



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-01	BOARD MEETING: May 9, 2024	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 December 31, 2023. Project cost: \$946,343.

II. Findings

State Board Staff notes the permit holder submitted the permit renewal request on October 20, 2023. This submittal was **not** in accordance with 77 Ill. Ad. Code 1130.740(c), which states that the State Board must receive renewal requests at least 45 days prior to the permit expiration date. A \$500.00 application processing fee, and a \$500.00 late fee accompanied the renewal request (per 77 Ill. Adm. Code 1130.230(h)(5)). State Board Staff notes this is the **fourth renewal request** for this project. An historical account of the permit holder’s renewal requests for this project is listed below.

- 1) 1st request, February 24, 2022: 12-Month Renewal (3/31/22 to 3/31/23)
- 2) 2nd request, March 21, 2023: 6-Month Renewal (3/31/23 to 6/30/23)
- 3) 3rd request, June 27, 2023: 6-Month Renewal (6/30/23 to 12/31/23)
- 4) 4th request, December 26, 2023: 6-Month Renewal (12/31/23 to 6/30/24)

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of June 30, 2024. This would extend the project's completion date six months, from December 31, 2023, to June 30, 2024.
- B. Status of the Project and Components Yet to be Finished: The permit holders state construction/equipment installation is complete. Life Safety Code inspection is complete, and the facility is waiting for the approval of its nursing survey before it can be fully licensed and operational.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the nursing survey revealed one discrepancy relative to physician medical staff privileges, which requires coordination with an area hospital to resolve.
- D. Evidence of Financial Commitment to Fund the Project: The permit has been financially committed as required with the signing of the lease.
- 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: March 31, 2023
(12-month renewal, 1st request)

Proposed Project Completion Date: June 30, 2023
(3-month renewal, 2nd request)

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

Proposed Project Completion Date: June 30, 2024
(6-Month renewal, 4th 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.

December 22, 2023

Via Federal Express

RECEIVED

DEC 26 2023

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

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. Since 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”), the Permit Holder has moved through all but the final process for opening. Specifically, the Illinois Department of Public Health (“IDPH”) conducted the nursing survey on December 19, 2023, and identified one update relating to physician medical staff privileges that needs to be made, which will require some coordination with an area hospital. To ensure sufficient time to complete this update, the Permit Holder requests a six-month renewal of the Project permit and a new project completion date of June 30, 2024.

1. Requested Project Completion Date

The Permit Holder requests the HFSRB grant a six-month renewal of the Project permit and establish June 30, 2024, as the new project completion date. We anticipate it may take less time to finalize the license but request this new completion date with an expectation that the Endoscopy Center will be open by that time.

2. Status of the Project

The Endoscopy Center construction and equipping is complete. It received life safety code approval and IDPH is ready to issue the license once the privileging matter mentioned above is resolved.

To date, the Permit Holder has expended \$237,061 on the Project.

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Mr. Michael Constantino
December 22, 2023
Page 2

3. Statement Regarding Completion of the Project

The Endoscopy Center physical plant is ready for its health care occupancy use. It received life safety code approval; however, a single deficiency was noted during the December 19, 2023, nursing survey. To ensure adequate time to correct the deficiency and to allow IDPH to license the Endoscopy Center, the Permit Holder respectfully requests a six-month renewal of the Project permit.

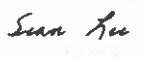
4. Confirmatory Evidence of Project Compliance

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 requests a 6-month renewal of their permit for Project #21-007 and a new project completion date June 30, 2024.

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

Sincerely,

DocuSigned by:

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Sean Lee, M.D.

Manager

Winchester Ambulatory Surgery Center LLC