



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET ITEM A-03	BOARD MEETING: June 27, 2023	PROJECT NUMBER: 21-007
PERMIT HOLDERS(S): Winchester Ambulatory Surgery Center, LLC		
FACILITY NAME and LOCATION: Winchester Ambulatory Surgery Center, Libertyville		

STATE BOARD STAFF REPORT **PERMIT RENEWAL REQUEST**

I. Background

On September 14, 2021, the State Board approved Project #21-007. The permit authorized the establishment of a single-specialty Ambulatory Surgery Treatment Center (ASTC), in Libertyville. The State Board Staff notes the project is obligated, and the current project completion date is June 30, 2023. Project cost: \$946,343.

II. Findings

State Board Staff notes this is the **third renewal request** for this project. The first permit renewal request sought a 12-month extension to the original project completion date, from March 31, 2022, to March 31, 2023. The second permit renewal was approved for a June 30, 2023, completion date. The Permit Holder is now requesting a six-month permit renewal until December 31, 2023. The Permit Holders submitted all necessary documentation for this permit renewal request.

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of December 31, 2023. This would extend the project's completion date six months, from June 30, 2023, to December 31, 2023.
- B. Status of the Project and Components Yet to be Finished: The permit holders state construction/modernization was not a factor in the project, and the Endoscopy Center is ready for its licensure survey by the Illinois Department of Public Health.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the Endoscopy Center was essentially re-licensed and reopened. The Permit Holders submitted building plans for a "courtesy review" in November 2022 but did not receive notification that a formal review was not necessary until January 30, 2023. The Permit Holders also state the submittal of its application for survey was delayed until February 2023, and the permit holders want to allow sufficient time for completion of the survey and licensure process.
- E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the original permit amount of \$946,343.

IV. Project Description & Other Background Information

The permit authorized the establishment of a single specialty ASTC in Libertyville. Project cost: \$946,343.

Permit Issuance Date:	September 14, 2021
Project Obligation Date:	March 31, 2022
Original Project Completion Date:	March 31, 2022
Proposed Project Completion Date: (12-month renewal, 1 st request)	March 31, 2023
Proposed Project Completion Date: (3-month renewal, 2 nd request)	June 30, 2023

Proposed Project Completion Date December 31, 2023
(6-month permit renewal, 3rd Request)

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.



June 1, 2023

Via Federal Express

Mr. Michael Constantino
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Winchester Surgery Center Proj. No. 21-007

Dear Mr. Constantino:

Pursuant to Section 1130.760 of the Illinois Health Facilities and Services Review Board (“HFSRB”) rules, I am writing on behalf of Winchester Ambulatory Surgery Center, LLC (the “Permit Holder”) to request a six -month extension of the completion date for Project No. 21-007. On September 14, 2021, the Illinois Health Facilities and Services Review Board (“HFSRB”) approved the Permit Holder’s certificate of need application to establish a single specialty ambulatory surgical treatment center to be located at 1870 West Winchester Road, Libertyville, Illinois (the “Project” or “Endoscopy Center”). As the Project is a re-establishment of a previously licensed ambulatory surgical treatment center, it was unclear whether Illinois Department of Public Health (“IDPH”) approval of the architectural plans was required, which delayed plan submission. Additionally, approval of the transfer agreement, which is a necessary component of the license application, took nearly five months due to changes in the legal department at the local hospital. This delayed filing of the license application until February 10, 2023. At the time we requested a second permit renewal earlier this year, we coordinated the length of the renewal with personnel at IDPH and they suggested a three-month extension would be adequate. While the life safety code survey is expected to occur next week, the timing of the surveys is out of our client’s hands. To ensure sufficient time for survey and licensure, the Permit Holder requests a six-month renewal of the Project permit and a new project completion date of December 31, 2023.

1. Requested Project Completion Date

The Permit Holder requests the HFSRB grant a six-month renewal of the Project permit and establish December 31, 2023, as the new project completion date. We anticipate it may take approximately less time for survey and licensure approval but we cannot guarantee the timing.

2. Status of the Project

The Endoscopy Center is survey ready. The Permit Holder is currently waiting for approval of its ambulatory surgical treatment center license application.

To date, the Permit Holders have expended \$237,061 on the Project.

3. Statement Regarding Completion of the Project

The Project involves the re-opening of an endoscopy center that was previously licensed. As the Endoscopy Center was previously licensed and there was no planned renovation of the facility, it was not clear IDPH approval of the architectural plans was required. As a result, submission of the plans for a courtesy review to inform whether a formal submission would be required did not occur until November 11, 2022. It was not until January 30, 2023, the Permit Holder received confirmation that a formal plan submission would not be required. Additionally, the filing of the license application was delayed by several months due to changes at the local hospital, which slowed approval of the hospital transfer agreement, a necessary component of the license application. As a result, submission of the ambulatory surgical treatment center license application was delayed until February 10, 2023.

To ensure adequate time to allow for IDPH to survey and license the Endoscopy Center, the Permit Holder respectfully requests a six-month renewal of the Project permit.

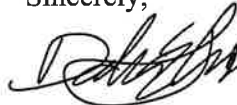
4. Confirmatory Evidence of Project Compliance

I hereby certify, pursuant to 77 Ill. Admin. Code §1130.740, Permit Holders' compliance with the scope and costs of the project approved by the HFSRB pursuant to Project Permit #21-007.

Based on the above information, which is provided to the HFSRB in compliance with Section 1130.740 of the Illinois Administrative Code, the Permit Holder formally request a 6-month renewal of their permit for Project #21-007 and a new project completion date December 31, 2023.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely,



Dalia Thomas
Surgery Center Administrator
Winchester Ambulatory Surgery Center LLC