Center

**Permit Amount:** \$85,519,082

**Section 1130.740 of Administrative Code Title 77 Chapter II b Permit Renewal:**

A permit holder may request a completion date that is later than an approved project completion date by submitting to HFSRB a request for permit renewal.

**a) Permit renewal by HFSRB must be requested prior to the required completion date.**

This permit renewal is being submitted prior to August 31, 2023, the required completion date for Permit #14-057; hence, the renewal request is being made prior to the required completion date.

The proposed completion date requested in this Permit Renewal is February 29, 2024. This completion date includes all close-out activities.

**b) A permit renewal shall commence on the expiration date of the original permit.**

The original expiration date for Permit #14-057 is December 31, 2020. The previous renewal of this Permit extended the expiration date to August 31, 2023. The proposed renewal of this Permit will commence on the expiration date of the Permit, or August 31, 2023.

Permit #14-057 is for the modernization of Advocate Christ Medical Center's Trauma I Center and the Adult and Pediatric Emergency Department in existing space as well as space

vacated by departments moved to the new Outpatient Center. The requested extension time is attributable to the impact of the current pandemic. The project was placed on hold between phases because of the extreme need for clinical capacity the medical center was required to support. For approximately 11 months, clinical space could not be vacated to allow the renovation to continue.

- c) **The request for permit renewal shall be in writing and shall be received at least 45 days prior to the expiration date of the permit and shall include the following information:**

This request for permit renewal is expected to be filed on or before August 31, 2023. This is more than 45 days before the expiration date of the permit.

**1) The requested completion date:**

The requested completion date is February 29, 2024.

**2) A status report on the project detailing what percent has been completed and a summary of the project components yet to be finished and the amount of funds expended on the project to date.**

**a) Current status of the project**

- Percent of the Project Finished – The project is 87 percent completed.
- Components Completed – Enabling renovations are completed; these included moves required to relocate existing departments from the new Emergency Department footprint including the Emergency Department temporary entry, the Cardiac Catheterization support area, the Cardiac Catheterization intake area, the Simulation Laboratory as well as EEG space. Pediatric Emergency Department space on the first floor is complete. Renovations also included completing the new Emergency Department Administrative Suite. The new Emergency Department Walk on the ground floor and all electrical infrastructure work for new switchgear and generators is complete. Three of the four final areas of the Adult Emergency Department are now complete.

Components Not Completed: (sequenced due to phasing);

Construction has started on existing work required for the final section of Phase 2.

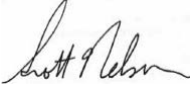
**1. Costs incurred to date**

The Project Costs Incurred to Date as of April 21, 2023 were \$74,344,723, an increase of more than \$1.5M over the most recent 2023 Semi-Annual Progress Report in January (\$72,752,053). Since the filing of the 2023 Semi-Annual Progress Report, the following work on Permit 14-057 includes completing the first and second of three sections in Phase 2.

**2. A statement as to the reasons why the project has not been completed.**

Construction was placed on hold for approximately 11 months in between phases to provide as much clinical space as possible supporting the increased Emergency Department volume and utilization required due to the pandemic.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Nelson". The signature is fluid and cursive, with the first name "Scott" and last name "Nelson" clearly distinguishable.

Scott Nelson, AIA, ACHA  
System Vice President  
Planning, Design and Construction

Cc Adam Bloom  
Myndee Balkan  
Jim Kokaska