

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

10-073
RECEIVED

This Section must be completed for all projects.

NOV 05 2010

Facility/Project Identification

| | | | |
|--------------------|--|-----------------------|------|
| Facility Name: | University of Illinois Medical Center at Chicago (UIMCC) | HEALTH FACILITIES & | |
| Street Address: | 1740 West Taylor Street | SERVICES REVIEW BOARD | |
| City and Zip Code: | Chicago 60623 | | |
| County: | Cook | Health Service Area | 6 |
| | | Health Planning Area: | A-02 |

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

| | |
|----------------------------------|---|
| Exact Legal Name: | The Board of Trustees of the University of Illinois, a Body Corporate and Politic |
| Address: | 362 Henry Administration Building (MC350), 506 S. Wright Street, Urbana, Illinois 62841 |
| Name of Registered Agent: | Michele M. Thompson, Secretary to the Board of Trustees |
| Name of Chief Executive Officer: | Michael J. Hogan, President, University of Illinois |
| CEO Address: | 364 Henry Administration Building (MC346), 506 S. Wright Street, Urbana, Illinois 62841 |
| Telephone Number: | 217-333-3070 |

Type of Ownership of Applicant/Co-Applicant

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

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

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

Primary Contact

[Person to receive all correspondence or inquiries during the review period]

| | |
|-------------------|--|
| Name: | John DeNardo |
| Title: | CEO, Healthcare System |
| Company Name: | University of Illinois Medical Center at Chicago |
| Address: | 1740 West Taylor Street, Chicago, Illinois 60623 |
| Telephone Number: | 312-996-3900 |
| E-mail Address: | jdenardo@uic.edu |
| Fax Number: | 312-996-7049 |

Additional Contact

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

| | |
|-------------------|----------------------|
| Name: | (see following page) |
| Title: | |
| Company Name: | |
| Address: | |
| Telephone Number: | |
| E-mail Address: | |
| Fax Number: | |

Additional Contact Person(s) (person such as consultant, attorney, financial representative, registered agent, etc. who are also authorized to discuss application and act on behalf of applicant)

David Loffing
Senior Associate Hospital Director
University of Illinois Medical Center at Chicago
1740 West Taylor Street
Chicago, IL 60612
312-413-9684
312-996-7049 (fax)
dhloff@uic.edu

Edwin W. Parkhurst, Jr.
Managing Principal
PRISM Healthcare Consulting
799 Roosevelt Road
Building 4, Suite 317
Glen Ellyn, IL 60137
630-790-1265
630-790-2696 (fax)
eparkhurst@consultprism.com

Douglas B. Swill
Drinker Biddle & Reath
191 N. Wacker
Suite 3700
Chicago, IL 60606
312-569-1270
312-569-3259 (fax)
douglas.swill@dbr.com

Melissa A. January
Drinker Biddle & Reath
191 N. Wacker
Suite 3700
Chicago, IL 60606
312-569-1283
312-569-3283 (fax)
Melissa.january@dbr.com

Post Permit Contact

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

| | |
|-------------------|--|
| Name: | John DeNardo |
| Title: | CEO Healthcare System |
| Company Name: | University of Illinois Medical Center at Chicago |
| Address: | 1740 West Taylor Street, Chicago, Illinois 60623 |
| Telephone Number: | 312-996-3900 |
| E-mail Address: | idenardo@uic.edu |
| Fax Number: | 312-996-7049 |

Site Ownership

[Provide this information for each applicable site]

| | |
|--|--|
| Exact Legal Name of Site Owner: | The Board of Trustees of the University of Illinois, a Body Corporate and Politic |
| Address of Site Owner: | 352Henry Administration Building (MC350), 506 S. Wright Street, Urbana, Illinois 62841 |
| Street Address or Legal Description of Site: | 1740 West Taylor St. and the site formerly 1735 W. Taylor Street |
| Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease. | |
| APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. | |

Operating Identity/Licensee (License not required, see letter on following page)

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

| | | | |
|--|--|-------------------------------------|---------------------|
| Exact Legal Name: | University of Illinois Medical Center at Chicago | | |
| Address: | 1740 West Taylor Street, Chicago, Illinois 60612 | | |
| <input type="checkbox"/> | Non-profit Corporation | <input type="checkbox"/> | Partnership |
| <input type="checkbox"/> | For-profit Corporation | <input checked="" type="checkbox"/> | Governmental |
| <input type="checkbox"/> | Limited Liability Company | <input type="checkbox"/> | Sole Proprietorship |
| | | <input type="checkbox"/> | Other |
| <ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. | | | |
| APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. | | | |

Organizational Relationships

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

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

UNIVERSITY OF ILLINOIS

Chicago • Springfield • Urbana-Champaign

Office of University Counsel (MC 225)
405 Administrative Office Building
1737 West Polk Street
Chicago, Illinois 60612-7228

November 1, 2010

Mr. Dale Galassie
Acting Chair
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Dear Mr. Galassie:

Pursuant to 210 ILCS 85/3(A)(2), the University of Illinois Medical Center at Chicago is exempt from the licensure requirements of the Illinois Hospital Licensure Act.

Sincerely,



Chris J. Mollet
Associate University Counsel

Enclosure

cc: John J. DeNardo

Chicago • Phone (312) 996-7762 • Fax (312) 996-6455
Urbana • 258 Henry Administration Building • 506 South Wright Street • Urbana, IL 61801 • Phone (217) 333-0563
Springfield • Public Affairs Center, Room 580, MS-563 • One University Plaza • Springfield, IL 62794 • Phone (217) 206-6634

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act. **See Attachment 6; Updated August 25, 2010 letter**

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

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- Substantive
 Non-substantive

Part 1120 Applicability or Classification:
[Check one only.]

- Part 1120 Not Applicable
 Category A Project
 Category B Project
 DHS or DVA Project

2. Narrative Description

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

Overview

The University of Illinois Medical Center at Chicago (UIMCC) was established by the Illinois General Assembly under the University of Illinois Hospital Act (110 ILCS 330) to teach and train physicians, nurses and other health care professionals in an academic medical center while also providing essential health care and treatment to the people of the greater Chicago region and beyond. UIMCC is the only academic medical center owned and operated by the State of Illinois. Without the enabling State legislation and the commitment of the Illinois General Assembly, UIMCC would not exist. History clearly illustrates the commitment of the Illinois General Assembly which appropriated the funds to build the first hospital in 1919 and then again in 1947 and again in 1977.

The recently completed \$100 million UIC College of Medicine research and education building is a state-of-the-art complex which now graduates the majority of minority physicians who practice in the State and, indeed, graduates at least 1 out of 6 physicians in Illinois. This leading edge facility requires a comparable state-of-the-art patient care facility where research and training in an academic setting can be translated into cutting edge patient care which will not only meet the medical care needs of those people who seek care at UIMCC but will also advance medicine for people throughout the State of Illinois and across the country.

The central issue facing UIMCC is how to accommodate the state-of-the-art teaching and training that is now available in the new College of Medicine research and education facility in a hospital building which was designed more than 35 years ago. The aging UIMCC building is not as contemporary as the new medical research and education building which makes it difficult to translate advancing medical knowledge from the academic research and education environment to the patient care environment. In addition, it has several outdated infrastructure systems which could fail and create the necessity to suspend certain operations.

Master Plan Development

The University of Illinois Medical Center at Chicago (UIMCC), whose official mailing address is 1740 West Taylor Street, Chicago, Illinois, has developed a strategic master site and facilities plan for the modernization and expansion of facilities to meet its current and anticipated needs over the next 10 to 20 years consistent with the intent of its IHFSRB approved CON Master Design Permit #07-016. The Master Plan serves as the foundation for design efforts to develop priority projects that will enable UIMCC to continue to fulfill its patient care, research, and educational missions. The original permit intent remains the same; however, due to financial considerations, projects identified in the various analyses completed to date will not proceed to schematic design as originally expected. Hence, the first alteration to the original permit # 07-016 was approved by the Review Board in 2010. This Permit Application focuses on high priority projects identified in the Master Plan within UIMCC's limited resources to invest in modern facilities.

Key Master Plan Components

The key planning outcomes of the Master Plan project include conceptual definition of:

- The modernization of the existing hospital infrastructure - \$80 million
- A replacement Illinois Eye and Ear Institute - \$65 million
- A new Pathology and Data Center facility - \$55 million
- A new acute care patient bed tower - \$450 million

The existing hospital is now over 30 years old and all the infrastructure systems have reached the end of their useful life. The Master Plan defined an \$80 million multi-year plan to replace the mechanical, electrical and plumbing systems with the most critical systems addressed in the first three years. Infrastructure modernization is necessary to continue operations as an acute care facility with no planned changes in services or licensed bed complement. This Permit Application proposes to correct some of the required infrastructure modernization projects, but not all. Priority projects are being proposed with available capital resources.

Proposed Projects (What is proposed to be done)

This Permit Application proposes to implement the following high-priority modernization projects as an outcome of the Master Planning effort. The projects are within available funds and approximate 50 percent of the modernization projects identified in the Master Plan.

Clinical Projects

1. Imaging Procedure Support Bays (support for Interventional Radiology Services)
2. Hybrid Operating Room Development (new)
3. Stem Cell Laboratory Replacement
4. Ultrasound / Vascular Suite Replacement

Non-Clinical Projects

1. Morgue Downsizing
2. Kitchen remodeling
3. Building Envelope Repair
4. Mechanical Infrastructure Modernization / Replacement as well as Building Automation System
5. Transformer replacement and Normal Power System upgrades.
6. Emergency Power system upgrades
7. Lighting replacement and upgrades
8. Security, paging, and audio-visual systems upgrades
9. Vertical transportation system upgrades
10. American Disabilities Act (ADA) compliance upgrades

There is no new construction. This is a modernization project. The estimated modernization contracts are \$24,000,000 with a \$39,933,023 project cost.

The project is classified as substantive due to its capital cost and Clinical Service Area (CSA) components other than Categories of Service.

Project Costs and Sources of Funds

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

| Project Costs and Sources of Funds | | | |
|---|---------------------|---------------------|---------------------|
| USE OF FUNDS | CLINICAL | NONCLINICAL | TOTAL |
| Preplanning Costs | \$ 82,120 | \$ 197,880 | \$ 280,000 |
| Site Survey and Soil Investigation | | | |
| Site Preparation | | | |
| Off Site Work | | | |
| New Construction Contracts | | | |
| Modernization Contracts | \$ 6,464,397 | \$ 17,535,603 | \$ 24,000,000 |
| Contingencies | \$ 323,427 | \$ 2,452,768 | \$ 2,776,195 |
| Architectural/Engineering Fees | \$ 566,514 | \$ 1,387,486 | \$ 1,954,000 |
| Consulting and Other Fees | \$ 166,976 | \$ 391,264 | \$ 558,240 |
| Movable or Other Equipment (not in construction contracts) | \$ 5,760,000 | \$ 240,000 | \$ 6,000,000 |
| Bond Issuance Expense (project related) | \$ 288,589 | \$ 511,411 | \$ 800,000 |
| Net Interest Expense During Construction (project related) | \$ 1,016,600 | \$ 1,801,525 | \$ 2,818,125 |
| Fair Market Value of Leased Space or Equipment | | | |
| Other Costs To Be Capitalized | \$ 233,090 | \$ 513,373 | \$ 746,463 |
| Acquisition of Building or Other Property (excluding land) | | | |
| TOTAL USES OF FUNDS | \$14,901,713 | \$25,031,310 | \$39,933,023 |
| SOURCE OF FUNDS | CLINICAL | NONCLINICAL | TOTAL |
| Cash and Securities | | | |
| Pledges | | | |
| Gifts and Bequests | | | |
| Bond Issues (project related) | \$14,901,713 | \$25,031,310 | \$39,933,023 |
| Mortgages | | | |
| Leases (fair market value) | | | |
| Governmental Appropriations | | | |
| Grants | | | |
| Other Funds and Sources | | | |
| TOTAL SOURCES OF FUNDS | \$14,901,713 | \$25,031,310 | \$39,933,023 |
| NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. | | | |

Related Project Costs

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

Land acquisition is related to project Yes No
 Purchase Price: \$ _____
 Fair Market Value: \$ _____

The project involves the establishment of a new facility or a new category of service
 Yes No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ Not Applicable.

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:

None or not applicable Preliminary
 Schematics Final Working

Anticipated project completion date (refer to Part 1130.140): January 15, 2014 * (Long construction period due to phasing schedule)

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

Purchase orders, leases or contracts pertaining to the project have been executed.
 Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
 Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:

Cancer Registry
 APORS
 All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
 All reports regarding outstanding permits (**Permit #07-016 is outstanding**)
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

| Dept. / Area | Project Cost | Gross Square Feet | | Amount of Proposed Total Gross Square Feet That Is: | | | |
|--------------------------------------|-------------------|-------------------|----------------|--|----------------|-------|---------------|
| | | Existing | Proposed | New Const. | Modernized | As Is | Vacated Space |
| Clinical | | | | | | | |
| Contemporary Procedure Support Bays | 4,334,837 | 0 | 7,000 | 0 | 7,000 | 0 | 0 |
| Ultrasound | 2,888,891 | 2,690 | 4,750 | 0 | 4,750 | 0 | 0 |
| Stem Cell Lab | 1,200,582 | 2,400 | 1,294 | 0 | 1,294 | 0 | 0 |
| Operating Room and Control | 6,476,404 | 0 | 2,400 | 0 | 2,400 | 0 | 0 |
| Incontinence Lab (vacant) | 0 | 7,000 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Clinical | <u>14,900,714</u> | <u>12,090</u> | <u>15,445</u> | | <u>15,445</u> | | |
| Non-Clinical | | | | | | | |
| Morgue Downsizing | 1,800,872 | 3,255 | 1,960 | 0 | 1,960 | 0 | 0 |
| Registration / Waiting / Sub-waiting | 432,703 | 0 | 3,200 | 0 | 3,200 | 0 | 0 |
| Kitchen Remodel | 1,701,000 | 13,000 | 13,000 | 0 | 13,000 | 0 | 0 |
| Infrastructure | 21,044,254 | 220,560 | 215,300 | 0 | 215,300 | 0 | 0 |
| Physician Offices / Support | 53,480 | 400 | 400 | 0 | 400 | 0 | 0 |
| Subtotal Non-Clinical | <u>25,032,309</u> | <u>237,215</u> | <u>233,860</u> | | <u>233,860</u> | | |
| TOTALS | <u>39,933,023</u> | <u>249,305</u> | <u>249,305</u> | | <u>249,305</u> | | |

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

* To be developed in vacated / underutilized incontinence unit.

Facility Bed Capacity and Utilization

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

| FACILITY NAME: University of Illinois Medical Center @ Chicago | | CITY: Chicago, Illinois | | | |
|---|------------------------|--------------------------------|-----------------------|--------------------|----------------------|
| REPORTING PERIOD DATES: From: Jan. 1, 2009 to: December 31, 2009 | | | | | |
| Category of Service | Authorized Beds | Admissions | Patient Days * | Bed Changes | Proposed Beds |
| Medical/Surgical | 240 | 9,116 | 53,180 | 0 | 240 |
| Obstetrics | 45 | 3,259 | 9,344 | 0 | 45 |
| Pediatrics | 44 | 1,091 | 5,056 | 0 | 44 |
| Intensive Care ** | 65 | 4,699 | 20,597 | 0 | 65 |
| Comprehensive Physical Rehabilitation | 18 | 360 | 4,219 | 0 | 18 |
| Acute/Chronic Mental Illness | 53 | 988 | 13,622 | 0 | 53 |
| Neonatal Intensive Care | 26 | 613 | 7,797 | 0 | 26 |
| General Long Term Care | 0 | - | - | - | 0 |
| Specialized Long Term Care | 0 | - | - | - | 0 |
| Long Term Acute Care | 0 | - | - | - | 0 |
| Other ((identify)) | 0 | - | - | - | 0 |
| TOTALS: *** | 491 | 18,877 | 113,815 | 0 | 491 |

* Excludes observation days (3,837)

** Includes Direct Admissions and transfers

*** Excludes ICU Transfers

Note: The 2009 AHQ excludes 4 NICU beds added in 2010 via the "10-bed" rule. NICU beds were added after the 2009 AHQ questionnaire submission and have subsequently been inspected and approved for occupancy by IDPH.

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

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

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

Walter K. Knorr
 SIGNATURE

Walter K. Knorr
 PRINTED NAME

Vice President / Chief Financial Officer and Comptroller
 PRINTED TITLE

Michele M. Thompson
 SIGNATURE

Michele M. Thompson
 PRINTED NAME

Secretary
 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 1st day of November 2010

Luis A Rodriguez
 Signature of Notary
 Official Seal
 Luis A Rodriguez
 Notary Public State of Illinois
 My Commission Expires 05/22/2013
 Seal

Notarization:
 Subscribed and sworn to before me
 this 2nd day of November 2010

Luis A Rodriguez
 Signature of Notary
 Official Seal
 Luis A Rodriguez
 Notary Public State of Illinois
 My Commission Expires 05/22/2013
 Seal

*Insert EXACT legal name of the applicant

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

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

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

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

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

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

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

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

ALTERNATIVES

- 1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;
 - c. The project involves the conversion of existing space that results in excess square footage.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

| SIZE OF PROJECT | | | | |
|--------------------|--------------------|----------------|------------|---------------|
| DEPARTMENT/SERVICE | PROPOSED BGSF/DGSF | STATE STANDARD | DIFFERENCE | MET STANDARD? |
| | | | | |
| | | | | |

APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

| UTILIZATION | | | | | |
|-------------|----------------|---|-----------------------|----------------|---------------|
| | DEPT./ SERVICE | HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC. | PROJECTED UTILIZATION | STATE STANDARD | MET STANDARD? |
| YEAR 1 | | | | | |
| YEAR 2 | | | | | |

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION V. - MASTER DESIGN AND RELATED PROJECTS

This Section is applicable only to proposed master design and related projects.

Criterion 1110.235(a) - System Impact of Master Design

Read the criterion and provide documentation that addresses the following:

1. The availability of alternative health care facilities within the planning area and the impact that the proposed project and subsequent related projects will have on the utilization of such facilities;
2. How the services proposed in future projects will improve access to planning area residents;
3. What the potential impact upon planning area residents would be if the proposed services were not replaced or developed; and
4. The anticipated role of the facility in the delivery system including anticipated patterns of patient referral, any contractual or referral agreements between the applicant and other providers that will result in the transfer of patients to the applicant's facility.

Criterion 1110.235(b) - Master Plan or Related Future Projects

Read the criterion and provide documentation regarding the need for all beds and services to be developed, and also, document the improvement in access for each service proposed. Provide the following:

1. The anticipated completion date(s) for the future construction or modernization projects; and
2. Evidence that the proposed number of beds and services is consistent with the need assessment provisions of Part 1100; or documentation that the need for the proposed number of beds and services is justified due to such factors, but not limited to:
 - a. limitation on government funded or charity patients that are expected to continue;
 - b. restrictive admission policies of existing planning area health care facilities that are expected to continue;
 - c. the planning area population is projected to exhibit indicators of medical care problems such as average family income below poverty levels or projected high infant mortality.
3. Evidence that the proposed beds and services will meet or exceed the utilization targets established in Part 1100 within two years after completion of the future construction of modernization project(s), based upon:
 - a. historical service/beds utilization levels;
 - b. projected trends in utilization (include the rationale and projection assumptions used in such projections);
 - c. anticipated market factors such as referral patterns or changes in population characteristics (age, density, wellness) that would support utilization projections; and
 - d. anticipated changes in delivery of the service due to changes in technology, care delivery techniques or physician availability that would support the projected utilization levels.

Criterion 1110.235(c) - Relationship to Previously Approved Master Design Projects

READ THE CRITERION which requires that projects submitted pursuant to a master design permit are consistent with the approved master design project. Provide the following documentation:

1. Schematic architectural plans for all construction or modification approved in the master design permit;
2. The estimated project cost for the proposed projects and also for the total construction/modification projects approved in the master design permit;
3. An item by item comparison of the construction elements (i.e. site, number of buildings, number of floors, etc.) in the proposed project to the approved master design project; and
4. A comparison of proposed beds and services to those approved under the master design permit.

APPEND DOCUMENTATION AS ATTACHMENT-18, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

R. Criterion 1110.3030 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than Categories of Service must submit the following information:
2. Indicate changes by Service: Indicate # of key room changes by action(s):

| Service | # Existing Key Rooms | # Proposed Key Rooms |
|---|----------------------|----------------------|
| <input type="checkbox"/> Procedure Support Bays | 0 | 20 |
| <input type="checkbox"/> Ultrasound | 12 | 12 |
| <input type="checkbox"/> Stem Cell | 1 | 1 |
| <input type="checkbox"/> Operating Room | 20 | 21 |

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

| PROJECT TYPE | REQUIRED REVIEW CRITERIA | |
|---------------------------------------|--------------------------|---------------------------------------|
| New Services or Facility or Equipment | (b) - | Need Determination - Establishment |
| Service Modernization | (c)(1) - | Deteriorated Facilities |
| | | and/or |
| | (c)(2) - | Necessary Expansion |
| | | PLUS |
| | (c)(3)(A) - | Utilization - Major Medical Equipment |
| | | Or |
| | (c)(3)(B) - | Utilization - Service or Facility |

APPEND DOCUMENTATION AS ATTACHMENT-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VIII. - 1120.120 - Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

| | | |
|------------------------------|----|---|
| _____ | a) | Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion; |
| _____ | b) | Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience. |
| _____ | c) | Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts; |
| _____ | d) | Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project. including: <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions. |
| _____ | e) | Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent; |
| _____ | f) | Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt; |
| _____ | g) | All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project. |
| TOTAL FUNDS AVAILABLE | | |

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

IX. 1120.130 - Financial Viability

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

| Provide Data for Projects Classified as: | Category A or Category B (last three years) | | | Category B (Projected) |
|---|---|--|--|------------------------|
| Enter Historical and/or Projected Years: | | | | |
| Current Ratio | | | | |
| Net Margin Percentage | | | | |
| Percent Debt to Total Capitalization | | | | |
| Projected Debt Service Coverage | | | | |
| Days Cash on Hand | | | | |
| Cushion Ratio | | | | |

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

2. Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 41, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

| COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE | | | | | | | | | | | |
|---|-------------------------|------|----------------------|--------|-----------------------|--------|----------------------|--------------------|---|---|--------------------------|
| Department (list below) | A | B | C | | D | | E | F | G | H | Total Cost (G + H) |
| | Cost/Square Foot New | Mod. | Gross Sq. Ft. New | Circ.* | Gross Sq. Ft. Mod. | Circ.* | Const. \$ (A x C) | Mod. \$ (B x E) | | | |
| | | | | | | | | | | | |
| Contingency | | | | | | | | | | | |
| TOTALS | | | | | | | | | | | |

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT -42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

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

Safety Net Impact Statements shall also include all of the following:

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

A table in the following format must be provided as part of Attachment 43.

| Safety Net Information per PA 96-0031 | | | |
|---------------------------------------|------|------|------|
| CHARITY CARE | | | |
| Charity (# of patients) | Year | Year | Year |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |
| Charity (cost in dollars) | Year | Year | Year |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |
| MEDICAID | | | |
| Medicaid (# of patients) | Year | Year | Year |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |

| | | | |
|--------------------|--|--|--|
| Medicaid (revenue) | | | |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |

APPEND DOCUMENTATION AS ATTACHMENT-43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

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

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

A table in the following format must be provided for all facilities as part of Attachment 44.

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

APPEND DOCUMENTATION AS ATTACHMENT-44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

| INDEX OF ATTACHMENTS | | |
|-----------------------------|--|--------------|
| ATTACHMENT NO. | | PAGES |
| 1 | Applicant/Co-applicant Identification including Certificate of Good Standing | 26 - 27 |
| 2 | Site Ownership | 28 - 29 |
| 3 | Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. | 30 - 31 |
| 4 | Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc. | 32 - 36 |
| 5 | Flood Plain Requirements | 37 - 40 |
| 6 | Historic Preservation Act Requirements | 41 - 42 |
| 7 | Project and Sources of Funds Itemization | 43 - 44 |
| 8 | Obligation Document if required | 45 |
| 9 | Cost Space Requirements | 46 |
| 10 | Discontinuation | NA |
| 11 | Background of the Applicant | 47 - 52 |
| 12 | Purpose of the Project / Support Letters | 53 - 62 |
| 13 | Alternatives to the Project | 63 - 71 |
| 14 | Size of the Project | 72 - 88 |
| 15 | Project Service Utilization | 89 - 92 |
| 16 | Unfinished or Shell Space | NA |
| 17 | Assurances for Unfinished/Shell Space | NA |
| 18 | Master Design Project | 93 - 109 |
| 19 | Mergers, Consolidations and Acquisitions | NA |
| | Service Specific: | |
| 20 | Medical Surgical Pediatrics, Obstetrics, ICU | NA |
| 21 | Comprehensive Physical Rehabilitation | NA |
| 22 | Acute Mental Illness | NA |
| 23 | Neonatal Intensive Care | NA |
| 24 | Open Heart Surgery | NA |
| 25 | Cardiac Catheterization | NA |
| 26 | In-Center Hemodialysis | NA |
| 27 | Non-Hospital Based Ambulatory Surgery | NA |
| 28 | General Long Term Care | NA |
| 29 | Specialized Long Term Care | NA |
| 30 | Selected Organ Transplantation | NA |
| 31 | Kidney Transplantation | NA |
| 32 | Subacute Care Hospital Model | NA |
| 33 | Post Surgical Recovery Care Center | NA |
| 34 | Children's Community-Based Health Care Center | NA |
| 35 | Community-Based Residential Rehabilitation Center | NA |
| 36 | Long Term Acute Care Hospital | NA |
| 37 | Clinical Service Areas Other than Categories of Service | 110 - 119 |
| 38 | Freestanding Emergency Center Medical Services | NA |
| | Financial and Economic Feasibility: | |
| 39 | Availability of Funds | 120 - 129 |
| 40 | Financial Waiver | NA |
| 41 | Financial Viability | NA |
| 42 | Economic Feasibility | 130 - 136 |
| 43 | Safety Net Impact Statement | 137 - 138 |
| 44 | Charity Care Information | 139 - 164 |

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].\]

| | |
|----------------------------------|--|
| Exact Legal Name: | The Board of Trustees of the University of Illinois, a Body Corporate and Politic |
| Address: | 362 Henry Administration Building (MC350), 506 S. Wright Street, Urbana, Illinois 62841 |
| Name of Registered Agent: | Michele M. Thompson, Secretary to the Board of Trustees |
| Name of Chief Executive Officer: | Michael J. Hogan, President, University of Illinois |
| CEO Address: | 364 Henry Administration Building (MC346), 506 S. Wright Street, Urbana, Illinois 62841 |
| Telephone Number: | 217-333-3070 |

By law, the organization is exempt from having to obtain an Illinois Certificate of Good Standing or a Hospital license.

Post Permit Contact

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

| | |
|-------------------|--|
| Name: | John DeNardo |
| Title: | CEO Healthcare System |
| Company Name: | University of Illinois Medical Center at Chicago |
| Address: | 1740 West Taylor Street, Chicago, Illinois 60623 |
| Telephone Number: | 312-996-3900 |
| E-mail Address: | jdenardo@uic.edu |
| Fax Number: | 312-996-7049 |

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Site Ownership

[Provide this information for each applicable site]

| | |
|--|--|
| Exact Legal Name of Site Owner: | The Board of Trustees of the University of Illinois, a Body Corporate and Politic |
| Address of Site Owner: | 352Henry Administration Building (MC350), 506 S. Wright Street, Urbana, Illinois 62841 |
| Street Address or Legal Description of Site: | 1740 West Taylor St. |
| Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease. | |
| APPEND DOCUMENTATION AS ATTACHMENT-2 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. | |

The Board of Trustees owns the property on which the Hospital facilities are located. The site is an aggregation of several individual parcels. The "official" address is 1740 West Taylor although the Cook County Assessor uses 1732 West Taylor (see attached picture of the Hospital with its tax-exempt parcel number – Attachment 2, Exhibit 1)



Cook County Assessor's Office
James M. Houlihan



Tribuzio Home Inspection Services Inc.
Call 708-453-THIS (708-453-8447)
www.thishomeinspector.com

Home Appeals Exemptions Forms Search News Departments Info

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> Search > Property Search > Property Details



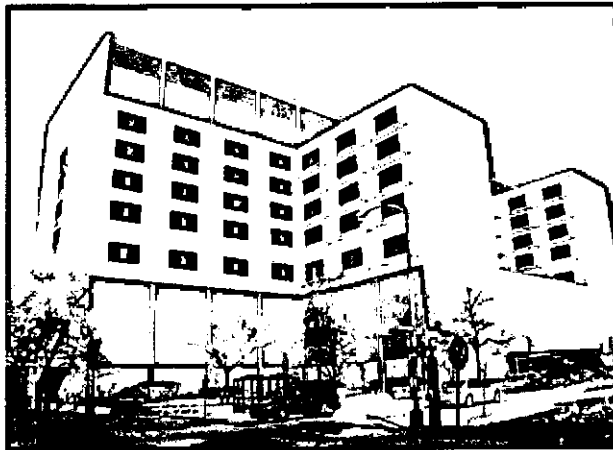
1732 W Taylor St

PIN 17-18-416-068-0000

Property

Appeals Exemptions Certificate Of Error

Property Details



City
Chicago

Township
West Chicago

NBHD.
132

Taxcode
77001

Class
0-00

VIEW LARGER IMAGE

Assessed Valuation

| | 2009 Board Certified Assessment | 2008 Board of Review Certified |
|-------------------------|---------------------------------------|--------------------------------------|
| Land Assessed Value | 0 | 0 |
| Building Assessed Value | 0 | 0 |
| Total Assessed Value | 0 | 0 |

Property Characteristics

Description Exempt

Quick Links



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Frequently Asked Questions

- What is my PIN?
- What is an appeal?
- When can I file an appeal?
- What is an exemption?

View All FAQ's >>

Most Requested Forms

- Residential Appeal Form
- Industrial/Commercial Appeal Form
- Homeowner/Senior Exemption
- Senior Freeze Application

View All Forms >>

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Operating Identity/Licensee (License not required, see letter on following page)

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

| | | | |
|--------------------------|---|-------------------------------------|---------------------|
| Exact Legal Name: | University of Illinois Medical Center at Chicago | | |
| Address: | 1740 West Taylor Street, Chicago, Illinois 60612 | | |
| <input type="checkbox"/> | Non-profit Corporation | <input type="checkbox"/> | Partnership |
| <input type="checkbox"/> | For-profit Corporation | <input checked="" type="checkbox"/> | Governmental |
| <input type="checkbox"/> | Limited Liability Company | <input type="checkbox"/> | Sole Proprietorship |
| | | <input type="checkbox"/> | Other |

- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- o **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNIVERSITY OF ILLINOIS
Chicago • Springfield • Urbana-Champaign

Office of University Counsel (MC 225)
405 Administrative Office Building
1737 West Polk Street
Chicago, Illinois 60612-7228

November 1, 2010

Mr. Dale Galassie
Acting Chair
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Dear Mr. Galassie:

Pursuant to 210 ILCS 85/3(A)(2), the University of Illinois Medical Center at Chicago is exempt from the licensure requirements of the Illinois Hospital Licensing Act.

Sincerely,



Chris J. Mollet
Associate University Counsel

Enclosure

cc: John J. DeNardo

Chicago • Phone (312) 996-7762 • Fax (312) 996-6455
Urbana • 258 Henry Administration Building • 506 South Wright Street • Urbana, IL 61801 • Phone (217) 333-0563
Springfield • Public Affairs Center, Room 580, MS-563 • One University Plaza • Springfield, IL 62794 • Phone (217) 206-6634

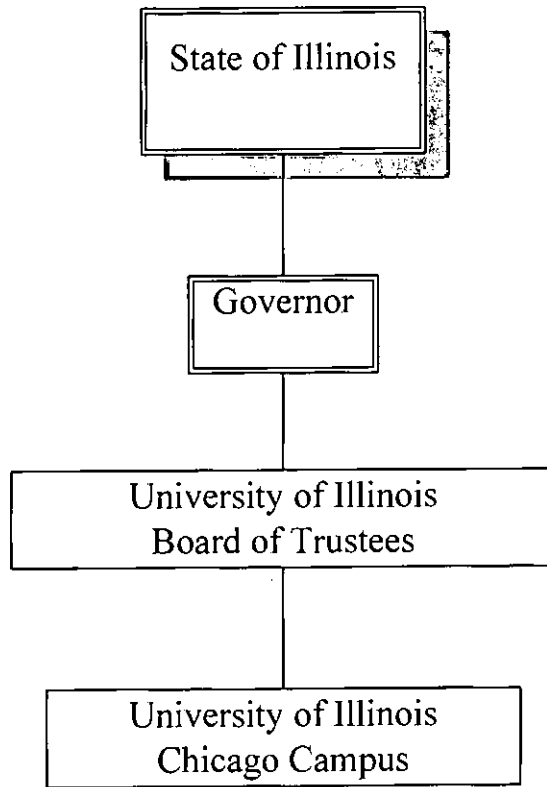
SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

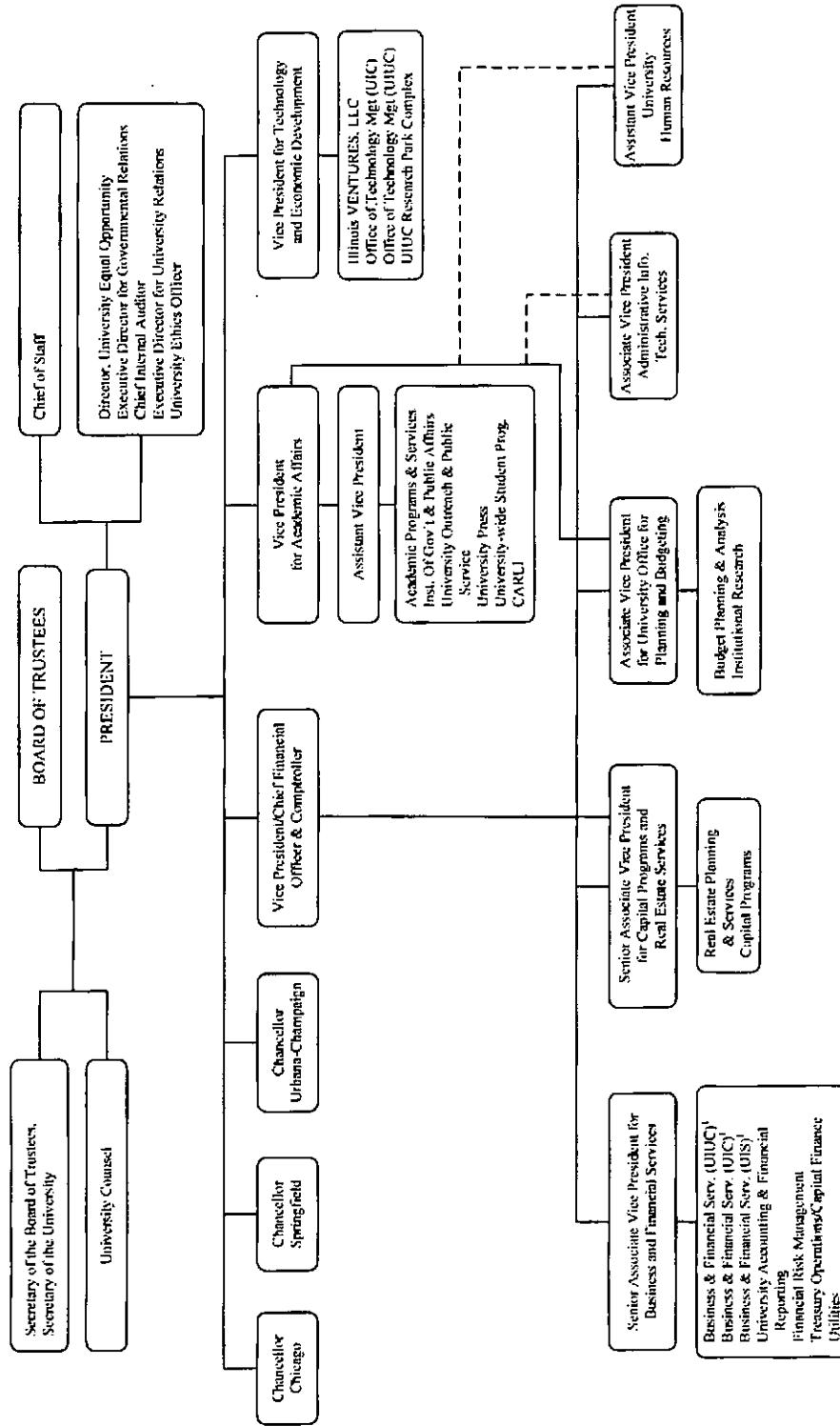
Organizational Relationships

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

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



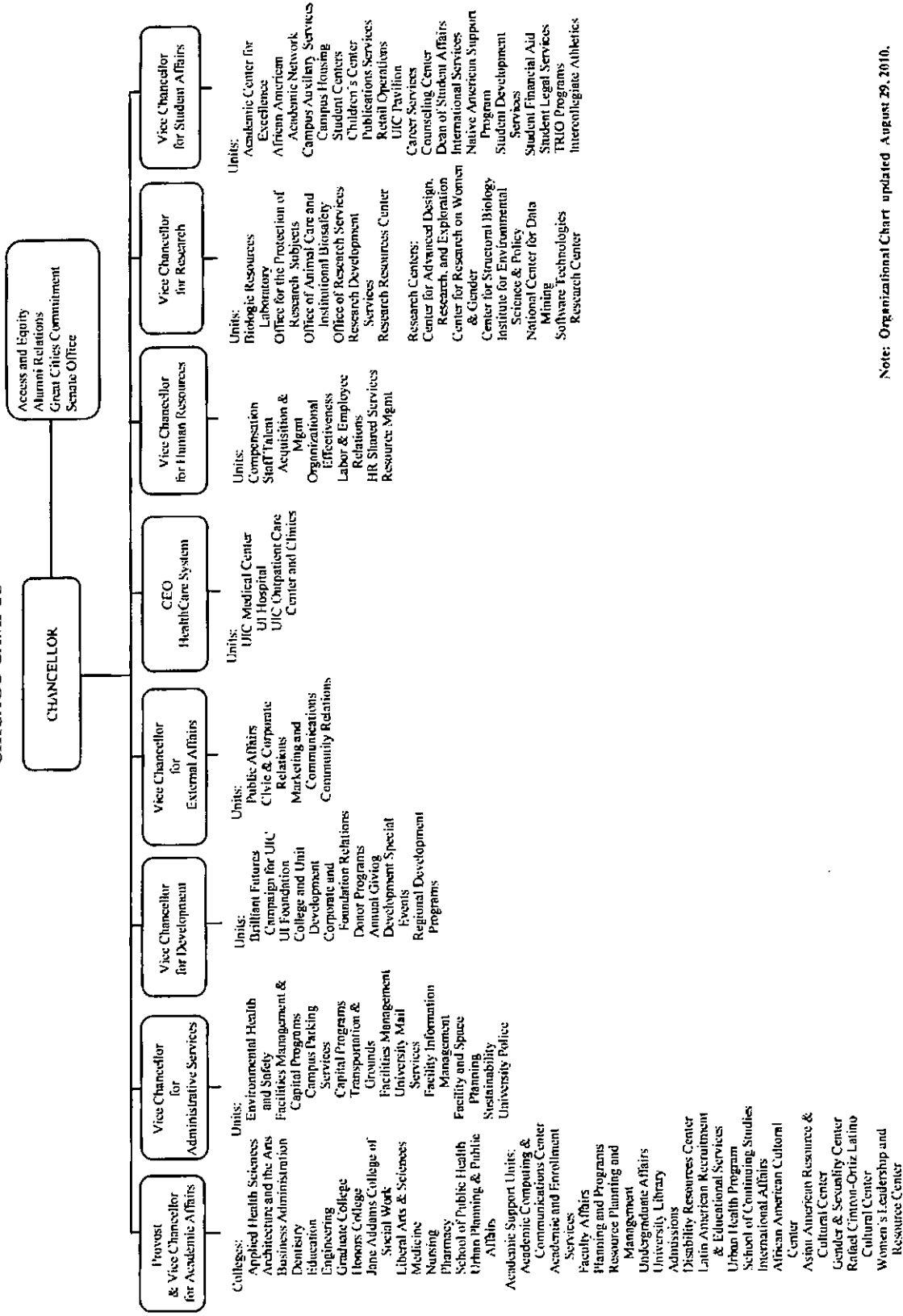
**UNIVERSITY OF ILLINOIS
UNIVERSITY ADMINISTRATION**



* Mainlines dotted line reporting to the Chancellor at their respective campuses.

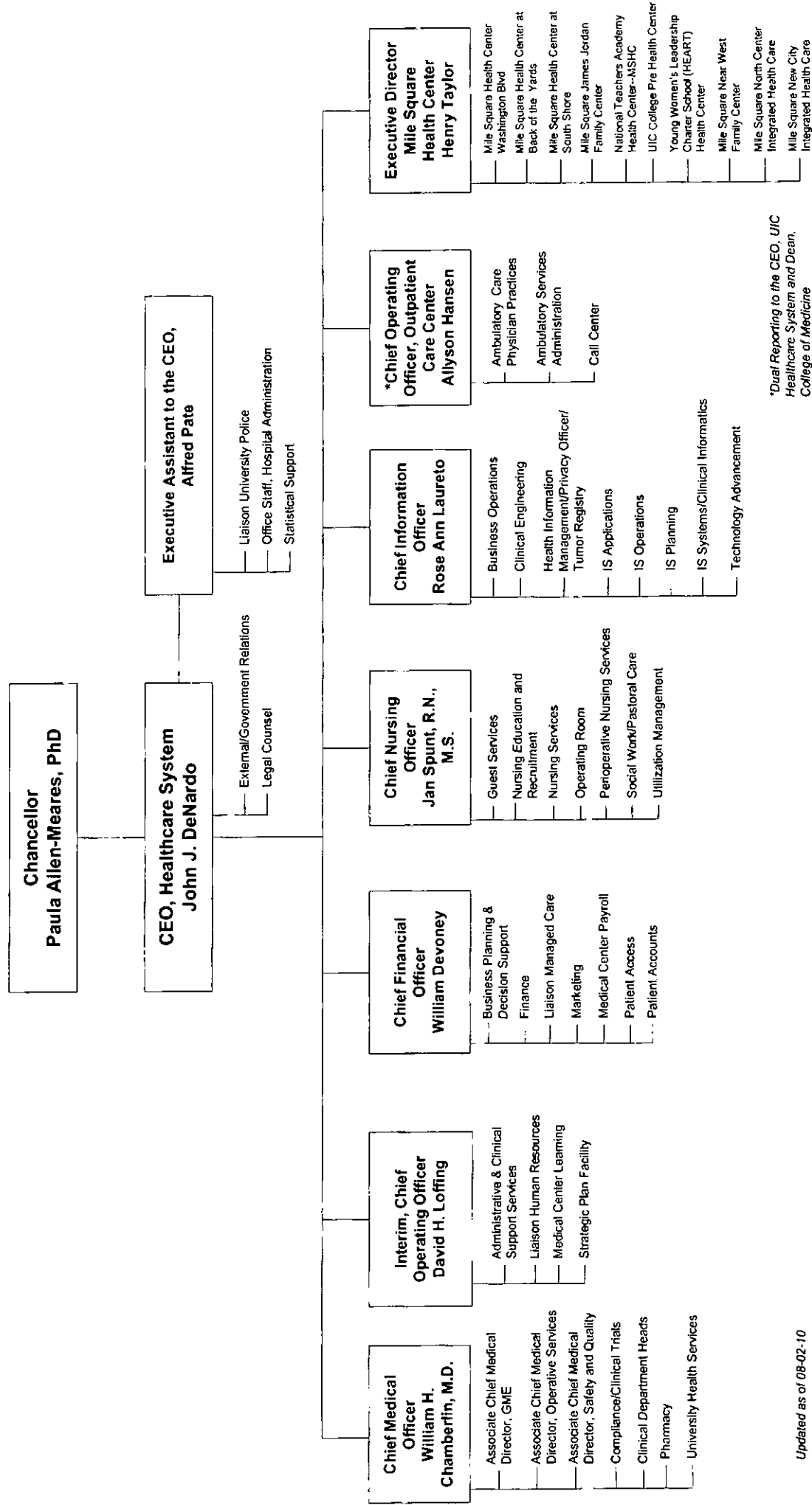
Note: DRAFT Organizational Chart updated August 29, 2010.

UNIVERSITY OF ILLINOIS
CHICAGO CAMPUS



Note: Organizational Chart updated August 29, 2010.

UNIVERSITY OF ILLINOIS AT CHICAGO HEALTHCARE SYSTEM TABLE OF ORGANIZATION



*Dual Reporting to the CEO, UIC Healthcare System and Dean, College of Medicine

Updated as of 08-02-10

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Flood Plain Requirements

Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

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

Attachment 5 includes:

- Illinois State Water Survey letter
- Flood Insurance Rate Map

The parcel on which the existing hospital is located is not in a floodway nor Special Flood Hazard Area.

There is no new construction. The modernization project is contained within existing facilities.

The applicant attests that the modernization project complies with the requirements of Illinois Executive Order #2005-5 in that no new construction is involved.



Illinois State Water Survey

Main Office • 2204 Griffith Drive • Champaign, IL 61820-7495 • Tel (217) 333-2210 • Fax (217) 333-6540
Peoria Office • P.O. Box 697 • Peoria, IL 61652-0697 • Tel (309) 671-3196 • Fax (309) 671-3106



Special Flood Hazard Area Determination pursuant to Governor's Executive Order 5 (2006) (supersedes Governor's Executive Order 4 (1979))

Requester: Janel Scheurman, PRISM Healthcare Consulting
Address: 1808 Woodmere Dr.
City, state, zip: Valparaiso, IN 46383 Telephone: (219) 464-3969

Site description of determination:
Site address: The University of Illinois Medical Center, 1740 W. Taylor St.
City, state, zip: Chicago, IL 60612
County: Cook Sect4: SE 1/4 Section: 18 T. 39 N. R. 14 E. PM: 3rd
Subject area: Area bounded by W. Polk St. on the north, W. Roosevelt Rd. on the south, S. Damen Ave. on the west, and S. Ashland Ave. on the east.

The property described above IS NOT located in a Special Flood Hazard Area or a shaded Zone X floodzone.
Floodway mapped: N/A Floodway on property: No
Sources used: FEMA Flood Insurance Rate Map (FIRM) – annotated copy attached; http://uillinoismedcenter.org.
Community name: City of Chicago, IL Community number: 170074
Panel/map number: 17031C0506 F Effective Date: November 6, 2000
Flood zone: X [unshaded] Base flood elevation: N/A ft NGVD 1929

- N/A a. The community does not currently participate in the National Flood Insurance Program (NFIP). NFIP flood insurance is not available; certain State and Federal assistance may not be available.
- N/A b. Panel not printed: no Special Flood Hazard Area on the panel (panel designated all Zone C or unshaded X).
- N/A c. No map panels printed: no Special Flood Hazard Areas within the community (NSFHA).

- The primary structure on the property:
- N/A d. Is located in a Special Flood Hazard Area. Any activity on the property must meet State, Federal, and local floodplain development regulations. Federal law requires that a flood insurance policy be obtained as a condition of a federally-backed mortgage or loan that is secured by the building.
 - N/A e. Is located in shaded Zone X or B (500-yr floodplain). Conditions may apply for local permits or Federal funding.
 - X f. Is not located in a Special Flood Hazard Area or a 500-year floodplain. (Flood insurance may still be available.)
 - N/A g. A determination of the building's exact location cannot be made on the current FEMA flood hazard map.
 - N/A h. Exact structure location is not available or was not provided for this determination.

Note: This determination is based on the current Federal Emergency Management Agency (FEMA) flood hazard map for the community. This letter does not imply that the referenced property will or will not be free from flooding or damage. A property or structure not in a Special Flood Hazard Area may be damaged by a flood greater than that predicted on the FEMA map or by local drainage problems not mapped. This letter does not create liability on the part of the Illinois State Water Survey, or employee thereof for any damage that results from reliance on this determination. This letter does not exempt the project from local stormwater management regulations.

Questions concerning this determination may be directed to Bill Saylor (217/333-0447) at the Illinois State Water Survey. Questions concerning requirements of Governor's Executive Order 5 (2006), or State floodplain regulations, may be directed to John Lentz (847/608-3100) at the IDNR Office of Water Resources.

William Saylor
William Saylor, c704 IL-02-0107, Illinois State Water Survey
Title: ISWS Surface Water & Floodplain Information Date: 9/26/2006

Printed on recycled paper

Form rev. 9/26/2006

LEGEND

SPECIAL FLOOD HAZARD AREAS INUNDATED BY 100-YEAR FLOOD

- ZONE A** No base flood elevations determined.
- ZONE AE** Base flood elevations determined.
- ZONE AH** Flood depths of 1 to 3 feet (usually areas of ponding); base flood elevations determined.
- ZONE AO** Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined; for areas of alluvial fan flooding, velocities also determined.
- ZONE A99** To be protected from 100-year flood by Federal flood protection system under construction; no base flood elevations determined.
- ZONE V** Coastal flood with velocity hazard (wave action); no base flood elevations determined.
- ZONE VE** Coastal flood with velocity hazard (wave action); base flood elevations determined.

FLOODWAY AREAS IN ZONE AE




OTHER FLOOD AREAS

- ZONE X** Areas of 500-year flood; areas of 100-year flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 100-year flood.

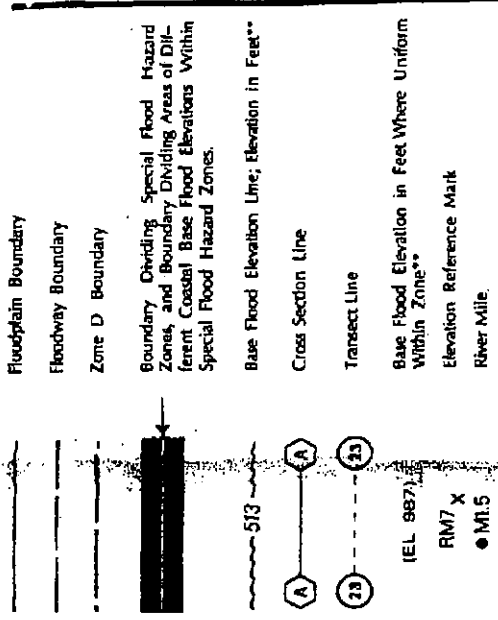
OTHER AREAS

- ZONE X** Areas determined to be outside 500-year floodplain.
- ZONE D** Areas in which flood hazards are uninterimined, but possible.

UNDEVELOPED COASTAL BARRIERS*

-  Identified 1983
-  Identified 1990 or Later
-  Otherwise Protected Areas Identified 1991 or Later

* Coastal barrier areas are normally located within or adjacent to Special Flood Hazard Areas.



**Referenced to the National Geodetic Vertical Datum of 1929

MAP REPOSITORY
Refer to Repository Listing on Map Index

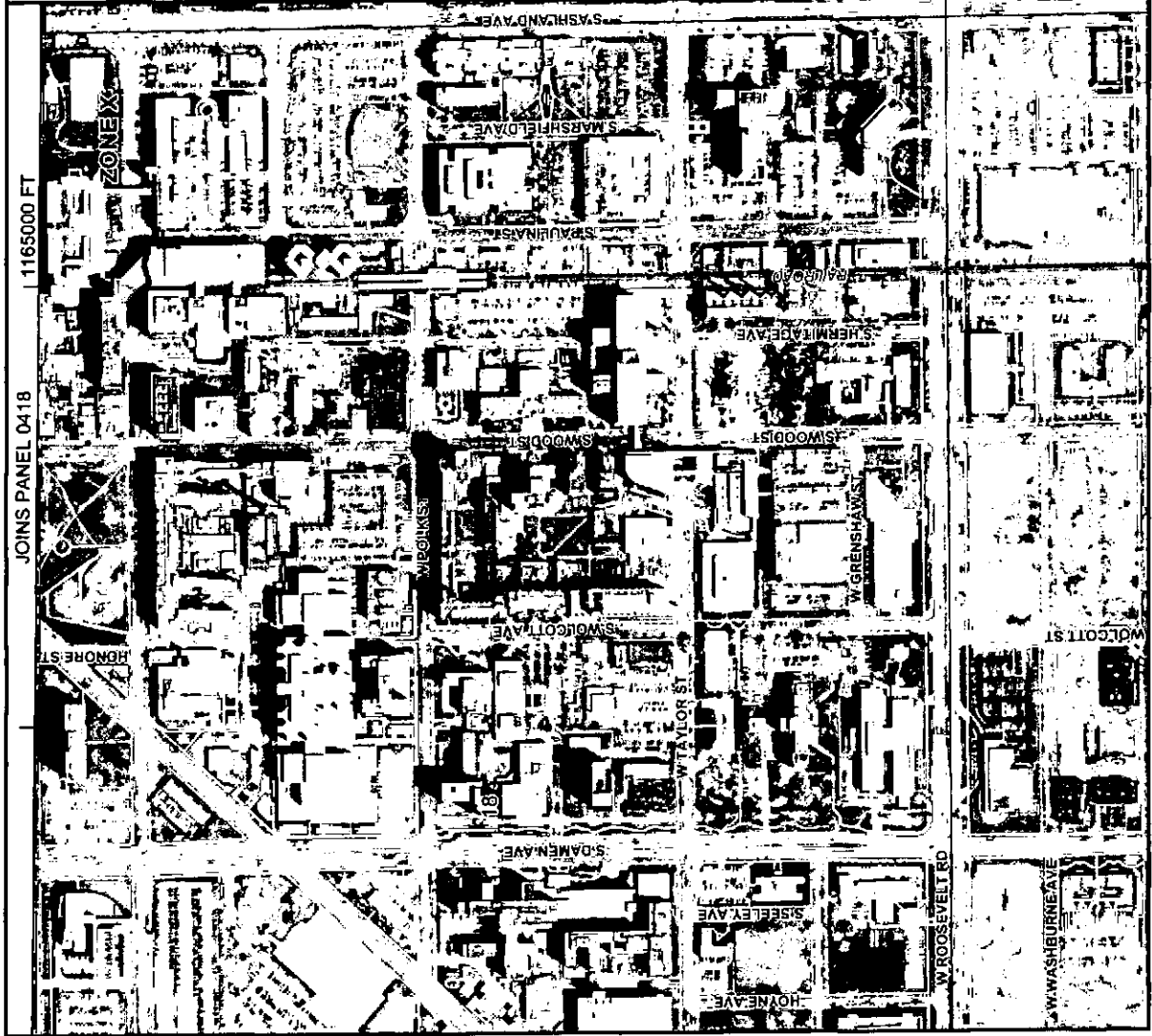
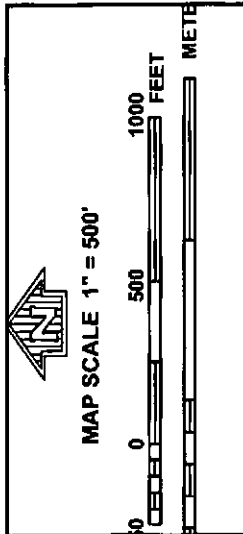
EFFECTIVE DATE OF COUNTYWIDE FLOOD INSURANCE RATE MAP
NOVEMBER 8, 2000

EFFECTIVE DATE(S) OF REVISION(S) TO THIS PANEL

Please refer to the Listing of Communities table on the FIRM Index for NFIP Initial Identification and Post-FIRM dates for all jurisdictions shown on this map.
To determine if flood insurance is available in this community, contact your insurance agent or call the National Flood Insurance Program at (800) 638-6620.



APPROXIMATE SCALE



JOINS PANEL Q41B | 1165000 FT


INFIRM

PANEL 0506J

FIRM
FLOOD INSURANCE RATE MAP
COOK COUNTY,
ILLINOIS
AND INCORPORATED AREAS

PANEL 506 OF 832
(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

OWNER: MARSH EMMEL BECK
170014 0000 J
COMMUNITY: CHICAGO, CITY OF



MAP NUMBER
17031C0506J
MAP REVISED
AUGUST 19, 2008

Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.nfas.fema.gov

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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



**Illinois Historic
Preservation Agency**

FAX (217) 782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

Cook County
Chicago

CON - Infrastructure Replacement and Modernization, University of Illinois
Medical Center at Chicago
1740 W. Taylor St.
IHPA Log #008081310

August 25, 2010

Edwin Parkhurst, Jr.
Prism Consulting Services Inc.
Healthcare Consulting Division
Building 4, Suite 317
799 Roosevelt Road
Glen Ellyn, IL 60137

Dear Mr. Parkhurst:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact me at 217/785-5027.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer

A teletypewriter for the speech/hearing impaired is available at 217-524-7128. It is not a voice or fax line.

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Project Costs and Sources of Funds

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

| Project Costs and Sources of Funds | | | |
|--|---------------------|---------------------|---------------------|
| USE OF FUNDS | CLINICAL | NONCLINICAL | TOTAL |
| Preplanning Costs | \$ 82,120 | \$ 197,880 | \$ 280,000 |
| Site Survey and Soil Investigation | | | |
| Site Preparation | | | |
| Off Site Work | | | |
| New Construction Contracts | | | |
| Modernization Contracts | \$ 6,464,397 | \$ 17,535,603 | \$ 24,000,000 |
| Contingencies | \$ 323,427 | \$ 2,452,768 | \$ 2,776,195 |
| Architectural/Engineering Fees | \$ 566,514 | \$ 1,387,486 | \$ 1,954,000 |
| Consulting and Other Fees | \$ 166,976 | \$ 391,264 | \$ 558,240 |
| Movable or Other Equipment (not in construction contracts) | \$ 5,760,000 | \$ 240,000 | \$ 6,000,000 |
| Bond Issuance Expense (project related) | \$ 288,589 | \$ 511,411 | \$ 800,000 |
| Net Interest Expense During Construction (project related) | \$ 1,016,600 | \$ 1,801,525 | \$ 2,818,125 |
| Fair Market Value of Leased Space or Equipment | | | |
| Other Costs To Be Capitalized | \$ 233,090 | \$ 513,373 | \$ 746,463 |
| Acquisition of Building or Other Property (excluding land) | | | |
| TOTAL USES OF FUNDS | \$14,901,713 | \$25,031,310 | \$39,933,023 |
| SOURCE OF FUNDS | CLINICAL | NONCLINICAL | TOTAL |
| Cash and Securities | | | |
| Pledges | | | |
| Gifts and Bequests | | | |
| Bond Issues (project related) | \$14,901,713 | \$25,031,310 | \$39,933,023 |
| Mortgages | | | |
| Leases (fair market value) | | | |
| Governmental Appropriations | | | |
| Grants | | | |
| Other Funds and Sources | | | |
| TOTAL SOURCES OF FUNDS | \$14,901,713 | \$25,031,310 | \$39,933,023 |

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Project Cost Itemization

| | Clinical | Non-Clinical | Total |
|--|----------------------|----------------------|----------------------|
| <u>Preplanning Costs</u> | | | |
| Space Programming | \$ 47,000 | \$ 93,000 | |
| Functional Programming | \$ 35,120 | \$ 104,880 | |
| | \$ 82,120 | \$ 197,880 | \$ 280,000 |
| <u>Modernization Contracts</u> | | | |
| | \$ 6,464,397 | \$ 17,535,603 | \$ 24,000,000 |
| <u>Architecture & Engineering Fees</u> | | | |
| | \$ 566,514 | \$ 1,387,486 | \$ 1,954,000 |
| <u>Consulting & Other Fees</u> | | | |
| CON / Legal | \$ 50,000 | \$ 34,000 | |
| Specialty Cons | \$ 87,026 | \$ 307,344 | |
| CON Application Fees | \$ 29,950 | \$ 49,920 | |
| | \$ 166,976 | \$ 391,264 | \$ 558,240 |
| <u>Contingencies</u> | | | |
| | \$ 323,427 | \$ 2,452,768 | \$ 2,776,195 |
| <u>Equipment</u> | | | |
| Imaging Procedure Support | \$ 1,420,000 | \$ - | |
| Stem Cell Lab | \$ 375,000 | \$ - | |
| Hybrid OR | \$ 3,965,000 | \$ - | |
| Non-Clinical | | \$ 240,000 | |
| | \$ 5,760,000 | \$ 240,000 | \$ 6,000,000 |
| <u>Bond Issuance Expense</u> | | | |
| | \$ 288,589 | \$ 511,411 | \$ 800,000 |
| <u>Net Interest Expense During Construction</u> | | | |
| | \$ 1,016,600 | \$ 1,801,525 | \$ 2,818,125 |
| <u>Other Capitalized Costs</u> | | | |
| Program Management | \$ 23,463 | \$ 20,000 | |
| Construction Management | \$ 167,000 | \$ 336,000 | |
| UIMCC Staff Costs | \$ 42,627 | \$ 157,373 | |
| | \$ 233,090 | \$ 513,373 | \$ 746,463 |
| <u>Grand Total</u> | \$ 14,901,713 | \$ 25,031,310 | \$ 39,933,023 |

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Project Status and Completion Schedule

This is a project which is in the schematic development phase.

The anticipated completion date is January 15, 2014.

Project obligation will occur after a permit is issued.

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

Cost Space Requirements

Provide in the following format, the department/area DGSF or the building/area BGSF and cost. The type of gross square footage either DGSF or BGSF must be identified. The sum of the department costs MUST equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. Explain the use of any vacated space.

| Dept. / Area | Project Cost | Gross Square Feet | | Amount of Proposed Total Gross Square Feet That Is: | | | |
|--------------------------------------|-------------------|-------------------|----------------|---|----------------|-------|---------------|
| | | Existing | Proposed | New Const. | Modernized | As Is | Vacated Space |
| Clinical | | | | | | | |
| Contemporary Procedure Support Bays | 4,334,837 | 0 | 7,000 | 0 | 7,000 | 0 | 0 |
| Ultrasound | 2,888,891 | 2,690 | 4,750 | 0 | 4,750 | 0 | 0 |
| Stem Cell Lab | 1,200,582 | 2,400 | 1,294 | 0 | 1,294 | 0 | 0 |
| Operating Room and Control | 6,476,404 | 0 | 2,400 | 0 | 2,400 | 0 | 0 |
| Incontinence Lab (vacant) | 0 | 7,000 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Clinical | <u>14,900,714</u> | <u>12,090</u> | <u>15,445</u> | | <u>15,445</u> | | |
| Non-Clinical | | | | | | | |
| Morgue Downsizing | 1,800,872 | 3,255 | 1,960 | | 1,960 | 0 | 0 |
| Registration / Waiting / Sub-waiting | 432,703 | 0 | 3,200 | | 3,200 | 0 | 0 |
| Kitchen Remodel | 1,701,000 | 13,000 | 13,000 | | 13,000 | 0 | 0 |
| Infrastructure | 21,044,254 | 220,560 | 215,300 | | 215,300 | 0 | 0 |
| Physician Offices / Support | 53,480 | 400 | 400 | | 400 | 0 | 0 |
| Subtotal Non-Clinical | <u>25,032,309</u> | <u>237,215</u> | <u>233,860</u> | | <u>233,860</u> | | |
| TOTALS | <u>39,933,023</u> | <u>249,305</u> | <u>249,305</u> | | <u>249,305</u> | | |

APPEND DOCUMENTATION AS ATTACHMENT-9 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

* To be developed in vacated / underutilized incontinence unit.

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

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

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

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

University of Illinois
Medical Center at Chicago
Chicago, IL

has been Accredited by



The Joint Commission

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

March 1, 2008

Accreditation is customarily valid for up to 39 months.

David L. Nahrwold

David L. Nahrwold, M.D.
Chairman of the Board

7282
Organization ID #

Mark Chassin

Mark Chassin, M.D.
President

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

**Health Care Facilities Owned and Operated by
University of Illinois Medical Center at Chicago**

University of Illinois Medical Center at Chicago
1740 W. Taylor St.
Chicago, IL 60612

University of Illinois Medical Center Advanced Imaging Center
2242 W. Harrison, Suite 103
Chicago, IL 60612

Colbeth Child Psychiatry Center
1747 Roosevelt Road
Chicago, IL 60612

EEI- Renal Dialysis
1855 W. Taylor
Chicago, IL 60612

Eye and Ear Infirmary
1855 W. Taylor
Chicago, IL 60612

Family Medicine Center at University Village
722 West Maxwell Street, 2nd Floor
Chicago, IL 60607

Lions of Illinois Eye Research Institute
1905 W. Taylor Street
Chicago, IL 60612

Maxillofacial/Craniofacial Center
811 S. Paulina
Chicago, IL 60612

Mile Square Health Center
2045 W. Washington Blvd.
Chicago, IL 60612

Mile Square Health Center at Back of the Yards
4630 S. Bishop
Chicago, IL 60609

Mile Square Health Center at South Shore
7131 S. Jeffrey Boulevard
Chicago, IL 60606

Mile Square Near West Family Center
2310 W. Roosevelt Rd.
Chicago, IL 60608

Mile Square New City Integrated Health Center
734 W. 47th Street
Chicago, IL 60609

Mile Square North Center Integrated Health Care
4221 N. Lincoln Avenue
Chicago, IL 60618

National Teachers Academy Health Center - MSHC
55 W. Cermak Rd.
Chicago, IL 60616

Neuropsychiatric Institute
912 S. Wood
Chicago, IL 60612

O'Hare Center
Terminal 2, Box 66508
Amf Ohare, IL 60666

Outpatient Care Center
1801 W. Taylor Street
Chicago, IL 60612

Sports Medicine
839 West Roosevelt Road
Chicago, IL 60608

UIC College Prep Health Center
1231 S. Damen Avenue
Chicago, IL 60612

UIC Physician's Group
722 West Maxwell Street, Suite 224
Chicago, IL 60607

Young Women's Leadership Charter School (HEART) Health Center
2641 S. Calumet Ave.
Chicago, IL 60616



Changing medicine. For good.

Hospital Administration (MC 693)
1740 West Taylor Street, Suite 1400
Chicago, Illinois 60612-7236
T 312-996-3900
F 312-996-7049

**ORIGINAL VIA FEDERAL EXPRESS
PDF-COPY VIA EMAIL**

November 1, 2010

Mr. Dale Galassie
Acting Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Dear Mr. Galassie:

In accordance with Criterion 1110.230.d, Background of the Applicant, we submit this letter to assure the Illinois Health Facilities and Services Review Board that:

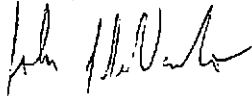
1. the University of Illinois Medical Center at Chicago ("the Medical Center") does not have any adverse actions, as defined, against any facility owned or operated by the applicant during the three (3) year period prior to the filing of this application; and
2. the Medical Center authorizes the State Board and Agency access to information in order to verify documentation or information submitted in response to the requirements of Criterion 1110.230.d or to obtain any documentation or information which the State Board or Agency finds pertinent to this application.

Notwithstanding the foregoing, and in the interest of transparency, we wish to advise you that in response to a December 9, 2009 substantial allegation survey and a follow-up full survey on February 25, 2010 of the Medical Center conducted by the Illinois Department of Public Health, the Centers for Medicare and Medicaid Services ("CMS") removed the Medical Center's "deemed" status.

The survey identified that the Medical Center was not in compliance with the Medicare Condition of Participation of Physical Environment (42 CFR 481.41). The Medical Center is aggressively working toward coming into compliance with the cited Medicare Condition of Participation, and CMS most recently granted the Medical Center an extension until December 31, 2010 to allow time for CMS to evaluate the Medical Center's plan of correction and to conduct a follow-up survey.

If we can provide any further assistance regarding these assurances or any other items relative to this application, please feel free to contact me.

Sincerely,



John J. DeNardo
CEO, UIC Healthcare System

JJD:gp

cc: Mr. Mike Constantino, Chief Review Officer, IDPH
Mr. Michael Mills, Chief Compliance Officer, IDPH
Chris Mollet, Esq., UIMC, Legal Counsel
Ed Parkhurst – Managing Principal, PRISM Healthcare Consulting
Doug Swill – Drinker, Biddle & Reath

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

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

Criterion 1110.230 - Project Purpose, Background and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

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

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

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

SECTION III. – PROJECT PURPOSE AND BACKGROUND

Service Area Health Status

The primary purpose of the proposed project is to ensure the short term viability of the hospital in the fulfillment of the UIMCC mission of patient care, research and teaching. UIMCC is unique to the State of Illinois serving as one of the largest providers of inpatient Medicaid services, training one of six physicians practicing in the state of Illinois, educating one of the largest and most diverse colleges of medicine and providing access to the highest levels of academic medicine to Chicago and the region.

The intent of the modernization project is to essentially maintain current operations. There are no new services proposed. The primary infrastructure system necessary for the effective operation of the hospital have reached the end of life stage and are at risk of significant failures. If the modernization is not undertaken, the hospital is in jeopardy of potential non-compliance with reimbursement regulations pertaining to a safe and code compliant environment of care and therefore, if not compliant, significantly reducing services.

Market Area

UIMCC and our affiliated Federally Qualified Health Centers (Mile Square) are a leading provider in the Chicago area market especially for the underserved populations of the near west and south sides. The Medical Center also provides serves regionally and state wide; Attachment 12, Exhibits I and 2 graphically display UIMCC's local market.

Problems to be resolved/information sources

UIMCC completed a comprehensive medical facility Master Plan in conjunction with independent architects, engineers, construction managers and technology experts to define both long and short term strategies necessary to fulfill its various missions. The long term strategy is to construct new ambulatory and replacement hospital facilities. The long term facility master plan requires a funding strategy that is not presently feasible. The short term challenge is to maintain the operations of the existing hospital while continuing to keep pace with advancing technology and patient care standards.

It was determined that the first and highest priority is the modernization of the existing hospital infrastructure systems as well as critical clinical programs, namely support for interventional imaging and surgical programs. The modernization projects include developing a new hybrid operating room capable of integrating the most advanced imaging, surgical robotic and information technologies. To

do so requires the relocation of the Stem Cell Laboratory. Current and forecast surgical volumes exceed the State standards and support the need for the additional operating room.

In addition, outpatient image guided interventional procedures performed by cardiology, radiology and neurosurgery are proving to be an effective platform for the delivery of high quality, lower cost and patient centered care. The pre- and post- procedure care for these outpatients is presently provided on inpatient units resulting in reduced patient satisfaction and reduced inpatient capacity. The proposed 20 bed imaging procedure support bays will allow for the management of care to be provided in the same location as the interventional procedure suites within the imaging department. Allowing for a team based model of care focused on patient safety, outcomes and satisfaction. To do so, requires relocating and consolidating existing general ultrasound and vascular ultrasound capabilities within the department as well as developing a shared registration and waiting area on the second level.

The Stem Cell Laboratory is a critical component to UIMCC's bone marrow transplant (BMT) and cancer programs and is to be relocated to under-utilized morgue space to make room for the additional operating room. The Stem Cell Laboratory is presently and FDA approved GTP (good tissue practice) facility and accredited by the Foundation for the Accreditation of Cellular Therapy (FACT). The modernization will enable the Stem Cell Laboratory to become FDA GMP (good manufacture practice) thereby advancing BMT and the treatment of leukemia and other blood related cancers. The under utilized morgue will be downsized to accommodate the relocated stem cell laboratory.

The reconfiguration of the existing Concourse Level Kitchen (approximately 13,000 SF) will correct code deficiencies, improve operating efficiencies, eliminate safety hazards, and provide for the implementation of a room service patient ordering and delivery system in addition to a pre-ordered patient tray assembly. Work will coordinate with floor drain and piping repair/replacement.

There are no new services proposed. The proposed project(s) will modernize current programs.

Project Outcomes

The projects are primarily intended to ensure the continued operation of the existing hospital through the modernization of essential infrastructure systems as identified in the Master Development Plan.

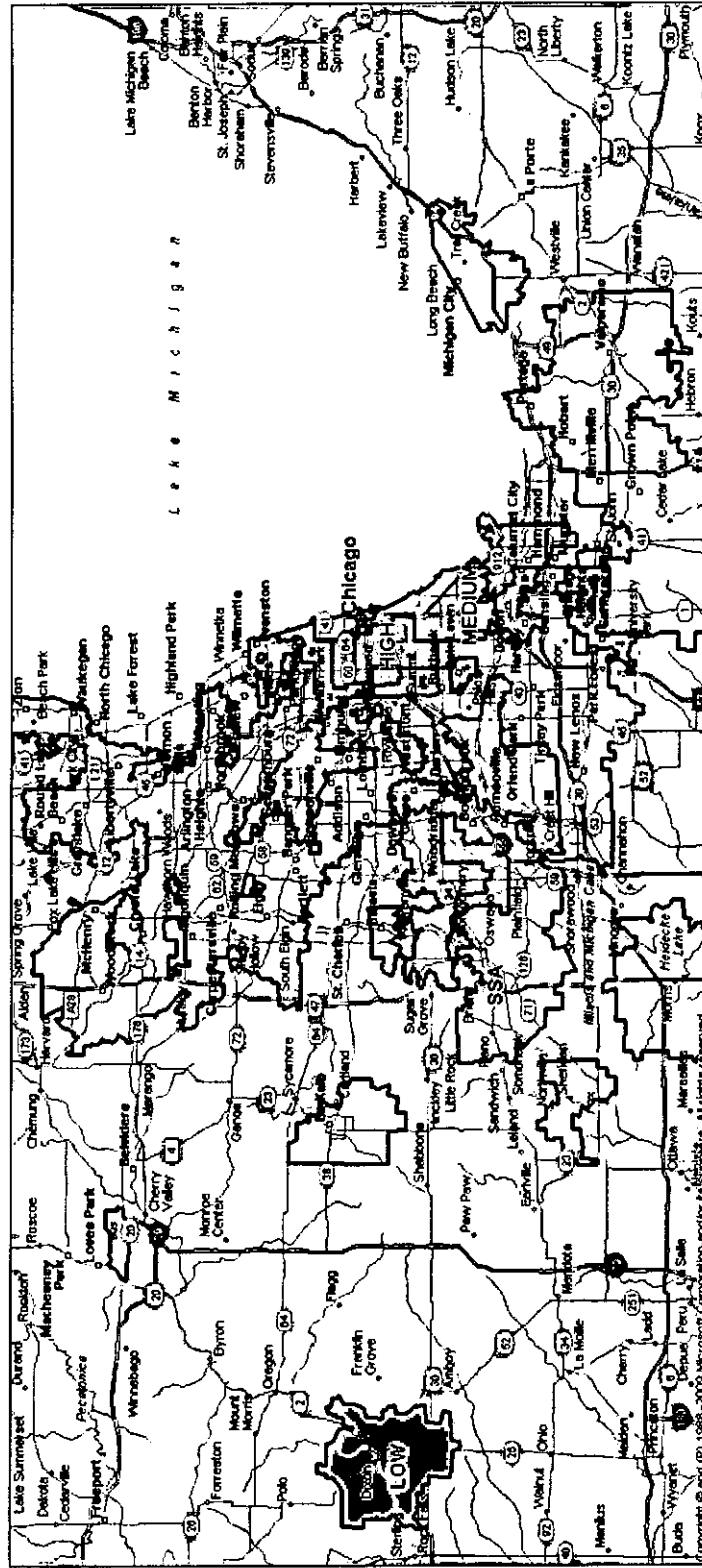
As a critical provider of care, especially Medicaid, it is incumbent on UIMC to continue to meet the health needs of our communities. To do so requires immediate action to avoid the suspension or discontinuation of services due to a system failure such as the steam outage experienced in December, 2009.

Goals

The goal is to restore the hospital infrastructure thereby ensuring continued operation while modernizing the facility to optimally care for UIMCC's surgical and interventional procedure patients.

FY2010 Primary and Secondary Service Areas

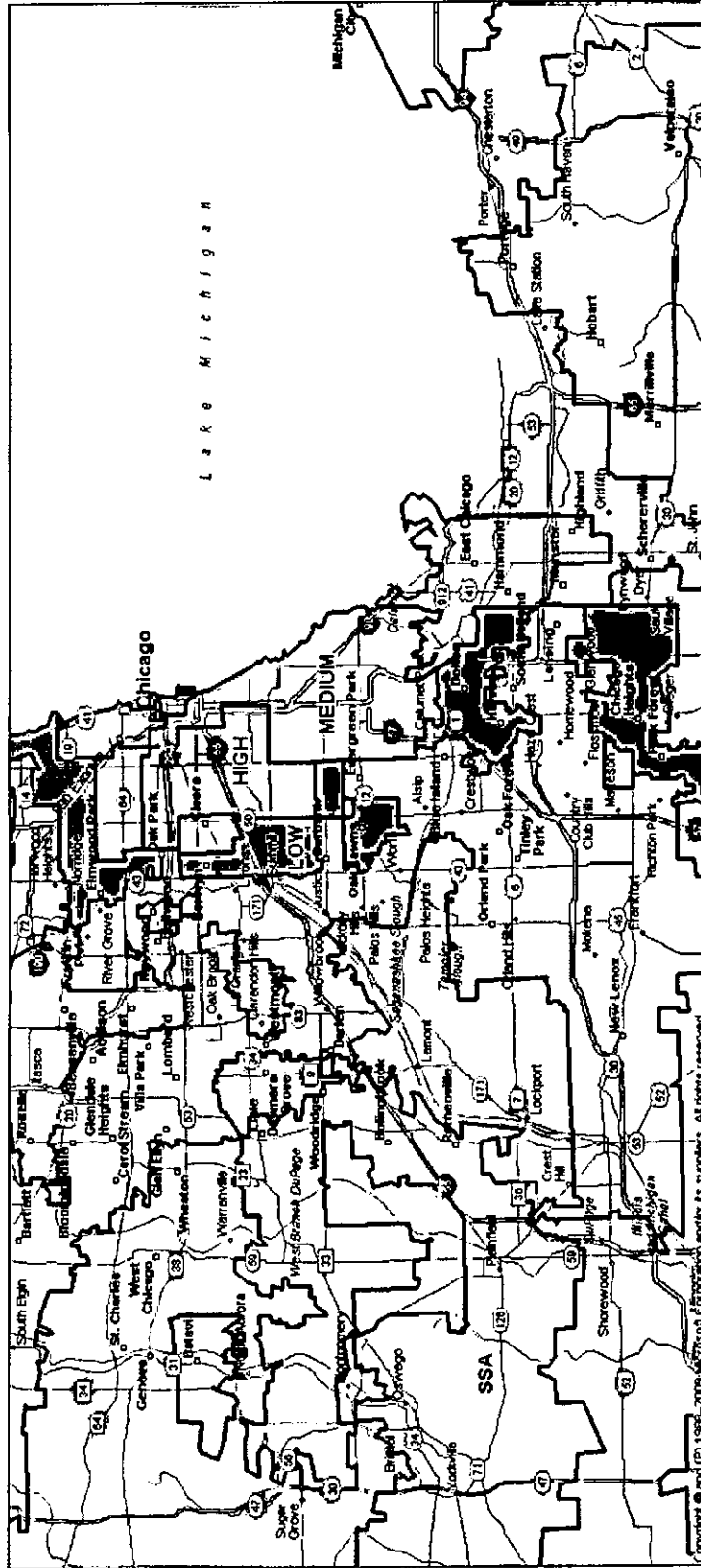
The primary service area (PSA) of the Medical Center is derived by identifying the fewest number of zip code areas that yield 75% of Medical Center's inpatient discharges. The secondary service area (SSA) of the Medical Center is derived by identifying the next 20% of the Medical Center's inpatient volume.



*PSA is represented by the green, orange and red shading. SSA is represented by the yellow shading.

FY2010 Primary Service Area by Concentration Level

High concentration was determined as areas representing 3% or higher of the PSA. Medium concentration was determined as areas representing 1-3% the PSA.
 Low concentration was determined as areas representing less than 1% the PSA.



*High concentration is represented by the red shading, Medium concentration is represented by the orange shading, and Low concentration is represented by the green shading.

Placeholder for Support Letters

Placeholder for Support Letters

Placeholder for Support Letters

Placeholder for Support Letters

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

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

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

ALTERNATIVES

- 1) Identify ALL of the alternatives to the proposed project:
Alternative options must include:
 - A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Empirical Evidence

Not applicable. This modernization project focuses on maintaining current programs and hospital operations through upgraded facilities; no new services will be provided.

Modernization of Existing Hospital Infrastructure

This proposed modernization project is considered to be necessary to maintain the facility and its existing programs. The size of the project, which is approximately \$40 million, is based on the findings resulting from the Master Plan Analysis (Permit # 07-016) and is primarily designed to address the most urgent infrastructure system needs to allow for healthcare occupancy for the next 10 to 20 years. A larger project may result in the over spending of resources on a facility that is currently programmed to be repurposed as a sub-acute care or academic facility in the long term when a new acute care tower is constructed as an outcome of implementing UIMCC's Master Plan sometime in the future. A smaller scope of work would fail to provide the modernization necessary to meet current infrastructure requirements and the necessity to provide a more contemporary care delivery model.

No new services are being proposed as part of this project. The project primarily proposes to replace and upgrade (modernize) existing building systems to avoid major system failures which threaten to either close certain programs and services or suspend their operations. The surgical suite is one area of particular concern. Project costs for necessary system upgrades approximate 60% of the proposed project costs.

Although State Agency rules require alternatives to be evaluated, excluding a "doing nothing" alternative, there are unfortunately no reasonable available alternatives in the short term.

A primary and best long-term option alternative could be to build a full replacement hospital which is not only of significantly higher cost but may not be feasible depending on financing alternatives. The execution of the proposed projects outlined in the Master Plan would enable the full continuum of hospital based care to continue pending the future construction of either an acute care tower focused on the intensive care and advanced surgical programs as well as repurposing the existing facility to house the less acute care programs or a replacement facility. A replacement hospital could easily exceed \$900 million whereas a new patient tower is estimated to be in the range of \$450 million as documented in the Master Plan Alteration Permit.

Not addressing the existing condition of the Hospital facility (a "do nothing" alternative) is not an option as it puts the organization and the populations served at risk due to potential major system failure and suspended operations for an extended time period.

The over-arching goal is to maintain existing programs and services in a facility which has the required heat, power, light, and ventilation. As has been documented, the Hospital's infrastructure is in danger of failing. Thus, if not replaced and upgraded (modernized), the facility faces closing or suspending operations due to major system failures. In such a case, total replacement is a primary option. Project costs for replacement would easily approximate \$700 million to \$900 million. This proposed project is approximately \$40 million consistent with the organizations limited resources. Hence, this Permit Application is predicated on the lowest cost short-term option. It proposes to modernize and/or replace major infrastructure systems, develop a new hybrid operating room, develop contemporary procedure support bays for select imaging patients, and replace ultrasound procedure rooms among other non-clinical projects.

New Hybrid Operating Room

The hybrid operation room not only increases surgical suite capacity but provides a much needed educational platform. Currently, there are 20 operating rooms and 27 can be justified by the State Agency rules demonstrating the need for the additional room within UIMCC's service areas. In addition, UIMCC is a leader in the training of advanced robotic surgery and is in need of an operating room of sufficient size to accommodate the latest imaging and robotic technologies. The average size of its existing operating rooms is approximately 450 square feet which is insufficient for a modern teaching facility.

There is a demonstrated need for providing the surgeries on site both from a volume and educational perspective. Therefore, the new hybrid OR will be located within the Surgical Suite and will require relocating the Stem Cell Laboratory to under-utilized morgue space. Alternative sites are not reasonable for the patient or educational programs.

Second Floor Modernization (Procedural Support and Ultrasound)

The trend in healthcare is to provide patient focused care in a setting that enhances patient safety and quality while controlling the cost of care. This is the foundation for the volume growth in the interventional imaging procedures and the proposed 20-bay procedural support unit within the imaging department. The full scope of the outpatient treatment from arrival to discharge will be managed by the same multi-disciplinary care team in the same location.

Continued utilization of inpatient beds increases the number of transfers thereby reducing patient safety and satisfaction. It is also restricts the inpatient bed capacity.

Discussion

Attachment 13, Exhibit 1 outlines the proposed projects in more detail. State Agency rules require consideration for the following alternatives:

a. Project of greater or lesser scope

The proposed project is considered to be necessary to maintain the facility and existing programs. Any other alternative would require new construction, not modernization, as proposed; thereby being of higher cost. A new replacement hospital could easily cost \$700 to \$900 million and a new patient tower \$450 million depending on implementation timing.

b. Joint-Venture (JV)

This project primarily replaces infrastructure systems. Hence, a JV is not a reasonable alternative. Systems are related to the existing facility and must remain part of the building.

The Hybrid Operating Room increases Surgical Suite capacity. Currently, there are 20 operating rooms and 27 can be justified by State Agency rules. Transporting patients to a JV facility, if there was one available, is not reasonable from a quality patient care perspective. The new OR is proposed to be within the Surgical Suite and requires relocating the Stem Cell Laboratory through remodeling and downsizing the underutilized morgue. The morgue currently has 3 autopsy tables; 1 is proposed in the modernization project. A JV for either of these latter programs is not feasible due to the need to provide on-site services.

Imaging is required within the Hospital setting. The second floor modernization consolidates / modernizes existing functions and provides a necessary procedure support unit for interventional radiology (IR) patients. Hence, a JV is not reasonable from a patient care perspective, let alone other considerations associated with an integrated imaging program.

c. Other Healthcare Resources

Given this project proposes to modernize existing programs, on-site, with no new construction; it is not feasible nor reasonable to utilize other resources. The Hospital proposes to maintain current operations throughout this project using a phased implementation model.

Summary (Reason for chosen alternative)

Due to the unique circumstances surrounding the need for this project, coupled with UIMCC's constrained resources, the proposed project scope is the minimum which can be justified. A modernization project of "greater or lesser scope" is not reasonable, nor feasible, in the Applicants judgment. Attachment 13, Exhibit 1 profiles the alternatives for comparative purposes per the State Agency criterion.

The proposed projects (Attachment 13, Exhibit 2) have been strategically studied and selected to optimize UIMCC's current resources to fulfill its missions. The infrastructure projects are scoped to address the immediate needs without over committing funds to an aged facility. The new operating room meets demonstrated demand while advancing the surgical technology and education of future surgeons, anesthesiologists, and other providers. The 20-bay procedure support unit directly supports a growing outpatient market for interventional imaging services. By relocating certain observation patients from nursing units to the imaging department, the unit increases short term bed capacity without the cost of new inpatient bed construction.

Alternative Matrix Comparison

| <u>Project Alternatives</u> | <u>Replacement Hospital</u> | <u>New Patient Tower</u> | <u>Proposed Modernization Project</u> |
|---|---|---|---|
| <u>Project Cost</u> | \$700 to 900 Million | \$450 Million | \$40.0 Million |
| <u>Patient Access</u> | Dependent on site to be selected | No change from current | Enhanced due to recovery bays and additional ultrasound units and operating room |
| <u>Quality</u> | Possibly better due to a modern built environment | Possibly better due to a modern built environment | No change except in modernized areas |
| <u>Financial Benefits</u> | Not feasible; highest cost | Not feasible; intermediate cost | Preferred option; financially feasible |
| <u>Timing</u> Short Term / Long Term | Best long term option if monies become available | Good option. Replaces acute facilities and repurposes existing hospital; preferred Master Plan option | Only short term option due to financial constraints. Preferred short term option. |

UIMCC INFRASTRUCTURE REPLACEMENT AND MODERNIZATION PROJECT LIST

1. Building Envelope

Precast panel caulking; window replacement, roof replacement and tuckpointing

2. Procedural Support Bays / Ultrasound Testing and Waiting / Registration – Second Floor

Reconfiguration of a portion of the Second Floor to provide a consolidated 20-bay procedure support unit for 2nd Floor image-based interventional radiology procedural patients. This project will also include an integrated vascular / ultrasound suite replacement and centralized outpatient registration and waiting areas for imaging services.

3. Stem Cell Laboratory / Morgue Reconfiguration Project – Concourse Level

This proposed renovation project is focused on downsizing the morgue/autopsy function on the Concourse Level to allow for relocation of the Stem Cell Lab that is currently located on the Hospital's Third Floor. Vacating the 3rd Floor stem cell lab allows for the construction of an additional Hybrid OR.

The stem cell laboratory is regulated by the Foundation for the Accreditation of Cellular Therapy (FACT) and Federal Food and Drug Administration (FDA) – GTP rules for Human Cellular and Tissue Products (HCT/P).

4. New Hybrid Operating Room – Third Floor

This proposed project involves the renovation of the area vacated by the stem cell laboratory on the 3rd Floor to provide a new Hybrid Operating Room and associated support spaces. This OR will accommodate bi-plane C-Arm, 4-6 boom mounted monitors and a Da Vinci laparoscopic surgical robot.

5. Kitchen Reconfiguration – First Floor

Reconfigure existing kitchen to correct code deficiencies, improve operating efficiencies, eliminate safety hazards, provide for both the room service tray assembly and pre-ordered patient trays; and provide for the future servery realignment and expanded dining capacity of the 1st Floor Retail / Café Dining area.

6. Building Automation System (BAS)

This project will provide a Building Automation System (BAS), head-end Direct Digital Control (DDC) system, and central monitoring.

7. Mechanical Infrastructure Modernization Projects

Provide new 350-ton air-cooled chiller to provide supplemental cooling for operating room air handling units and provide chilled water for process chilling units to meet current code requirements.

Provide temporary AHU and exhaust fans during construction.

Insulate all penthouse ductwork and piping.

Refurbish and upgrade AHUs S1, S2, S3, S5, S6, S8, S9, S11 and S12 and their corresponding exhaust fans.

Automatic temperature-based control upgrades for penthouse supply and exhaust fans and equipment room air handling unit S-13 / E-12.

Automatic reductions to airflow during unoccupied hours for air handling units S10 and S12.

8. Transformer Replacement and Upgrades to Normal Power System

Replace (5) out of (8) of the oldest existing transformers. Clean and test the (3) newest transformers. Replace all (3) underground feeders from outdoor switchgear to the basement. Replace all indoor MV feeders.

9. Emergency Power System Upgrades
Provide new critical power feeder for code required and best practice redundancy. Provide temporary generator for back-up of emergency and critical power systems during construction. Add emergency power distribution to 2nd Floor Imaging / Interventional Radiology Equipment as required by code and best practice.
10. Lighting Upgrades
Provide lighting upgrades and occupancy sensors to the areas of renovation and provide lighting upgrades to entire 2nd Floor to meet current design standards.
11. Plumbing System Upgrades
Replace all fixtures and controls to upgrade to current technology and code compliance. Replacement of selected pumps, floor drains, sanitary piping and heat exchangers.
12. Security / Infant Abduction / CCTV Systems
Provide system to comply with current codes and best practices.
13. Paging and AV Systems
Provide system upgrades to comply with current codes and best practices.
14. Vertical Transportation Systems
Replacement of control and selector systems with refurbishment of existing machines, car and hoistway door equipment and hoistway equipment to comply with all current applicable code and accessibility requirements for Hospital elevators:
 - (3) Public Elevators
 - (7) Patient / Material Elevators
 - (2) Freight Elevators
15. ADA Compliance Upgrades
Modernize various non-clinical areas to comply with current codes.

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following::
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;
 - c. The project involves the conversion of existing space that results in excess square footage.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

| SIZE OF PROJECT | | | | |
|--------------------|--------------------|----------------|------------|---------------|
| DEPARTMENT/SERVICE | PROPOSED BGSF/DGSF | STATE STANDARD | DIFFERENCE | MET STANDARD? |
| | | | | |
| | | | | |

APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Note: There is no shelled space existing or proposed due to this project.

Size of Project (Clinical elements only)

This project proposes to modernize several clinical areas, some of which have State criterion and some of which do not. There is no proposed new construction. The projects will modernize existing infrastructure systems and reconfigure under-utilized existing space to meet select high priority needs.

Services with Criterion

1. Hybrid Operating room (OR) (New)
2. Ultrasound / Vascular imaging (Department specific) (Replacement of 12 units)

Services without Criterion

1. Post-Procedure Bays (Interventional Imaging) (Consolidation)
2. Stem Cell Laboratory (Replacement)

Attachment 14, Exhibit 1 documents the proposed projects (see also Attachment 13) and Attachment 14, Exhibit 2 provides drawings related to the current conditions and proposed facility modernization projects (excluding infrastructure modernization).

The proposed space allocation for each clinical area is as follows:

| Service | Proposed Units | Proposed DGSF | State Standard | Difference | Met Standard |
|--------------------------|----------------|---------------|----------------|------------|--------------|
| <u>With Criterion</u> | | | | | |
| 1. OR | 1 | 2,400 | 2,750 | (350) | Yes |
| 2. Ultrasound | 12 | 4,750 | 10,800 | (6,050) | Yes |
| <u>Without Criterion</u> | | | | | |
| 1. Post-Procedure Bays | 20 | 7,000 | 8,000 | (1,000) | Yes |
| 2. Stem Cell Laboratory | 1 | <u>1,295</u> | NA | NA | NA |
| Total | | 15,445 | | | |

- Notes:
1. Ultrasound is based on State Standard of 900 dgsf/ unit. The project proposes to replace 12 existing units; there is no increase in departmental based capacity.
 2. Post-procedure space allocation is based on 400 dgsf per room for Phase II recovery stations although the State Agency has no criteria for interventional radiology recovery stations.
 3. The new hybrid OR will be developed in area vacated by the Stem Cell Laboratory which currently approximates 2,400 sq. ft. It will be replaced in 1,295 sq. ft.

Summary

This modernization of existing space results in sizing a project whose clinical elements are below State Standards. Thus, the criterion is met.

UIMCC INFRASTRUCTURE REPLACEMENT AND MODERNIZATION PROJECT LIST

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15. ADA Compliance Upgrades

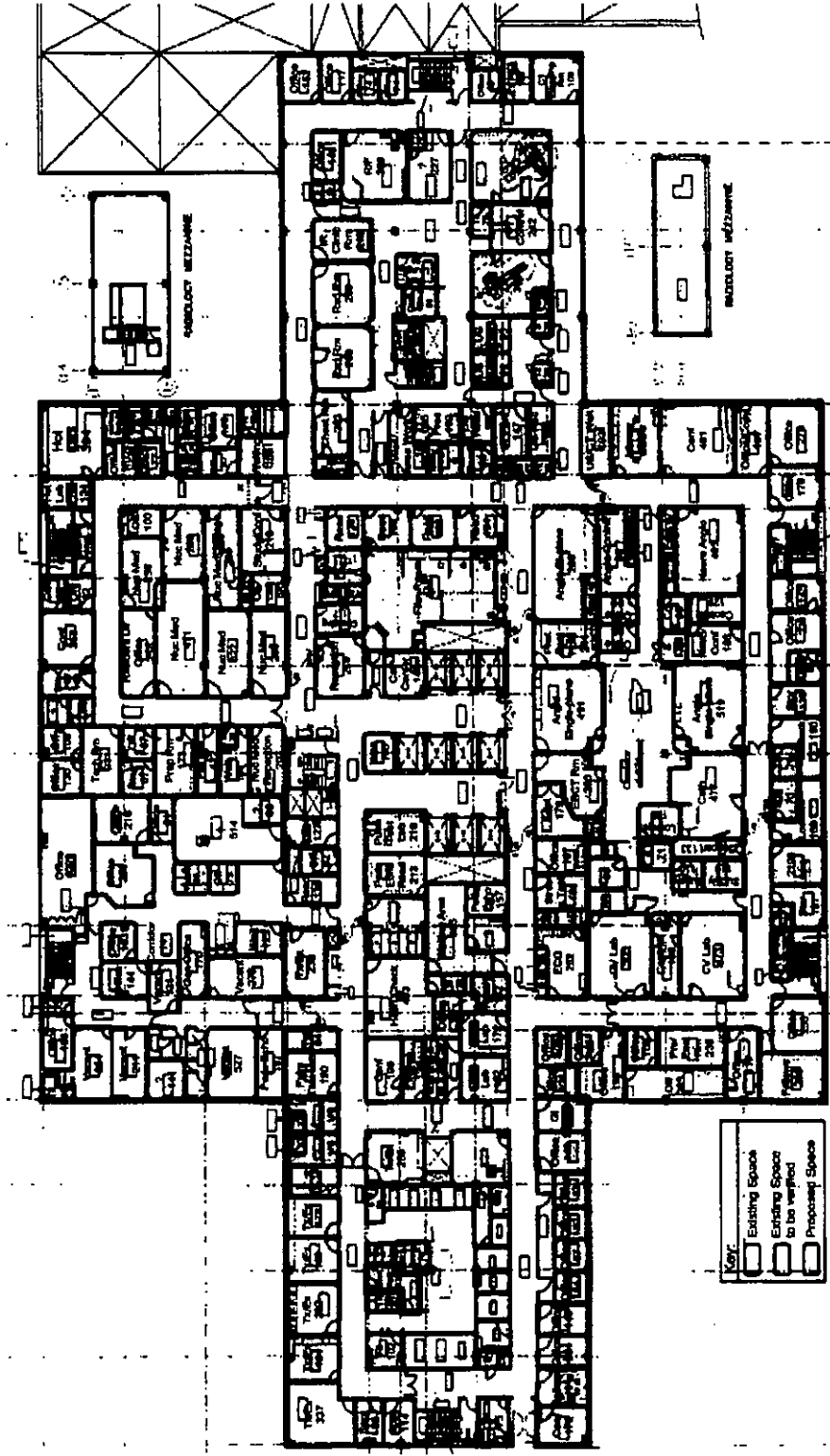
Modernize various non-clinical areas to comply with current codes.

Attachment 14

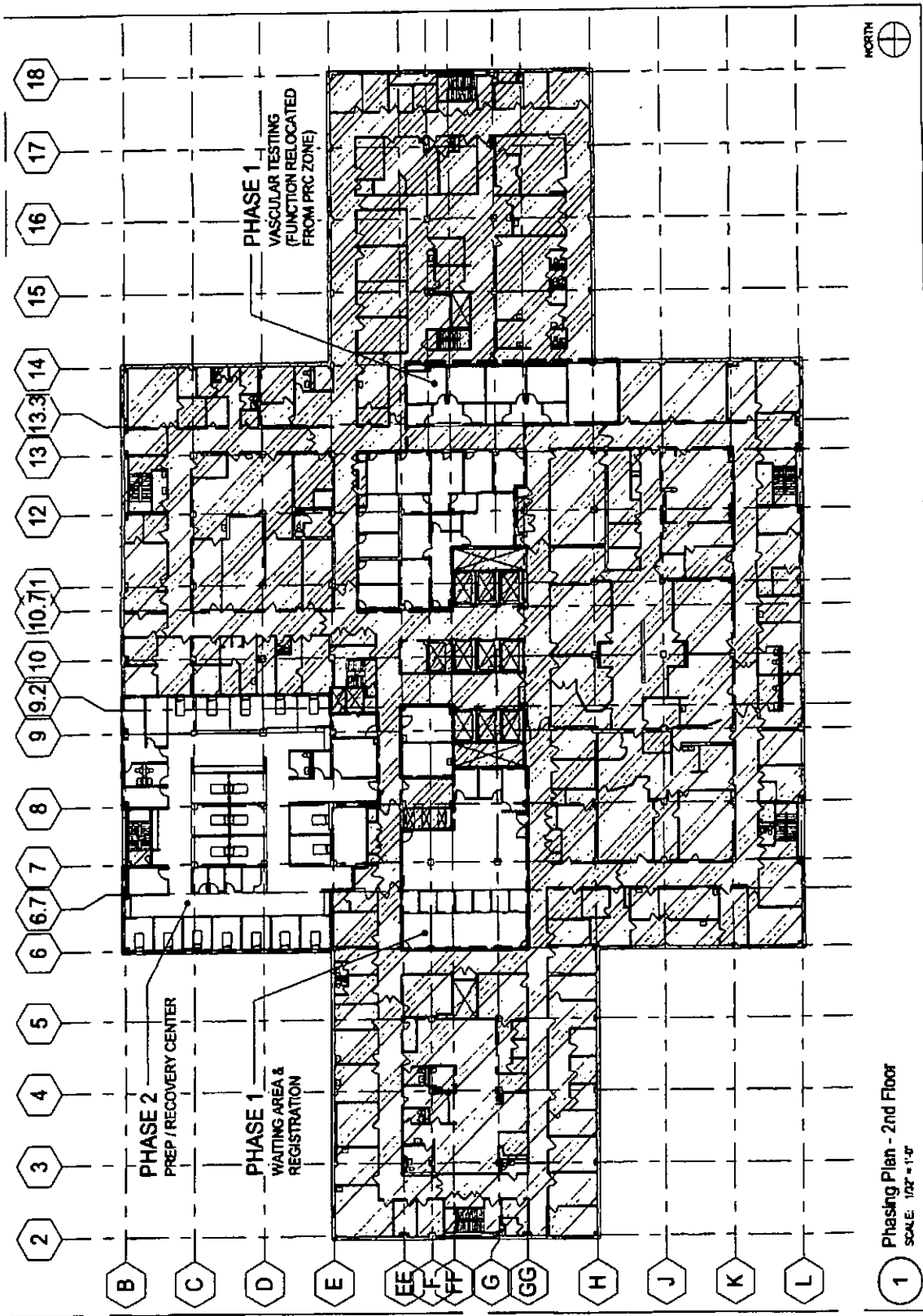
Reference Diagrams
Existing and Proposed
Modernization Projects

- Imaging Department Modernization (Exhibits A & B)
 - Ultrasound (Clinical) (Exhibit C)
 - Procedural Support Patient Bays (Clinical) (Exhibit D)
 - Registration / Waiting (Non-clinical) (Exhibit E)
- Hybrid Operating Room (Exhibits F & G)
- Morgue (Non-clinical) (Exhibits H & I)
- Stem Cell Laboratory (Clinical) (Exhibit I)
- Kitchen (Non-clinical) Exhibits J & K)

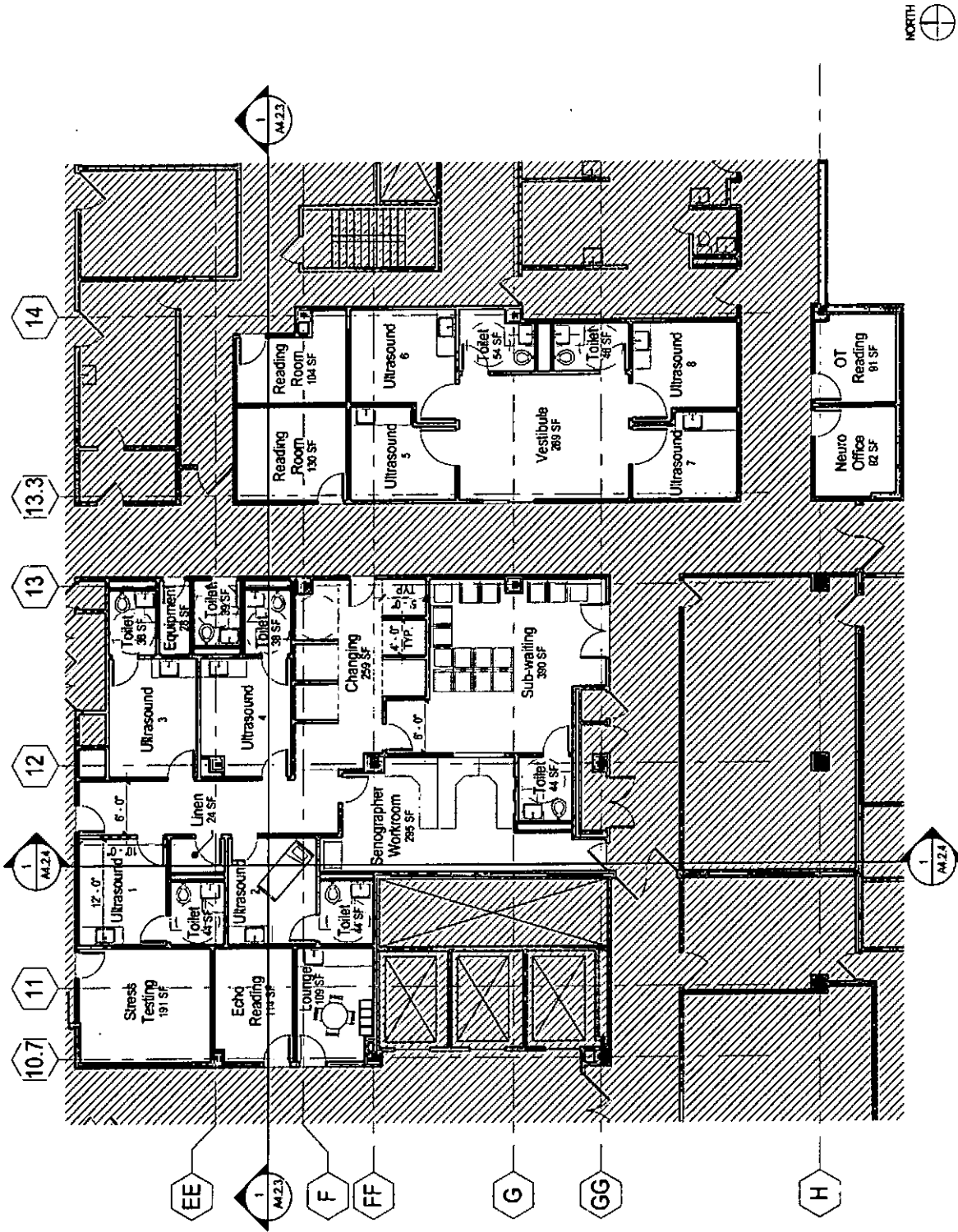
Second Floor Current Space Assignment



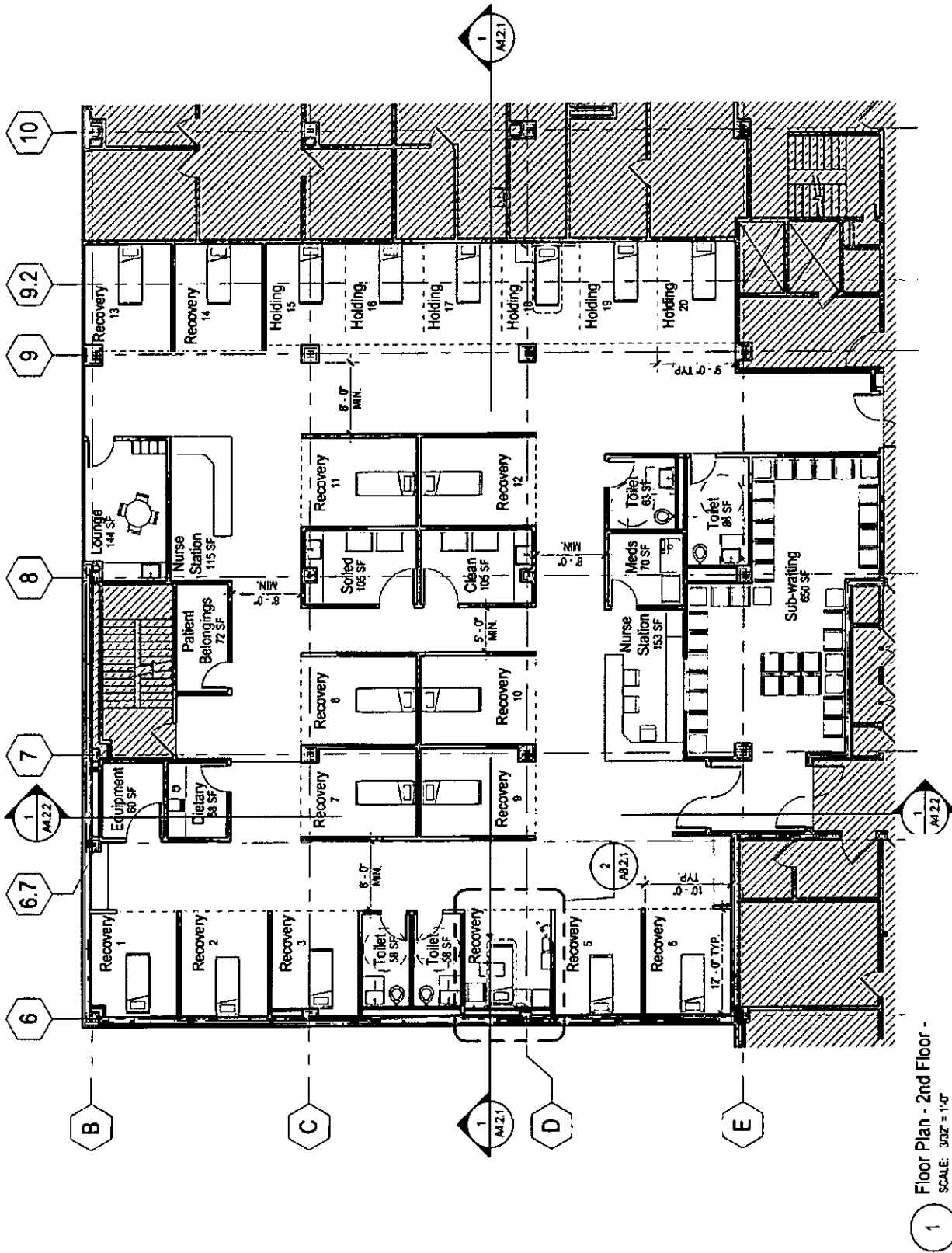
Imaging Department Existing Plan (2nd Floor)



Proposed Imaging Department Modernization Projects

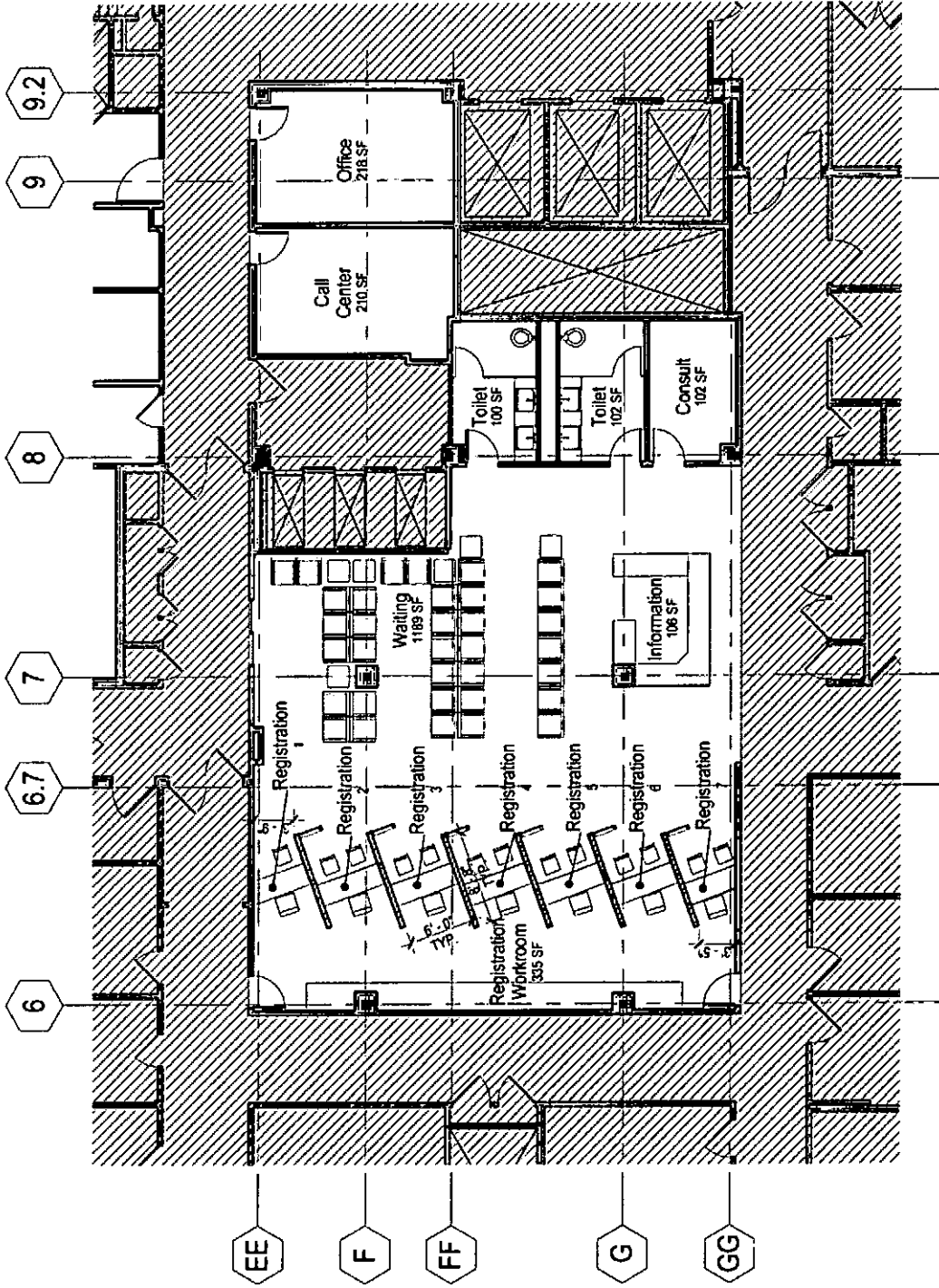


Ultrasound Suite

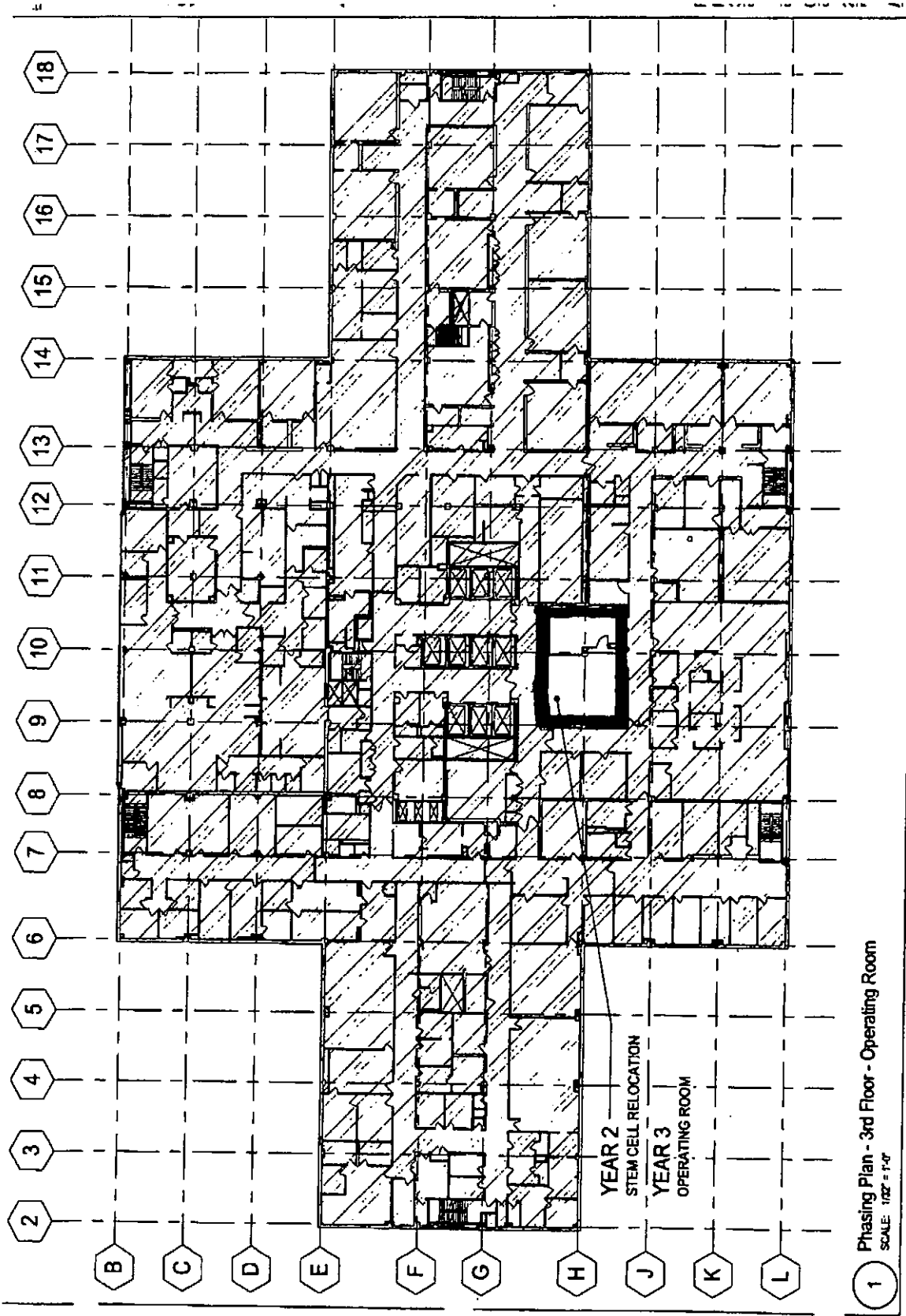


1 Floor Plan - 2nd Floor -
SCALE: 3/32" = 1'-0"

Procedural Support Patient Bays

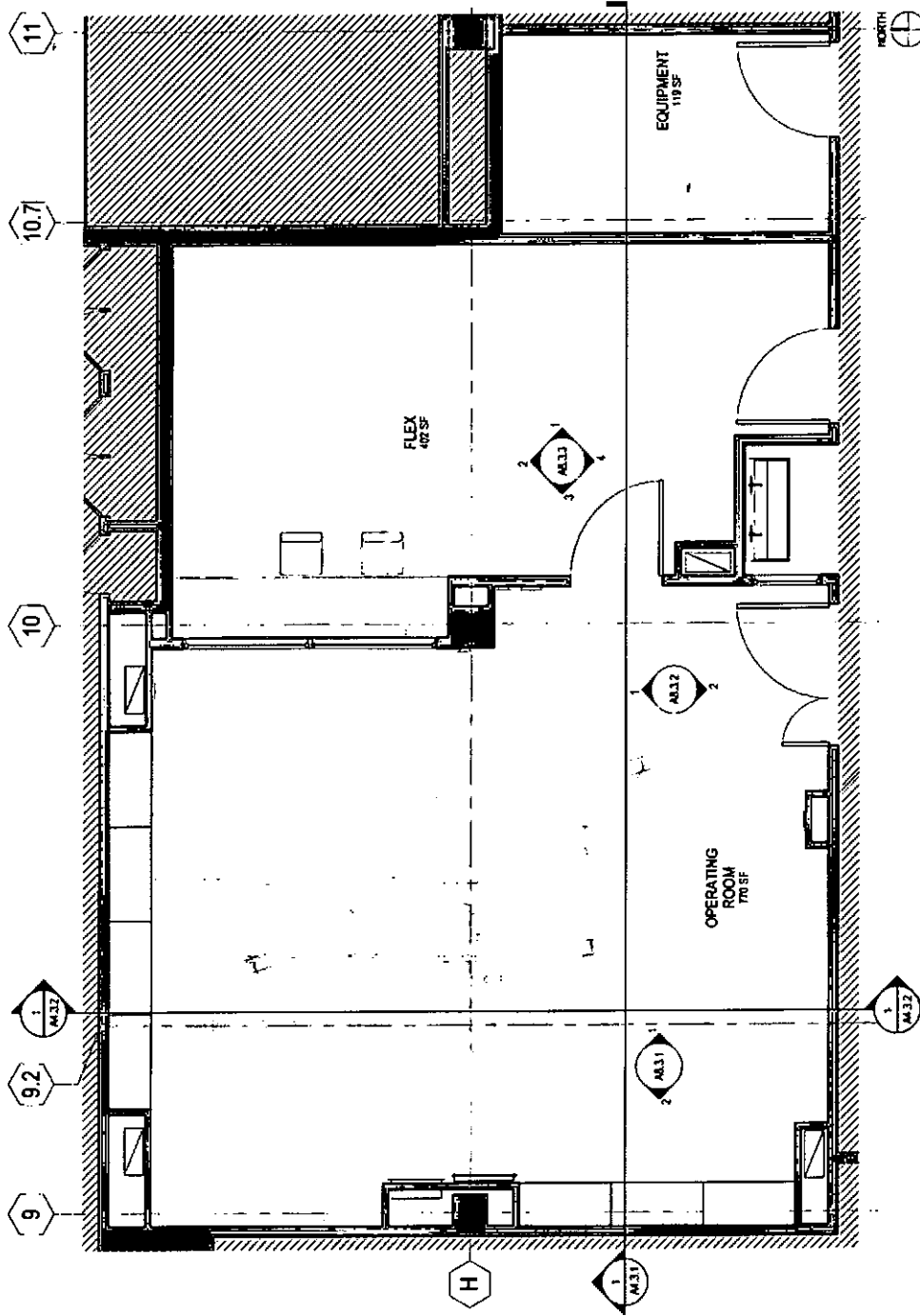


1 Floor Plan - 2nd Floor - Waiting / Registration

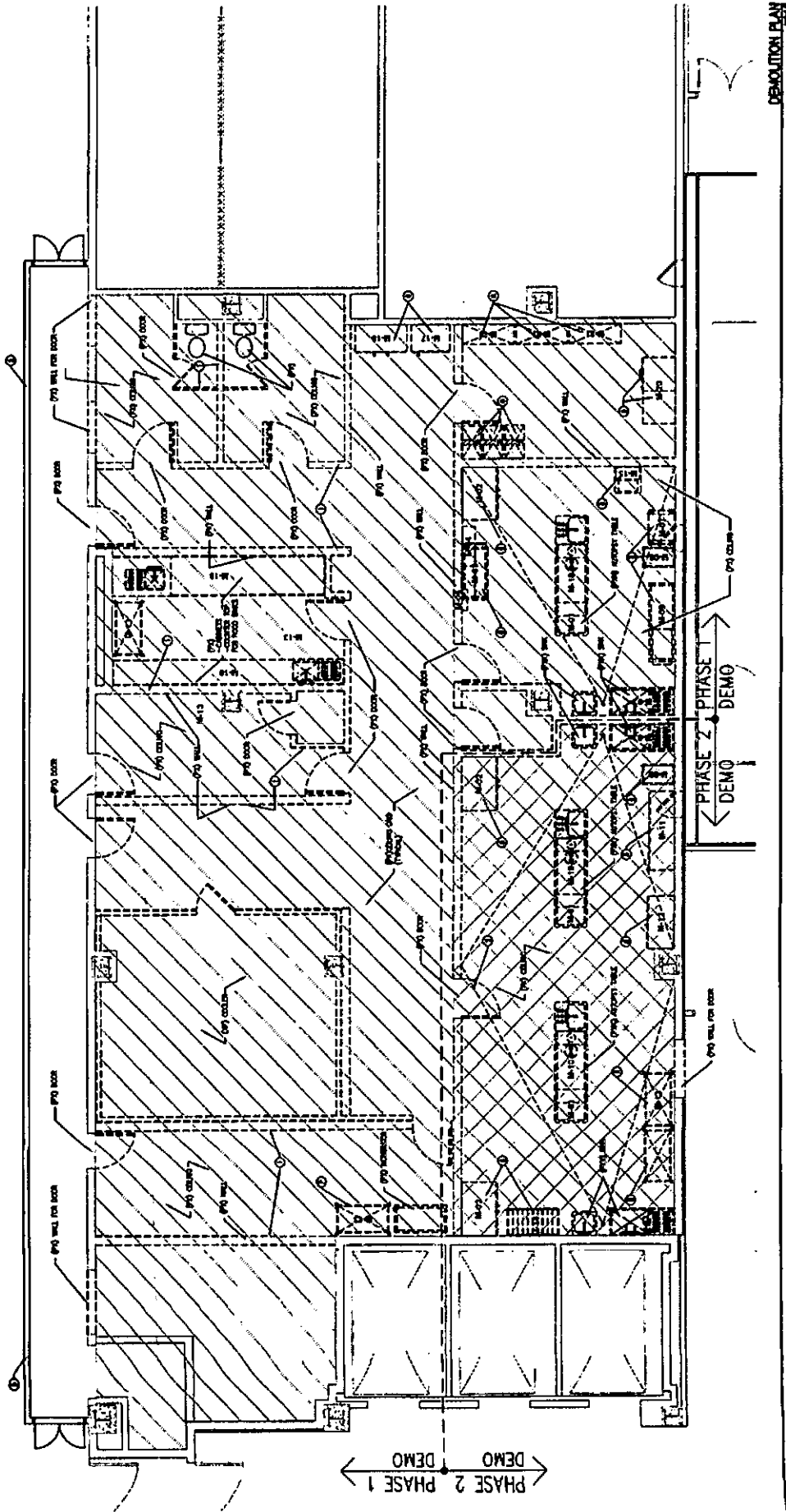


1 Phasing Plan - 3rd Floor - Operating Room
SCALE: 1/8" = 1'-0"

Location of Hybrid Operating Room

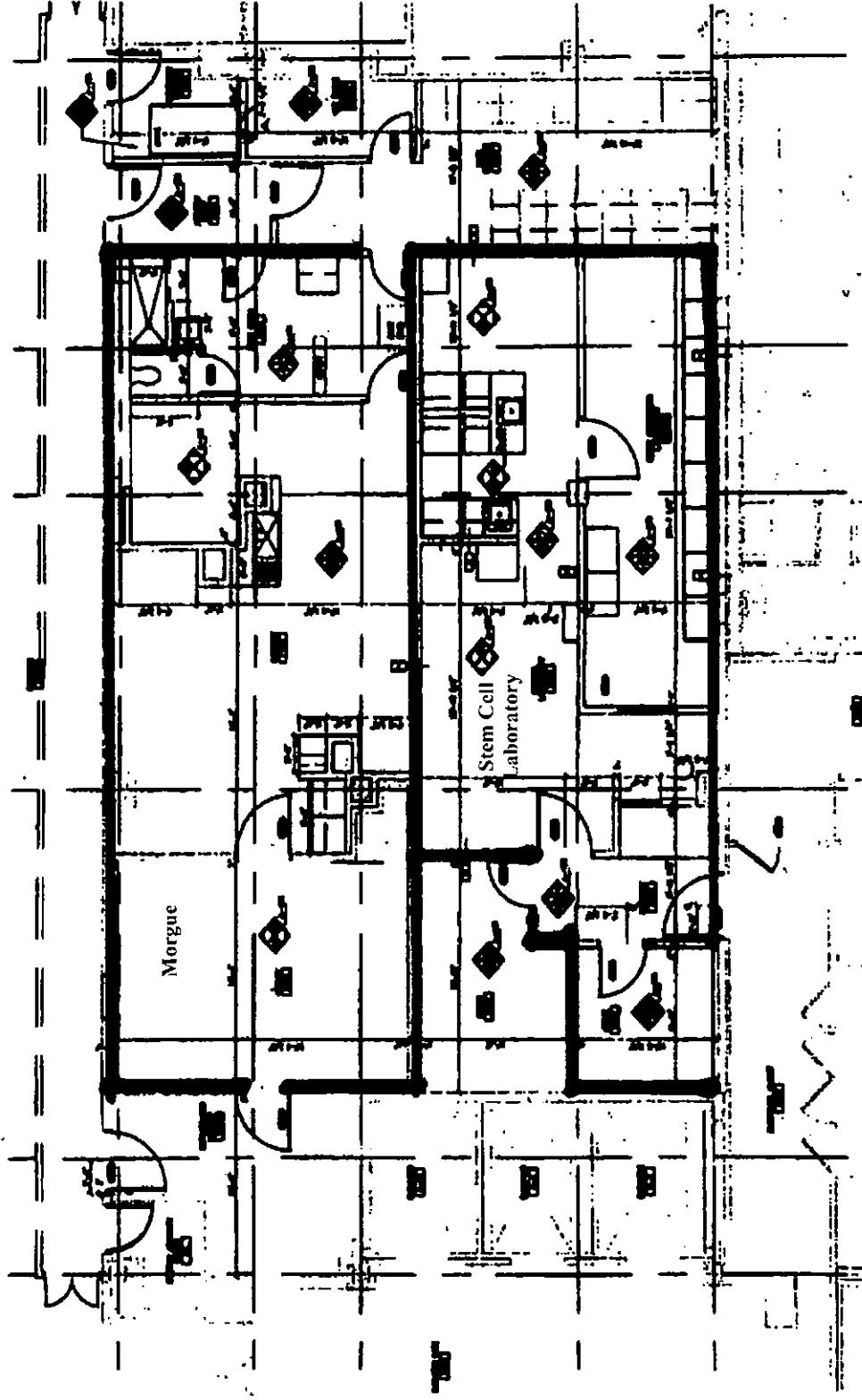


Hybrid Operating Room

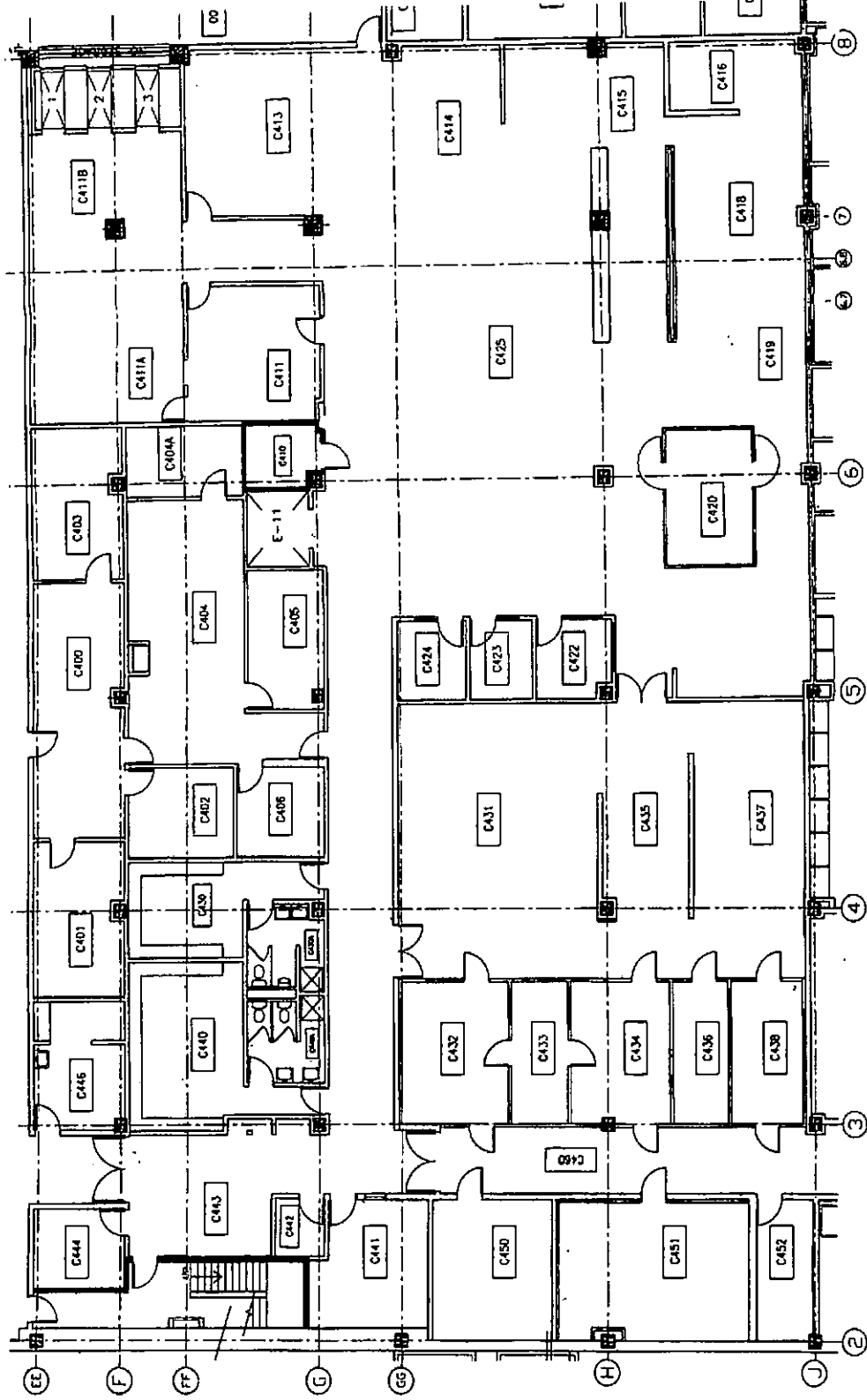


Morgue Existing Conditions

Note: 3 autopsy table suite to be modernized (with a single autopsy table)



Stem Cell Laboratory (Relocated / Modernized)
Morgue (Downsized / Modernized)

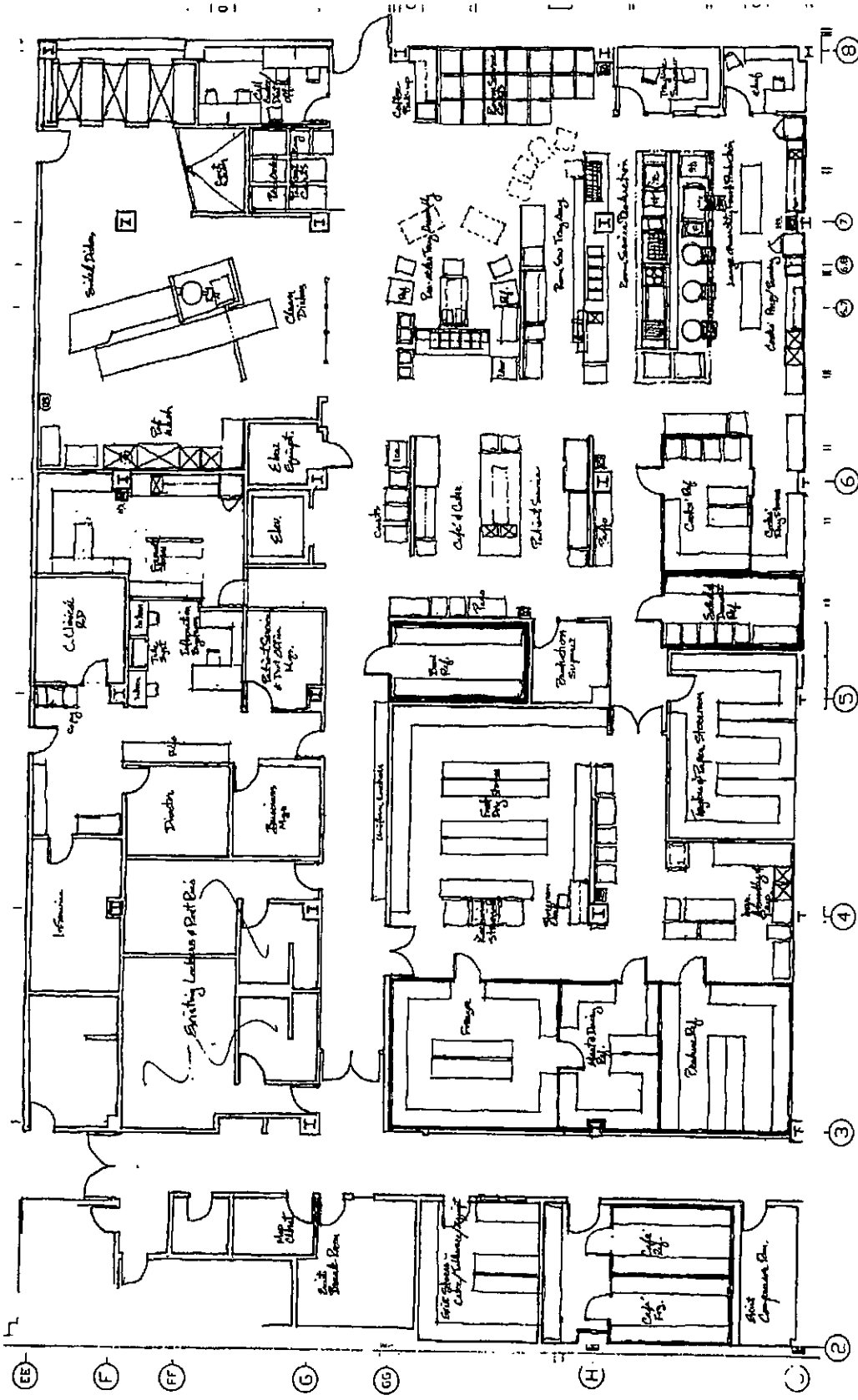


UNIVERSITY OF ILLINOIS MEDICAL CENTER - CHICAGO, ILLINOIS
 FOOD & NUTRITION SERVICES DEPARTMENT
 KITCHEN EXISTING PLAN

SCALE: 1/4" = 1'-0"
 DATE: 12/03/09

WSP INC. CHICAGO, IL

Kitchen Existing Conditions



UNIVERSITY OF ILLINOIS MEDICAL CENTER - CHICAGO, ILLINOIS
 FOOD & NUTRITION SERVICES DEPARTMENT
 KITCHEN MASTER PLAN

SCALE 1/4" = 1'-0"
 DATE 12/28/09

ARCHITECT: [unreadable]

Modernized Kitchen

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

| UTILIZATION | | | | | |
|-------------|-------------------|---|--------------------------|-------------------|------------------|
| | DEPT./ SERVICE | HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC. | PROJECTED UTILIZATION | STATE STANDARD | MET STANDARD? |
| YEAR 1 | | | | | |
| YEAR 2 | | | | | |

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Note: There is no shelled space existing or proposed in this modernization project.

Project Service Utilization

Introduction

There are two project components for which there are established State Agency criterion as outlined in Section 1110, Appendix B. (adopted effective April 13, 2010)

- Surgical Operating Suite (Class C)
- Ultrasound

Operating Room

Current surgical suite utilization justifies an additional 7 operating rooms by State Agency standards whereas only 1 new hybrid operating room (surgical operating suite) is being proposed. The following table profiles the data and need / justification for additional OR capacity:

Surgery Utilization

| Components | AHQ – Hospital Profile Data | | |
|----------------------|-----------------------------|-------------|-------------|
| | <u>2007</u> | <u>2008</u> | <u>2009</u> |
| Operating Rooms | 20 | 20 | 20 |
| Total Surgical Hours | 40,021 | 39,680 | 39,097 |
| Justified Rooms | 27 | 27 | 27 |
| Variance (Shortage) | (7) | (7) | (7) |

Justified rooms based on 1,500 hours / OR / year

Surgical hour utilization growth approximates 1.8% annual in the period 2006 to 2009 and will be utilized as a base for projection purposes.

Ultrasound Services

Ultrasound is utilized as both a diagnostic and therapeutic technology. It is also used as an adjunct tool to assist in other procedures such as placement of certain other technologies in imaged-guided procedures. These various ultrasound devices and specialized staff are targeted to specific clinical services such as neurology, cardiology and vascular surgery and not universally available to all clinical service areas nor departments. Therefore, the number of ultrasound devices will exceed the State

criteria for general ultrasound utilization when specific uses are considered. The proposed modernization of the imaging area will relocate existing ultrasound rooms to an underutilized department area to allow a waiting room to be developed. The project proposes to consolidate the existing complement of 12 units to meet current and future utilization demands. There is no increase in the number of ultrasound units within the imaging department. The current imaging department utilization is:

| <u>Ultrasound Visits</u> | | | |
|--------------------------------|---------------|---------------|---------------|
| (Imaging Department Only) | | | |
| | <u>2007</u> | <u>2008</u> | <u>2009</u> |
| Transcranial Doppler | 1,577 | 1,043 | 1,215 |
| General Ultrasound | 9,625 * | 9,936 | 10,257 |
| Cardiac Ultrasound | 8,531 | 9,016 | 9,248 |
| Vascular Lab Ultrasound | <u>6,251</u> | <u>6,456</u> | <u>7,768</u> |
| Total visits | <u>25,984</u> | <u>26,451</u> | <u>28,488</u> |
| Justified units @ 3,100 visits | 9 | 9 | 10 |
| Available units | 12 | 12 | 12 |
| Variance | 3 | 3 | 2 |

* Estimated based on available data; some departmental data

Summary

In the case of surgical services, the current and projected utilization fully justifies the additional operating room in accordance with the State Agency Criterion. However, the criterion for the ultrasound units is not met. The variance is attributed to the need to ensure the availability of specialized types of ultrasound equipment to serve UIMCC's patient population in the imaging department. As previously noted, ultrasound has evolved into a specialized diagnostic and therapeutic technology focused on specific clinical services. The existing and proposed capacity also serves the departments' growth and need for readily available back up systems. (See Attachment 15, Exhibit 1 for current and projected utilization per the Permit Application format.)

| ULTRASOUND UTILIZATION | | | | | |
|------------------------|-------------------|---|--------------------------|-------------------|------------------|
| | DEPT./ SERVICE | HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC. | PROJECTED UTILIZATION | STATE STANDARD | MET STANDARD? |
| 2008 | Ultrasound | 22,582 | -- | 3,100 / unit | No |
| 2009 | Ultrasound | 23,485 | -- | 3,100 / unit | No |
| Year 1 (2014) | Ultrasound | -- | 29,716 | 3,100 / unit | No |
| Year 2 (2015) | Ultrasound | -- | 30,905 | 3,100 / unit | No |

| SURGICAL SUITE UTILIZATION | | | | | |
|----------------------------|-------------------|---|--------------------------|-------------------|------------------|
| | DEPT./ SERVICE | HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC. | PROJECTED UTILIZATION | STATE STANDARD | MET STANDARD? |
| 2008 | Surgical | 39,680 | -- | 1,500 hrs / room | Yes |
| 2009 | Surgical | 39,097 | -- | 1,500 hrs / room | Yes |
| Year 1 (2014) | Surgical | -- | 43,382 | 1,500 hrs / room | Yes |
| Year 2 (2015) | Surgical | -- | 44,163 | 1,500 hrs / room | Yes |

SECTION V. - MASTER DESIGN AND RELATED PROJECTS

This Section is applicable only to proposed master design and related projects.

Criterion 1110.235(a) - System Impact of Master Design

Read the criterion and provide documentation that addresses the following:

1. The availability of alternative health care facilities within the planning area and the impact that the proposed project and subsequent related projects will have on the utilization of such facilities;
2. How the services proposed in future projects will improve access to planning area residents;
3. What the potential impact upon planning area residents would be if the proposed services were not replaced or developed; and
4. The anticipated role of the facility in the delivery system including anticipated patterns of patient referral, any contractual or referral agreements between the applicant and other providers that will result in the transfer of patients to the applicant's facility.

Criterion 1110.235(b) - Master Plan or Related Future Projects

Read the criterion and provide documentation regarding the need for all beds and services to be developed, and also, document the improvement in access for each service proposed. Provide the following:

1. The anticipated completion date(s) for the future construction or modernization projects; and
2. Evidence that the proposed number of beds and services is consistent with the need assessment provisions of Part 1100; or documentation that the need for the proposed number of beds and services is justified due to such factors, but not limited to:
 - a. limitation on government funded or charity patients that are expected to continue;
 - b. restrictive admission policies of existing planning area health care facilities that are expected to continue;
 - c. the planning area population is projected to exhibit indicators of medical care problems such as average family income below poverty levels or projected high infant mortality.
3. Evidence that the proposed beds and services will meet or exceed the utilization targets established in Part 1100 within two years after completion of the future construction of modernization project(s), based upon:
 - a. historical service/beds utilization levels;
 - b. projected trends in utilization (include the rationale and projection assumptions used in such
 - c. projections);
 - d. anticipated market factors such as referral patterns or changes in population characteristics (age, density, wellness) that would support utilization projections; and anticipated changes in delivery of the service due to changes in technology, care delivery techniques or physician availability that would support the projected utilization levels.

READ THE CRITERION which requires that projects submitted pursuant to a master design permit are consistent with the approved master design project. Provide the following documentation:

1. Schematic architectural plans for all construction or modification approved in the master design permit;
2. The estimated project cost for the proposed projects and also for the total construction/modification projects approved in the master design permit;
3. An item by item comparison of the construction elements (i.e. site, number of buildings, number of floors, etc.) in the proposed project to the approved master design project; and
4. A comparison of proposed beds and services to those approved under the master design permit.

APPEND DOCUMENTATION AS ATTACHMENT-18, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

System Impact (Criterion 1110.235(a))

The original Master Design Permit, as altered, is State Agency Project # 07-016. The permit was for analysis and initial schematics only, the outcome of which is described in the Altered Permit Application dated December 2009 which contemplates, at some future undetermined date, new construction as well as modernization projects.

Due to financial constraints, this specific Permit Application focuses solely on immediately required, high-priority, modernization projects consistent with the organizations financial capabilities. The proposed modernization projects provide for infrastructure system modernization as well as current patients with no new proposed programs, thus:

1. There is no expected impact on the utilization of alternative health facilities in the planning area.
2. At this time, implementation of any future projects, as defined as an outcome of the Master Design process, is predicated on available capital. Hence, there is no credible way to anticipate "access to planning area residents" except to say there will be no change from today.
3. If the proposed project were not implemented and there were major system failures, the Hospital, in its entirety would most likely close or suspend some or all operations pending necessary repairs, replacement, and/or upgrades / modernization of its infrastructure, thereby depriving its current patients, and the service area, of a much needed safety net health resource. Hence, access to care would be compromised under this circumstance, if it occurred.
4. No changes in existing relationships are contemplated as a result of this project. Hence, respective roles will not change and no system impacts are contemplated.

Master Plan or Related Projects (Criterion 1110.235(b))

1. The completion date for the modernization projects in this application is January 15, 2014. No future dates have been established for other necessary projects in that they are entirely dependent on funding sources.
2. No change in the licensed bed complement is proposed due to the Master Planning analysis and these proposed projects. The Hospital is a safety-net provider and its services are needed in the market.

3. No bed change is proposed and future utilization is dependent, in part, on healthcare reform initiatives which are not well understood or yet to be developed. Hence, with no proposed change in UIMCC beds or services, it is speculation, at best, as to what any utilization targets might be.

Plans and Costs

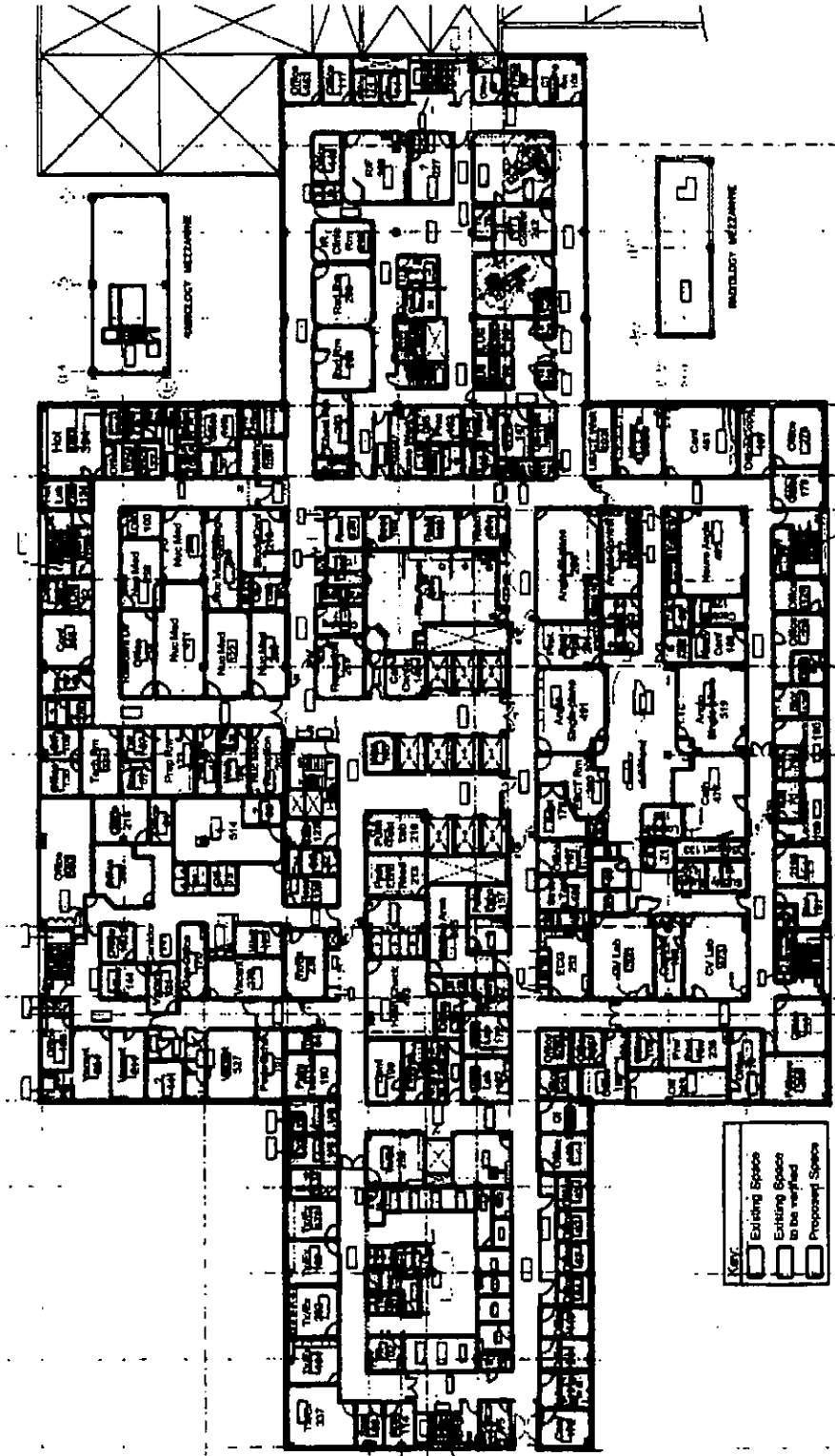
Attachment 18, Exhibits A to K (inclusive) provides requisite project plans. Attachment 18, Exhibit 1 provides associated modernization and construction costs.

There are no changes in programs, beds, site(s), number of buildings or floors as part of this project; hence, no comparisons can be made. The Master Design Permit was for planning purposes only and did not have any proposed buildings, etc. included therein.

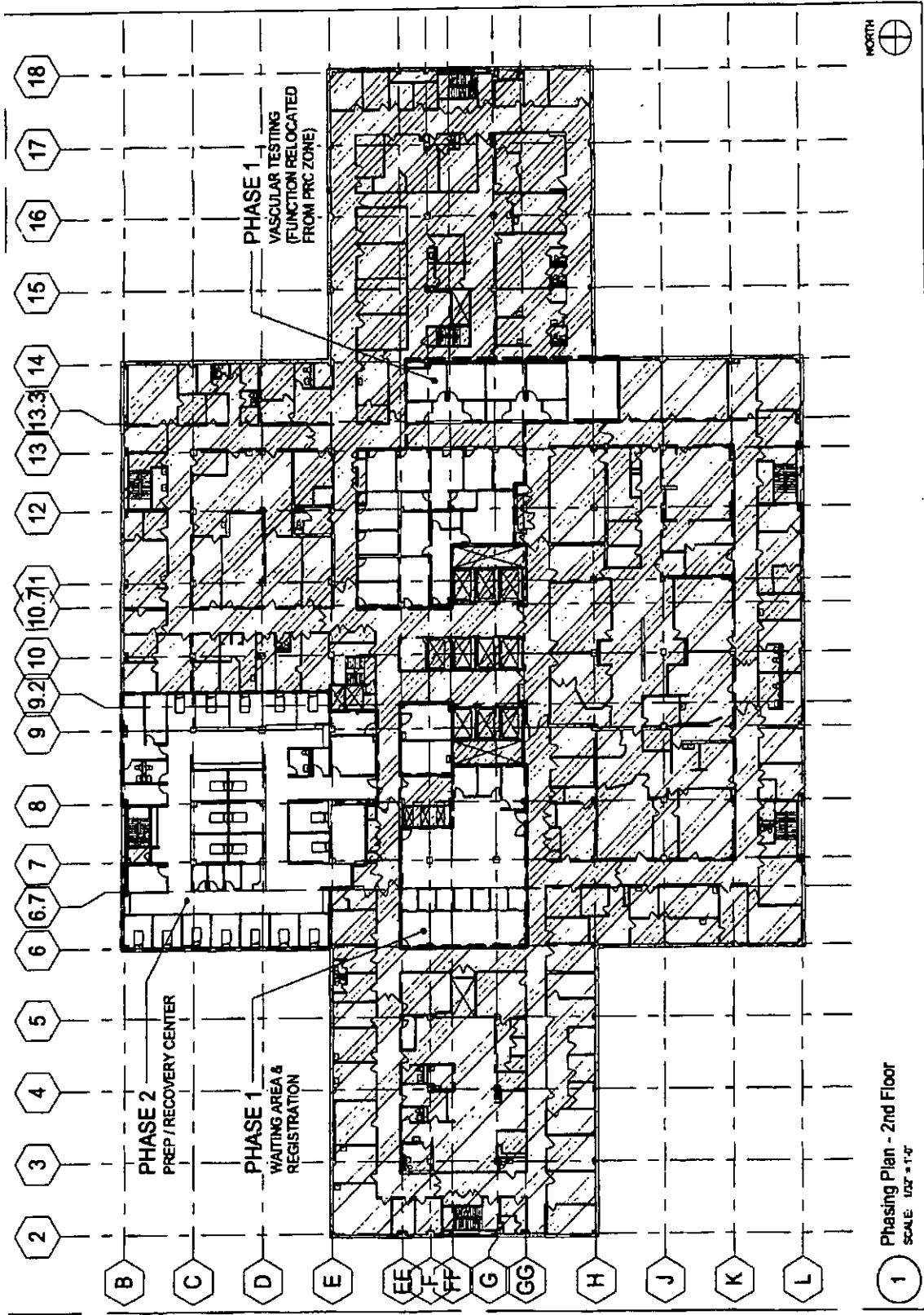
Reference Diagrams
Existing and Proposed
Modernization Projects

- Imaging Department Modernization (Exhibits A & B)
 - Ultrasound (Clinical) (Exhibit C)
 - Procedural Support Patient Bays (Clinical) (Exhibit D)
 - Registration / Waiting (Non-clinical) (Exhibit E)
- Hybrid Operating Room (Exhibits F & G)
- Morgue (Non-clinical) (Exhibits H & I)
- Stem Cell Laboratory (Exhibit I)
- Kitchen (Non-clinical) Exhibits J & K)

Second Floor Current Space Assignment

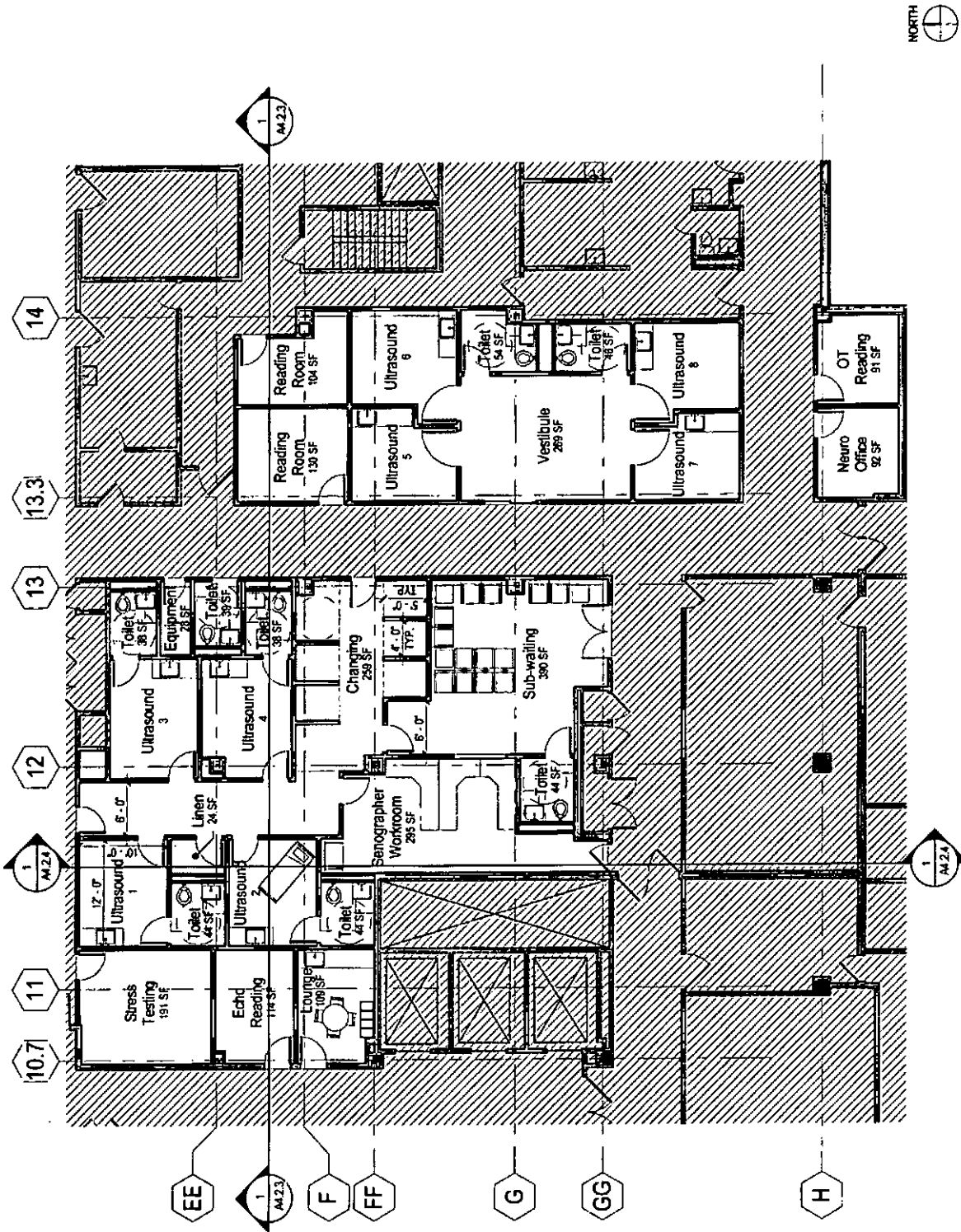


Imaging Department Existing Plan (2nd Floor)

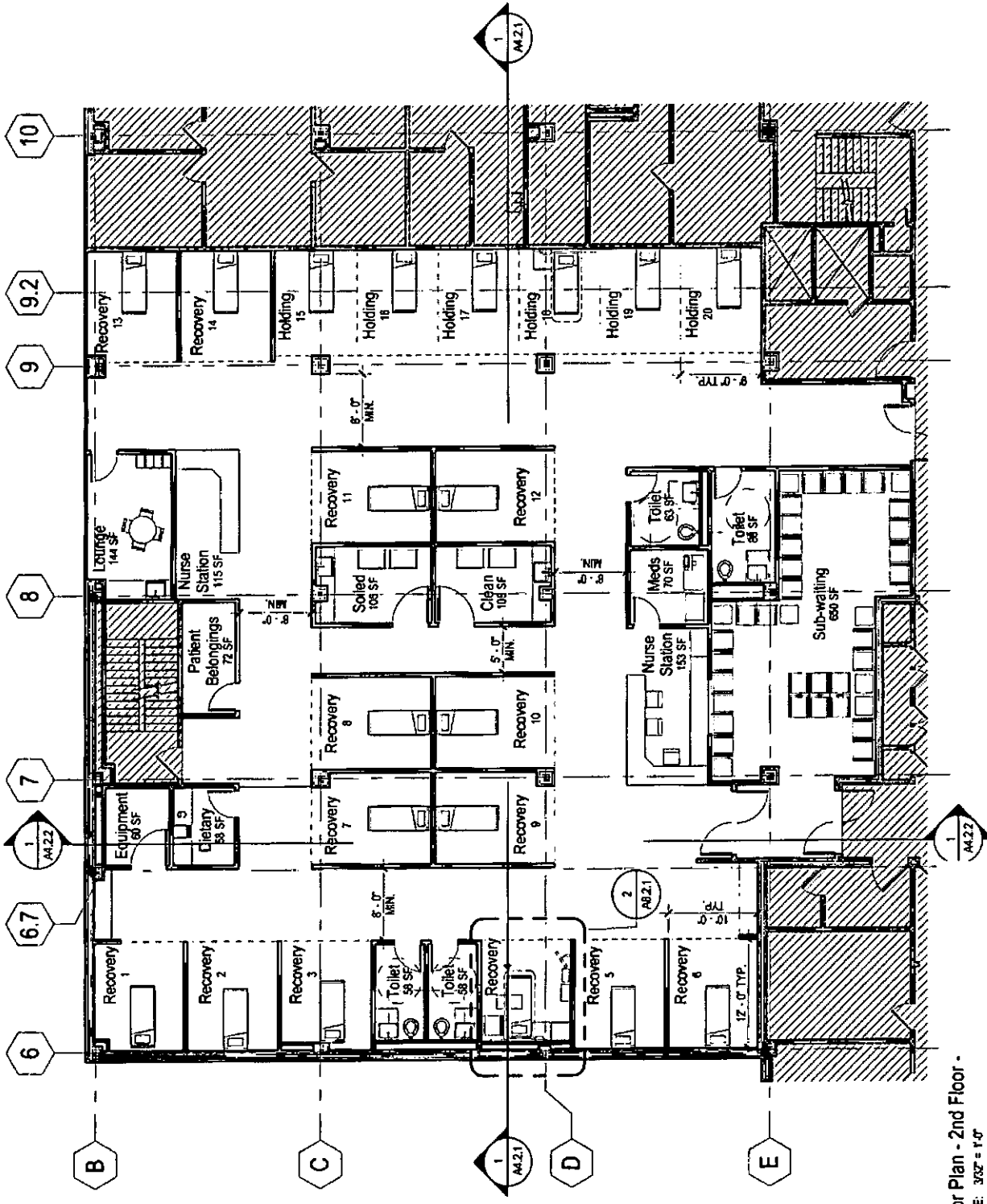


1 Phasing Plan - 2nd Floor
SCALE: 1/32" = 1'-0"

Proposed Imaging Department Modernization Projects

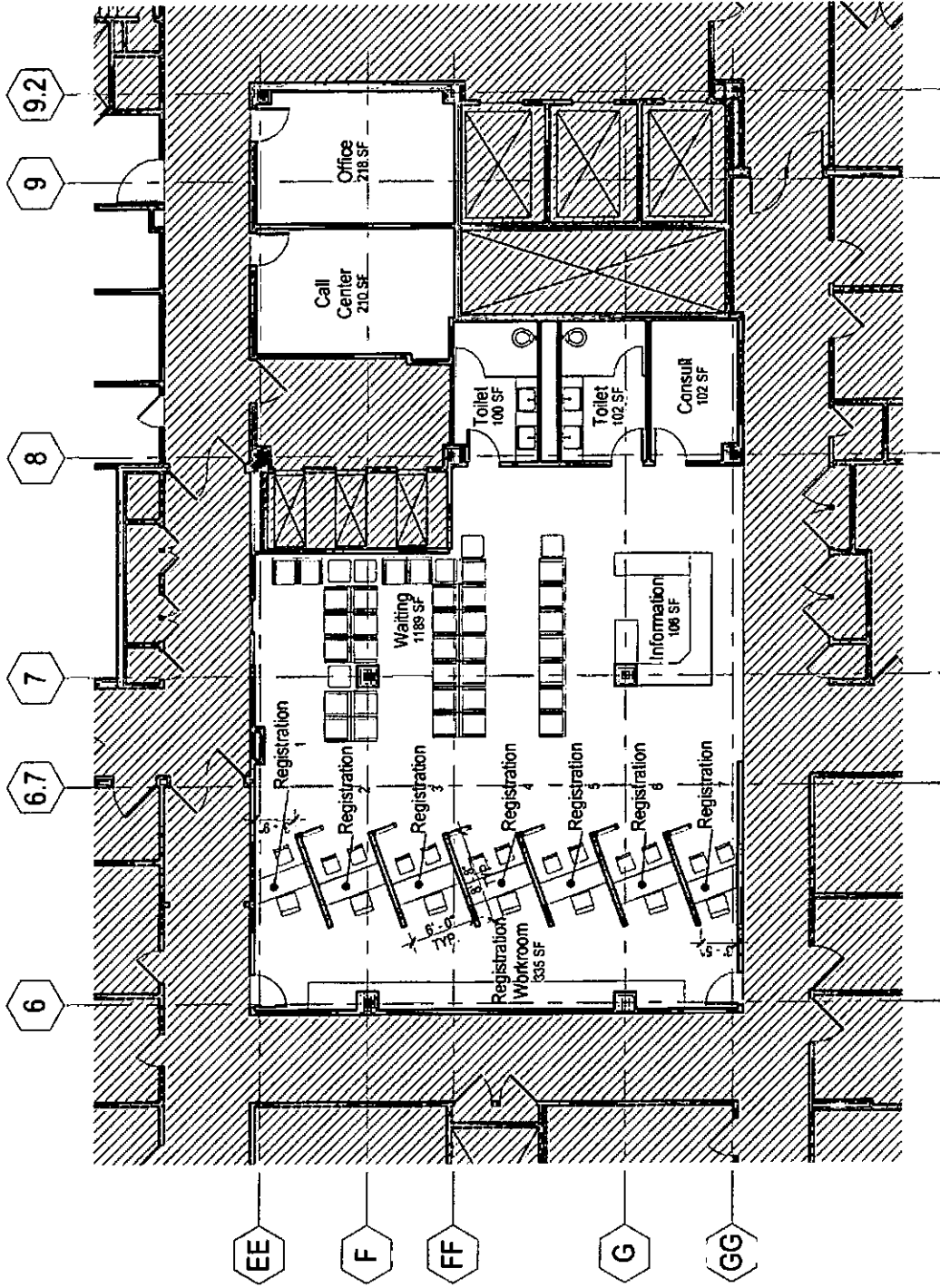


Ultrasound Suite

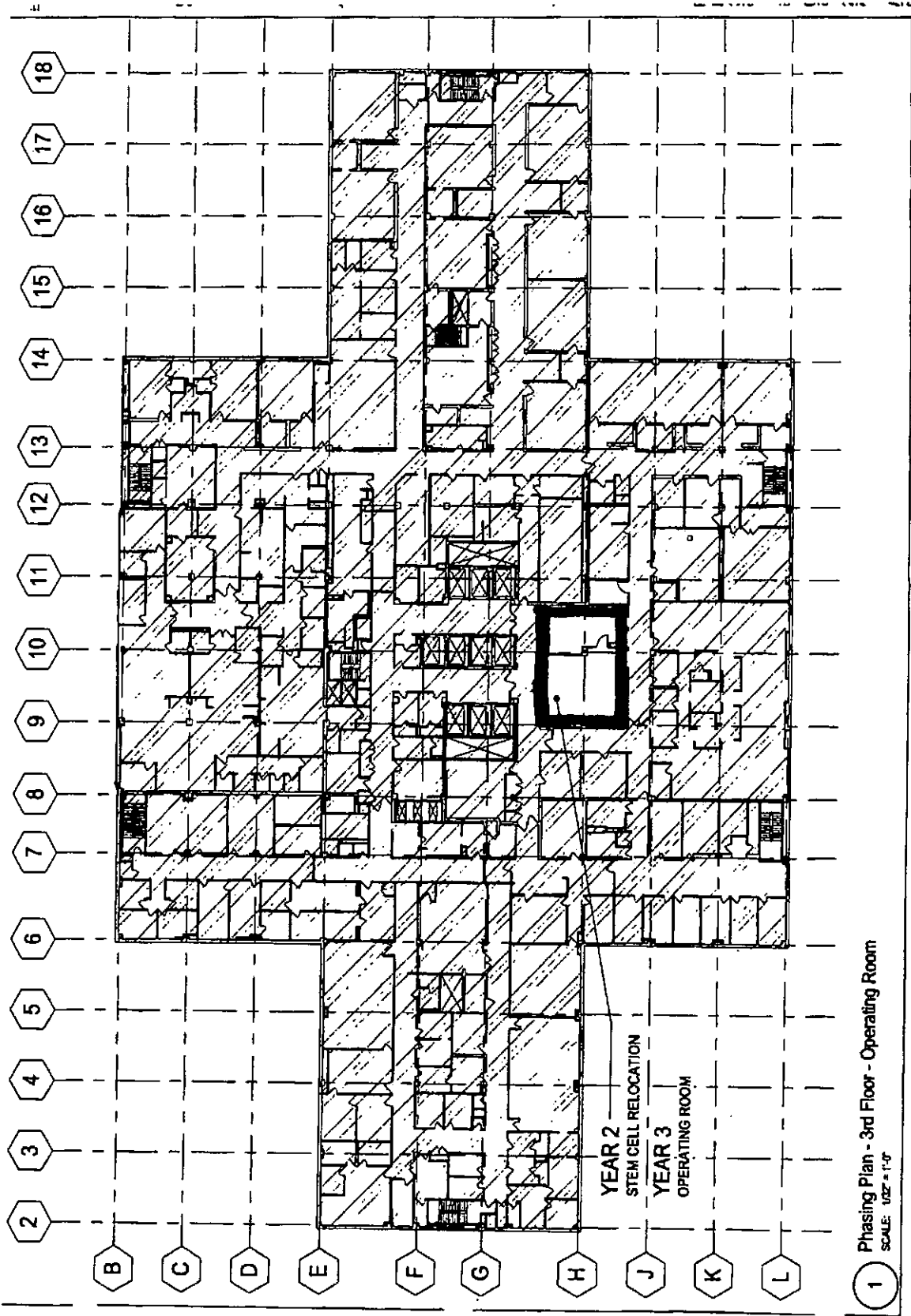


1 Floor Plan - 2nd Floor -
SCALE: 3/32" = 1'-0"

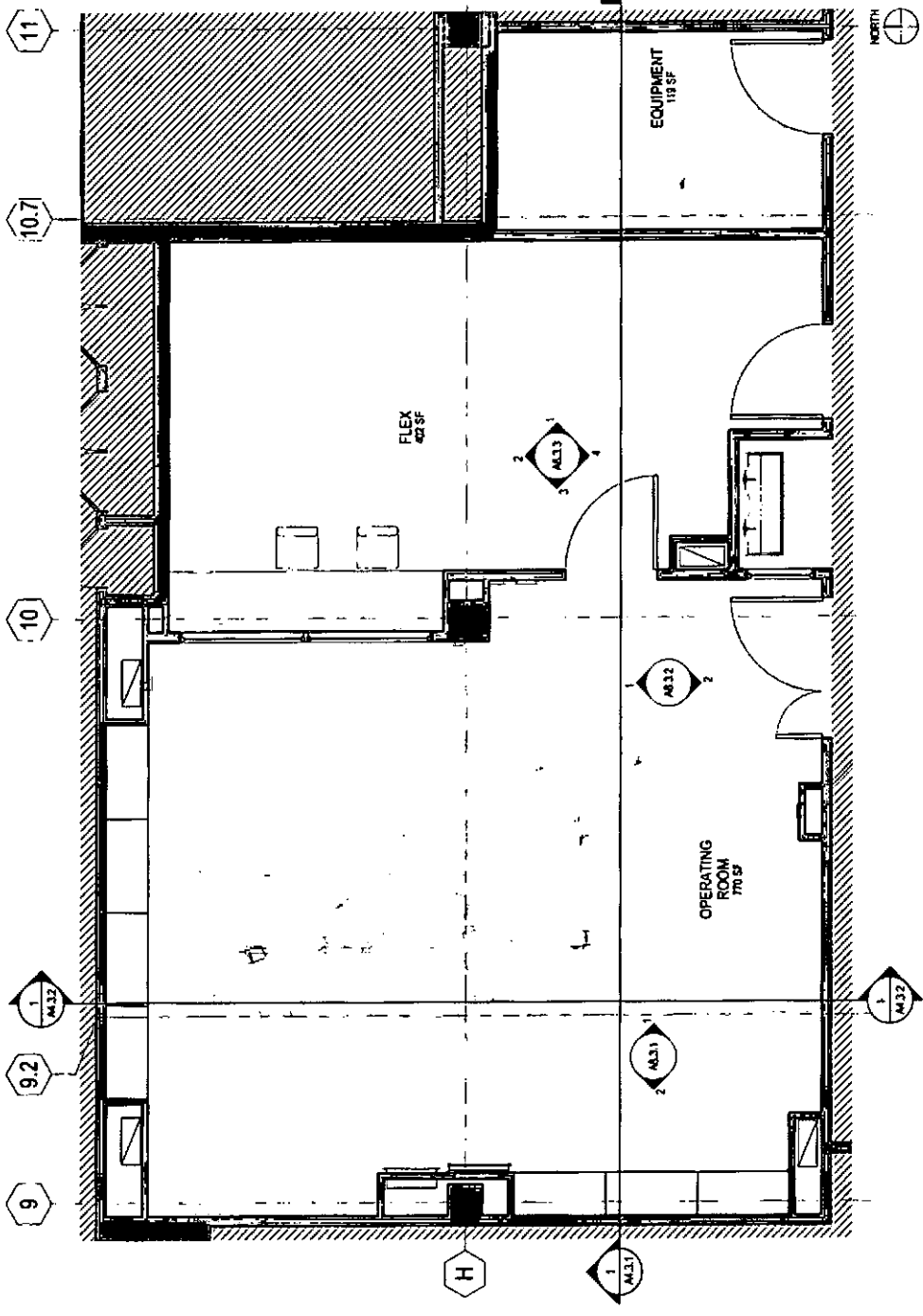
Procedural Support Patient Bays



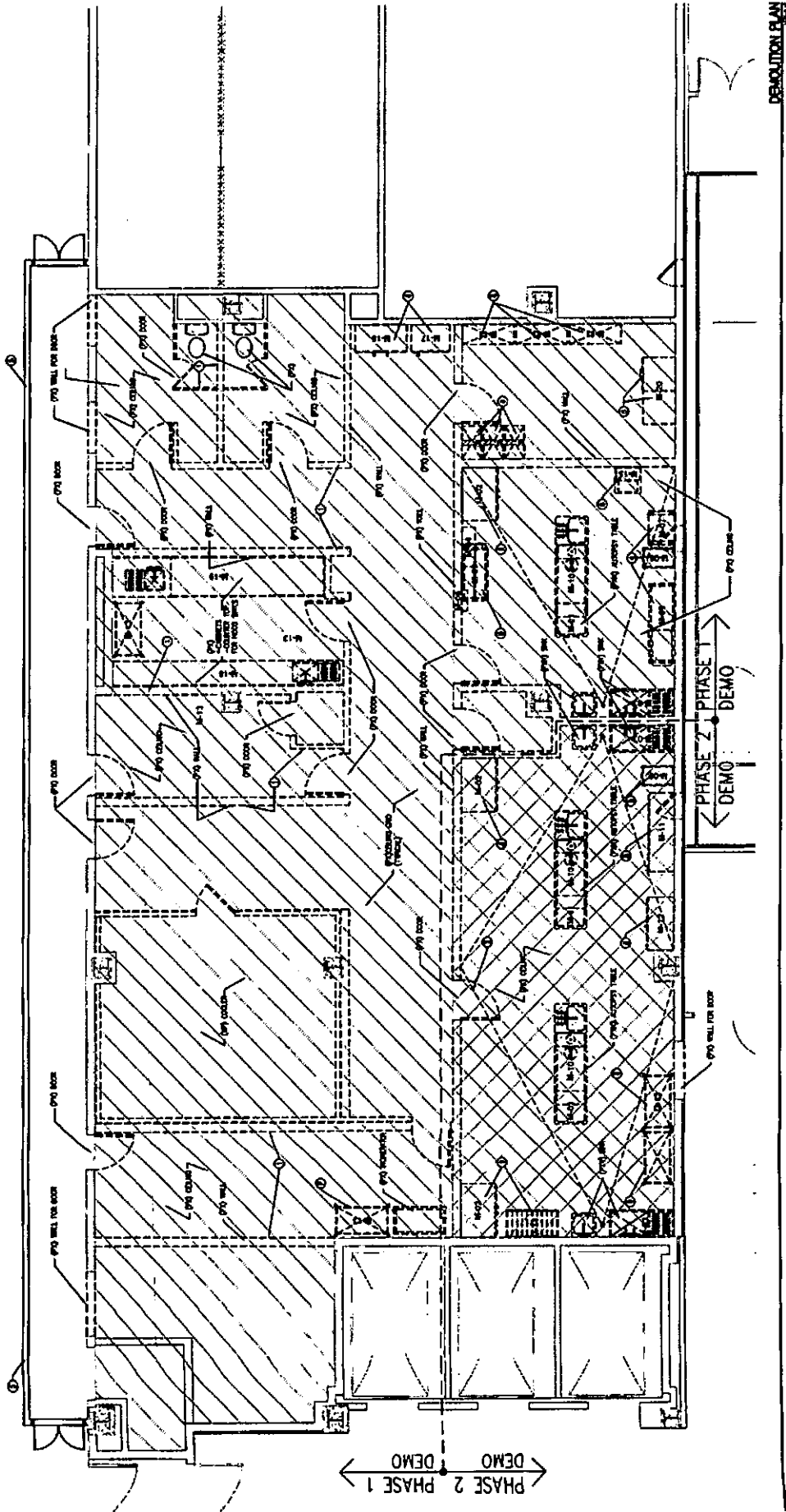
1 Floor Plan - 2nd Floor - Waiting / Registration



Location of Hybrid Operating Room

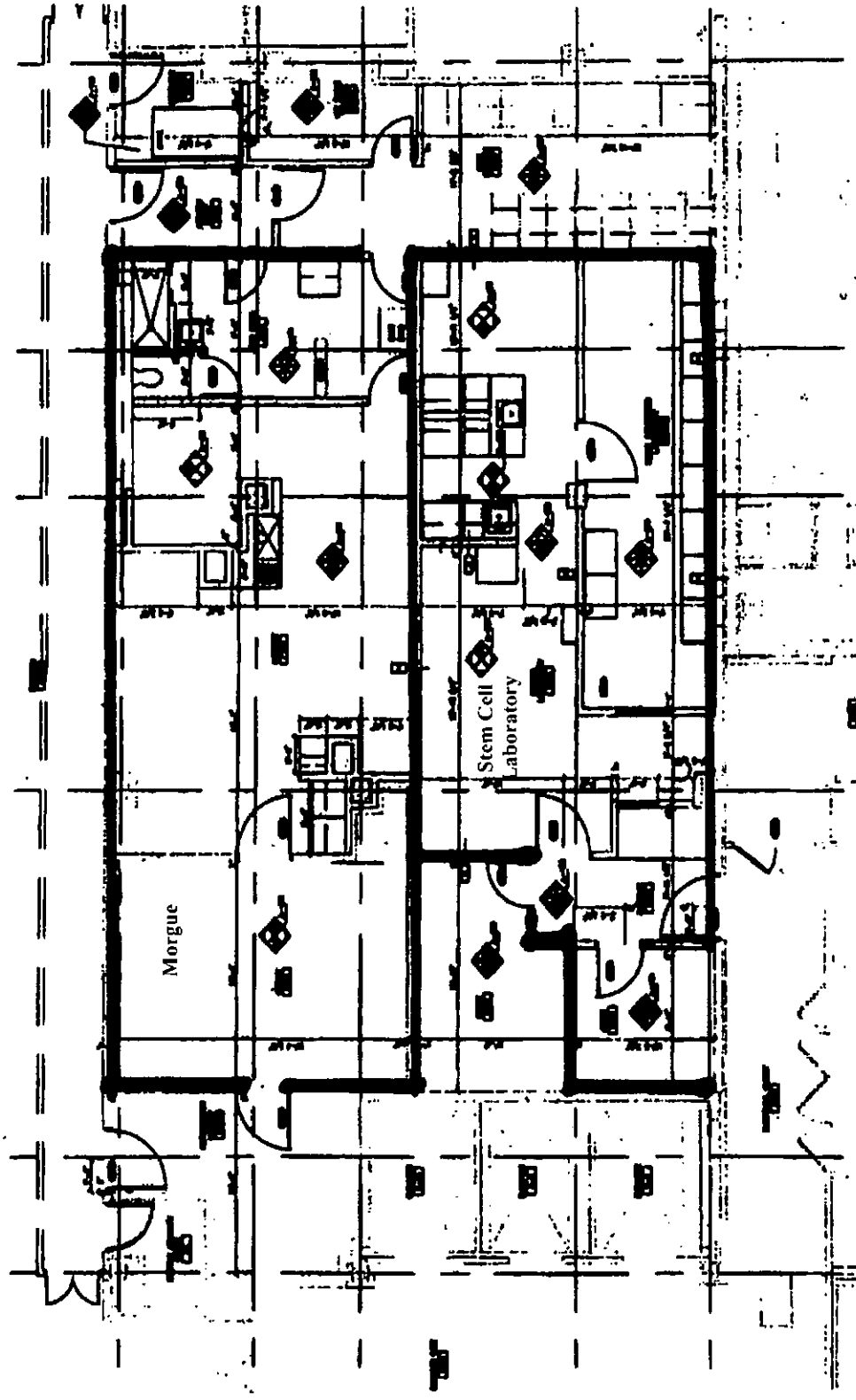


Hybrid Operating Room

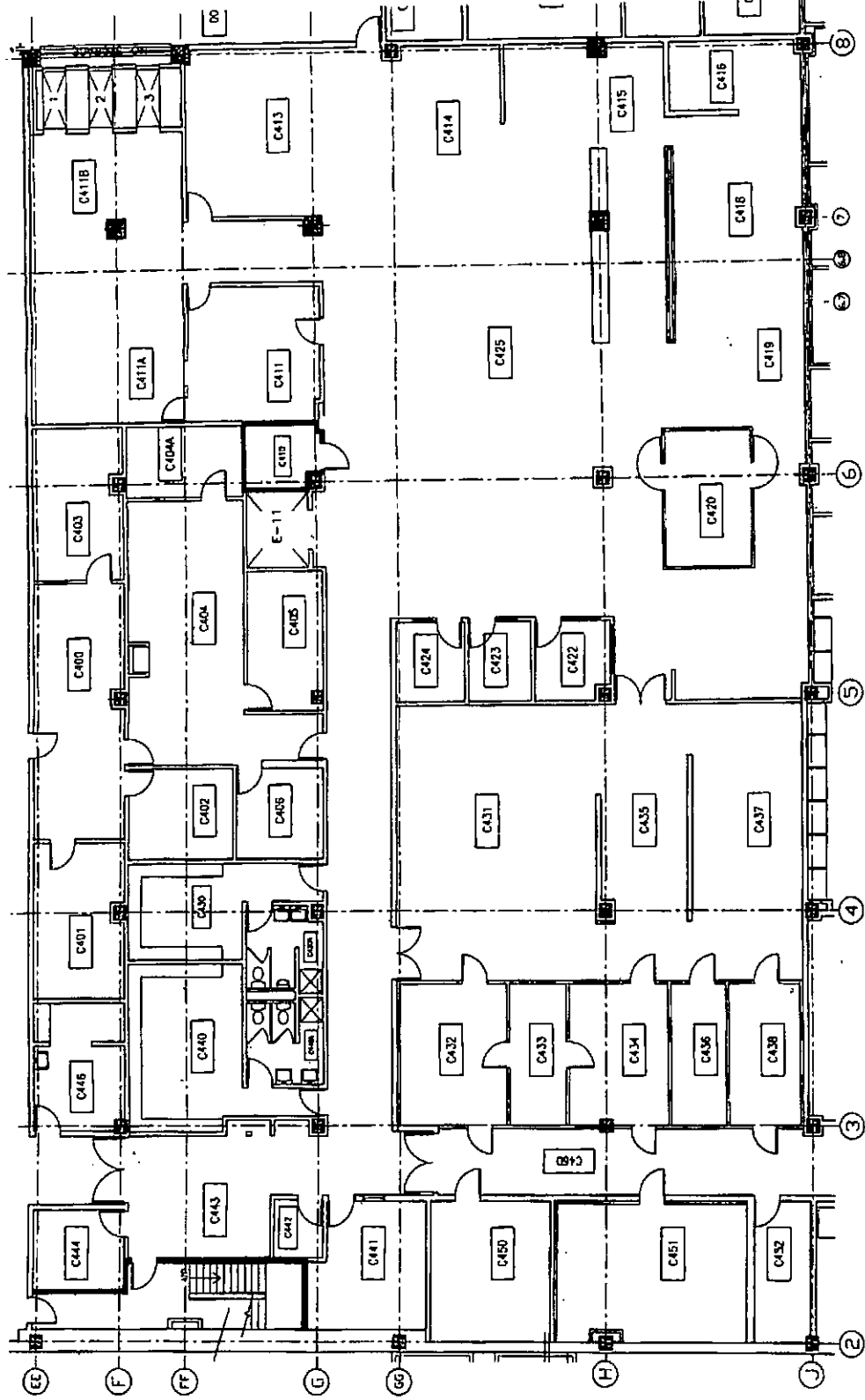


Morgue Existing Conditions

Note: 3 autopsy table suite to be modernized (with a single autopsy table)



Stem Cell Laboratory (Relocated / Modernized)
Morgue (Downsized / Modernized)

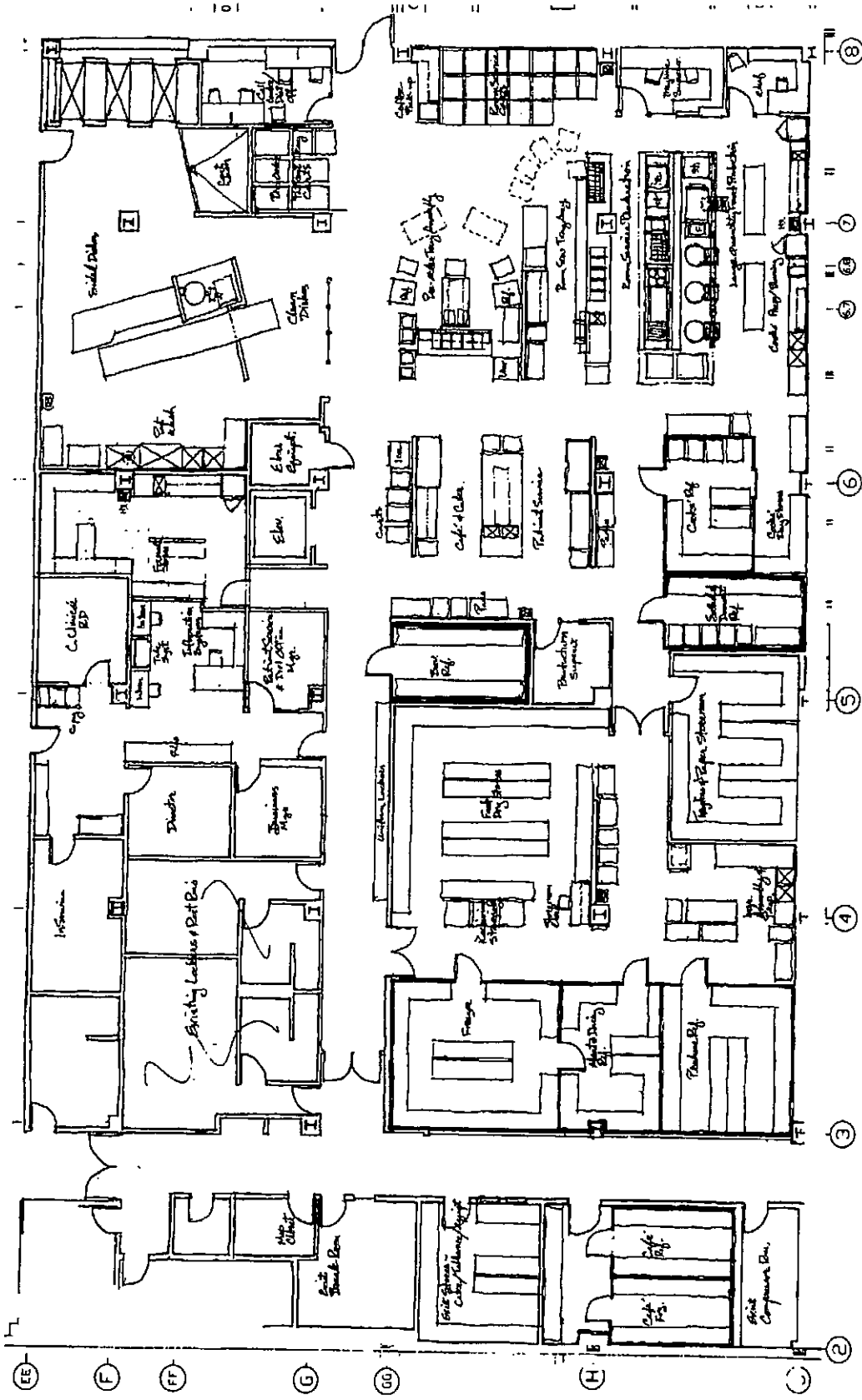


UNIVERSITY OF ILLINOIS MEDICAL CENTER - CHICAGO, ILLINOIS
 FOOD & NUTRITION SERVICES DEPARTMENT
 KITCHEN EXISTING PLAN

SCALE: 1/8" = 1'-0"
 DATE: 12/09/09

BASED UPON: [illegible]
 [illegible]

Kitchen Existing Conditions



UNIVERSITY OF ILLINOIS MEDICAL CENTER - CHICAGO, ILLINOIS
 FOOD & NUTRITION SERVICES DEPARTMENT
 KITCHEN MASTER PLAN

SCALE 1/4" = 1'-0"
 DATE 12/28/59

JOHN W. COOPER, INC.

Modernized Kitchen

Cost per Department / Area

| Department / Area | Space Allocation | Modernization Contracts * | Project Costs |
|-------------------------------------|------------------|---------------------------|-------------------|
| Clinical | | | |
| Contemporary Procedure Support Bays | 7,000 | 2,764,941 | 4,334,837 |
| Ultrasound | 4,750 | 1,843,294 | 2,888,891 |
| Stem Cell Lab | 1,295 | 788,777 | 1,200,582 |
| Operating Room & Control | 2,400 | 1,067,385 | 6,476,404 |
| | | | |
| Sub-total | <u>15,445</u> | <u>6,464,397</u> | <u>14,900,714</u> |
| Non-Clinical | | | |
| Morgue Downsizing | 1,960 | 1,183,166 | 1,800,872 |
| Registration / Waiting / Sub-wait | 3,200 | 350,352 | 432,703 |
| Kitchen Remodel | 13,000 | 1,020,000 | 1,701,000 |
| Infrastructure | 215,300 | 14,938,783 | 21,044,254 |
| Physician Offices / Support | 400 | 43,302 | 53,480 |
| Sub-total | <u>233,860</u> | <u>17,535,603</u> | <u>25,032,309</u> |
| Total | <u>249,305</u> | <u>24,000,000</u> | <u>39,933,023</u> |

* Excluding contingencies

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

R. Criterion 1110.3030 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than Categories of Service must submit the following information:
2. Indicate changes by Service: Indicate # of key room changes by action(s):

| <u>Services with Criteria</u> | # Existing Key Rooms | # Proposed Key Rooms |
|--|----------------------|----------------------|
| <input checked="" type="checkbox"/> Hybrid OR | 20 | 21 |
| <input checked="" type="checkbox"/> Ultrasound / Vascular (Imaging Department related) | 12 | 12 |
| <u>Services without Criteria</u> | # Existing Key Rooms | # Proposed Key Rooms |
| <input checked="" type="checkbox"/> Stem Cell Laboratory | 1 | 1 |
| <input checked="" type="checkbox"/> 20-bay Post-Procedure Unit | 0* | 20 |

* Note: Currently post-procedure outpatients are housed in inpatient units pre-discharge.

3. READ the applicable review criteria outlined below and submit the required documentation for the criteria:

| PROJECT TYPE | REQUIRED REVIEW CRITERIA | |
|---|--------------------------|---------------------------------------|
| New Services or Facility or Equipment | (b) - | Need Determination - Establishment |
| Service Modernization | (c)(1) - | Deteriorated Facilities |
| | | and/or |
| | (c)(2) - | Necessary Expansion |
| | | PLUS |
| | (c)(3)(A) - | Utilization - Major Medical Equipment |
| | | Or |
| | (c)(3)(B) - | Utilization - Service or Facility |
| APPEND DOCUMENTATION AS ATTACHMENT-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. | | |

Introduction

This is a proposed modernization project. There is no new construction or establishment of any new services. There is no major medical equipment as defined by the State Agency. Four (4) clinical services areas are involved, two (2) with State Agency criterion and two (2) without State Agency review criterion based on Section 1110, Appendix B. The various CSA components in the proposed project are not considered "Categories of Service" by State Agency rules.

The CSA's are:

Services with State Agency Criterion

- Hybrid (OR) (Class C surgical procedure suite) (Additional OR)
(Criterion 1110.3030 (a) (2) (c) (2) and (c) (3) (B))
- Ultrasound / Vascular Imaging Units (Replacement of 12 units)
(Criterion 1110.3030 (a) (2) and (c) (3) (B))

Services Without State Agency Criterion

- Stem Cell Laboratory (Replacement)
(Criterion 1110.3030 (a) (2) (c) (2))
- Procedure Support Unit (20-bay) (Consolidates outpatient interventional radiology patients now housed in inpatient units post-procedure and pre-discharge within the imaging department)
(Criterion 1110.3030 (a) (2) and (c) (3) (B))

This Permit Application section (Attachment 37) is structured as follows for the applicable CSA's which are proposed to be modernized:

- Hybrid Operating Room (OR)
- Ultrasound / Vascular
- Stem Cell Laboratory
- Post-Procedure Unit

Hybrid OR Development

Introduction

Surgical technologies and techniques have evolved over the last several years with the addition of robotic surgery techniques, image guided surgery, as well as minimally invasive surgical techniques and procedures (MIS), among others.

The proposed project would renovate the relocated stem cell laboratory to provide a new Hybrid operating room with its associated support. This OR will accommodate a bi-plane C-arm to support image guided procedures, a Da Vinci surgical robot, along with boom mounted monitors necessary for a contemporary operating room with imaging and robotic capabilities.

Necessary Expansion

Current surgical suite utilization can justify 27 operating rooms in contrast to the 20 existing OR's. In the future, based on trends, additional capacity beyond the currently justified 27 OR's may be justified. The project proposes to add a single OR which will bring the complement to 21, which is still 6 operating rooms short of what can be justified today by IHFSRB guidelines.

Utilization

As shown in Attachment 15, the need for an additional OR is well justified by historical, current, and projected utilization.

Summary

The proposed modernization project meets IHFSRB review criterion.

Ultrasound / Vascular Imaging Suite (Replacement)

Introduction

This proposed project is a reconfiguration of a portion of the second floor imaging suite to provide appropriate facilities which will primarily support outpatient imaging modalities, in particular, interventional radiology. Contemporary care delivery models favor outpatient services. The current department was developed in an era when inpatient care delivery prevailed; IR procedures / technologies were not generally available, and imaging departments used film and not digital PACS type technology.

The proposed project would consolidate the current 12 ultrasound rooms / units into underutilized film storage and department support areas to allow for the development of a non-clinical centralized outpatient registration and waiting area for imaging services. No increase in capacity is proposed.

Necessary Expansion

Care has shifted to the outpatient environment. Contemporary care delivery models and related technology favor outpatient delivery of more and more complex procedures. Given the imaging department was designed to support another era, reconfiguration is necessary to support departmental operations pertinent to outpatient care delivery.

No new space is proposed for the imaging department -- only reconfiguration of existing programs. The proposed modernization meets IHFSRB guidelines for space allocation per proposed ultrasound unit (Attachment I4).

Utilization

The current and projected need for imaging department specific ultrasound units is shown in Attachment 15. The State Agency criterion is not met based on department specific utilization for ultrasound units not generally available to the entire UIMCC enterprise. Ultrasound technologies have evolved into highly specific diagnostic and treatment tools targeted to selected clinical systems such as neurology, cardiology and vascular surgery. The result is the need for more non-departmental ultrasound units to ensure clinical care is provided. A prime example is the specialized trans-cranial doppler for the evaluation of cerebral blood flow which has utilization below the State Agency guideline target but is critical to specialized procedures, in particular, aneurysm patients.

Summary

This proposed department specific modernization meets IHFSRB criterion for space allocation but not utilization per unit due to specialized technology and its clinical application.

Stem Cell Laboratory (Replacement)

(There are no IHFSRB guidelines for this existing Hospital service)

Introduction

Stem cells are a unique cell type with the ability to renew themselves and evolve into specialized cell types. Researchers look for ways to use stem cells to replace specialized tissue, recreate specific organs, and replace diseased or damaged tissue.

The clinical Stem Cell Laboratory at UIMCC is an integral component of the organizations' clinical delivery and research programs. Its activities are dedicated to patient services including stem cell processing, stem cell grafts, freezing, storing, and infusing stem cell grafts for patients admitted to its transplant program as well as other applicable applications.

This proposed modernization project is focused on downsizing the morgue / autopsy function on the Concourse Level to allow for relocation of the Stem Cell Laboratory that is currently located on the Hospital's Third Floor (Surgical Suite). Vacating the 3rd Floor stem cell lab allows for the construction of the proposed Hybrid OR.

The Stem Cell Laboratory is regulated by the Foundation for the Accreditation of Cellular Therapy (FACT) and Federal Food and Drug Administration (FDA) – GTP rules for Human Cellular and Tissue Products (HCT/P) which requires certain environmental conditions for compliance. The Stem Cell Laboratory is presently an FDA approved GTP (good tissue practice) facility and accredited by the Foundation for the Accreditation of Cellular Therapy (FACT).

The Stem Cell Laboratory is a critical component of UIMCC's bone marrow transplant (BMT) and cancer programs and is to be relocated to underutilized space to make room for an additional operating room. All the activities of the Stem Cell Laboratory are completely dedicated to patient services.

The current Stem Cell Laboratory is suitable to perform routine stem cell processing (minimal manipulation) for bone marrow transplantation.

The proposed enhanced Stem Cell Laboratory will also complement UIMCC's major stem cell research focus. Research initiatives such as manufacturing ex vivo expanded umbilical cord blood stem cell grafts for transplantation in patients having blood cancer, isolation and culture of immune cells for immunotherapy (cellular vaccine) as a measure to eradicate cancer cells, and the development of a dendritic cell based prostate cancer vaccine will be possible. In addition, other possible research includes CD 34+ blood stem cell for cardiac repair, wound healing and mesenchymal stem cell based therapy, and fibroblast cell based vaccine for lung cancer. This research will require a higher grade clean room with controlled environment that is generally used for manufacturing drugs. The modernization provide this special environment in the proposed new Stem Cell Laboratory and will enable it to become FDA GMP (Good Manufacture Practice) approved thereby advancing BMT and the treatment of leukemia and other blood related cancers.

Necessary Expansion (Relocation)

Relocation of the current Stem Cell Laboratory is necessary to develop the Hybrid OR within the Surgical Suite. The Stem Cell Laboratory will occupy less space in the future than it currently occupies (Attachment 9).

Utilization

There are no criterion for this service. Utilization is dependent on clinical demand. The most recent procedure volume is:

| <u>Year (FY)</u> | <u>Procedures</u> |
|------------------|-------------------|
| 2007 | 510 |
| 2008 | 900 |
| 2009 | 780 |
| 2010 | 680 |

Source: Departmental Records

Summary

The existing Stem Cell Laboratory will be relocated to a remodeled area contiguous to the morgue and its redevelopment. Currently the morgue is underutilized and its space will be modernized to provide a new morgue area as well as the stem cell laboratory.

The IHFSRB does not have any utilization or space criterion guidelines for this CSA.

Procedure Support Unit (Imaging Department)

Introduction

Contemporary models of care favor the outpatient setting. New technologies and improved anesthesia allow quality care to be effectively and efficiently delivered in an ambulatory setting. Such settings require somewhat unique facilities to provide such care. These department based facilities include pre- and post-procedural support for both the patient and their family, including registration, waiting, pre-procedure preparation, and contemporary procedure support bays for select imaging patients prior to discharge; such patients require a place to change clothes, prepare for the procedure, recover, and receive post-procedure care instructions in such a contemporary delivery model.

The existing Hospital was designed in an inpatient era whereas today many procedures have shifted to an ambulatory environment. These types of procedures include imaging services such as invasive ultrasound, neuro-angiography, peripheral vascular angiography, catheterization procedures, and certain other imaging modalities. This specific modernization program provides solely for those patients based on the imaging departments' procedural case load.

The proposed project will modernize the essentially vacant incontinence laboratory within the imaging department to provide a 20-bay procedure support area for the 2nd Floor image based interventional radiology procedural patients.

Necessary Expansion

Currently, outpatient imaging patients requiring post-procedure recovery are moved from the 2nd Floor imaging department to inpatient beds where they are recovered and discharged. This is due to the fact that patient related procedure support area is not available as is being proposed by this modernization project.

By retaining patients within the imaging services on Level 2, demand for outpatient post-procedure support services on inpatient units will be eliminated thereby freeing up inpatient beds for their designated use. This will provide increased flexibility in inpatient bed utilization as well as focused care within the imaging department.

Utilization / Imaging

Image Procedure / Support Recovery Bays Justification

As previously stated, contemporary care models favor outpatient care. Many imaging modalities and procedures have shifted to the outpatient environment. These include such invasive modalities as neuro-angiography, peripheral vascular angiography, interventional ultrasound, cardiac catheterization, and electrophysiology procedures, among others. Not all patients are eligible for such procedures in an outpatient environment and other non-invasive procedural patients may require sedation (such as children or anxious adults) for select non-invasive imaging procedures.

Outpatient imaging patients undergoing procedures in the afore-stated modalities require both pre-procedure preparation and post-procedure recovery before discharge. Other outpatients, as well as inpatients, may also require pre-procedure, holding for a nominal time and post-procedure holding prior to discharge or transfer back to an inpatient unit. The proposed 20-bay procedure support area intends to provide such patient support services.

In 2009, the imaging department had approximately 110,000 patient visits. In an independent study, it was determined a total of 22,581 imaging patients could benefit from a pre-procedure holding / prep area and a post-procedure recovery area. In addition, this analysis determined approximately 27,850 total hours were required to provide such care with an average derived length of stay approximating 1.22 hours or 73 minutes of care per applicable patient.

The State Agency does not have stated criterion for such a special clinical service area (CSA). However, the proposed unit has operational characteristics much like an operating room, or an average 1,500 available hours per year per bay (250 days x 7.5 hours per day x 80% utilization). Thus, this methodology results in the need for 19 imaging procedure support bays ($27,850 \text{ hrs} \div 1,500 \text{ hrs / bay}$). 20 bays are proposed due to anticipated growth in imaging procedures and the existing available modernized space supports the development of 20 bays. There is no new construction.

Summary

Contemporary care models necessitate departmental based patient support services. The proposed modernization project will provide such space for the imaging department.

The IHFSRB does not have any specific utilization nor space criterion for this CSA.

VIII. - 1120.120 - Availability of Funds Not Applicable due to an A – Bond Rating

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

| | |
|------------------------------|---|
| _____ | <p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion; |
| _____ | <p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p> |
| _____ | <p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p> |
| _____ | <p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions. |
| _____ | <p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p> |
| _____ | <p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p> |
| _____ | <p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p> |
| TOTAL FUNDS AVAILABLE | |

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

**STANDARD
& POOR'S**

130 East Randolph Street
Suite 2900
Chicago, IL 60601
tel 312 233-7001
reference no.: 40236060

June 30, 2010

University of Illinois Medical Center
1740 W. Taylor
M/C 693
Suite 1400
Chicago, IL 60612
Attention: Mr. William Devoney, Chief Financial Officer

Re: \$41,215,000 University of Illinois Board of Trustees (University of Illinois Health Services Facilities System) Hospital Variable Rate Demand Obligation, Series 2008

Dear Mr. Devoney:

Standard & Poor's has reviewed the Standard & Poor's underlying rating (SPUR) on the above-referenced obligations. After such review, we have affirmed the "A" rating and stable outlook. A copy of the rationale supporting the rating and outlook is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.


Mr. William Devoney
Page 2
June 30, 2010

Please send all information to:
Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

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Sincerely yours,

Standard & Poor's Ratings Services
a Standard & Poor's Financial Services LLC business



sp
enclosure

cc: Mr. Robert L. Plankenhorn, Director of Capital Financing
University of Illinois

**STANDARD
& POOR'S**

130 East Randolph Street
Suite 2900
Chicago, IL 60601
tel 312 233-7001
reference no.: 40238060

June 30, 2010

University of Illinois Medical Center
1740 W. Taylor
M/C 693
Suite 1400
Chicago, IL 60612
Attention: Mr. William Devoney, Chief Financial Officer

Re: ***\$41,215,000 University of Illinois Board of Trustees (University of Illinois Health Services Facilities System) Hospital Variable Rate Demand Obligation, Series 2008***

Dear Mr. Devoney:

Standard & Poor's has reviewed the rating on the above-referenced obligations. After such review, we have affirmed the "AAA/A-1+" rating and not meaningful outlook. A copy of the rationale supporting the rating and outlook is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

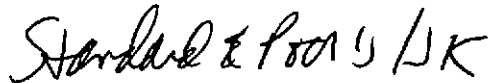
Mr. William Devoney
Page 2
June 30, 2010

Please send all information to:
Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

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cc: Mr. Robert L. Plankenhorn, Director of Capital Financing
University of Illinois

University of Illinois Board of Trustees University of Illinois Health Services Facilities System

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Credit Profile

University of Illinois Bd of Trustees, Illinois

University of Illinois Hlth Svcs Fac Sys, Illinois

University of Illinois Bd of Trustees (University of Illinois Health Services Facilities System) hosp VRDD ser 2008

| | | |
|-------------------|---------------|----------|
| Long Term Rating | AAA/A-1+ | Affirmed |
| Unenhanced Rating | A SPUR Stable | Affirmed |

Rationale

Standard & Poor's Ratings Services affirmed its 'AAA/A-1+' rating and 'A' underlying rating (SPUR) on the University of Illinois Board of Trustees' series 2008 revenue refunding bonds, issued for the University of Illinois Health Services Facilities System (the medical center), based on the application of joint criteria and assuming low correlation. The long-term rating on the bonds is jointly based on the rating on the obligor, the medical system (A/Stable), and the long-term rating on the letter of credit (LOC) provider, JP Morgan Chase Bank N.A. (AA-/A-1+). The short-term component of the rating is based solely on the short-term rating on JP Morgan Chase Bank.

The medical center's 'A' SPUR reflects continued state and University of Illinois (AA-) support.

More specifically, the affirmed rating reflects:

- Improved operations, with the medical center posting an operating margin of 5.8% in the first 10 months of fiscal 2010 as compared with 0.2% in fiscal 2009;
- Continued state and University of Illinois support for the medical center, which provides training for the university's medical school located on the Chicago campus;

RatingsDirect
Publication Date
July 2, 2010

- Additional bond security provided by the University of Illinois College of Medicine's tuition and faculty practice plan revenues; and
- Solid maximum annual debt service (MADS) coverage of 8.6x as of April 30, 2010, due to the improved operations and a low debt burden of 1.1%.

Credit concerns include:

- Light unrestricted liquidity, though it has improved over the past several years, with limited capital spending in anticipation of the medical center's larger capital plans;
- Sizable capital needs, which management has pushed back to fiscal 2012 and which are still in the planning stages but would likely further constrain an already limited balance sheet; and
- A competitive service area.

The medical center, located on the near west side of Chicago, has undergone a larger strategic plan to focus its resources and services to a rapidly changing community. As part of the larger strategic vision, the medical center is still contemplating greater-than-average capital spending, with plans for a hospital modernization project. This larger project includes a laboratory and a new inpatient tower, but has neither been board-approved and nor fully incorporated into the rating and outlook. The project would likely be funded by a combination of state funds, debt, capital campaign contributions, and hospital operating funds, with actual construction not beginning until fiscal 2012 at the earliest.

The Chicago area is quite competitive, with several medical centers in the immediate service area such as Rush University Medical Center (A-) and John H. Stroger Jr. Hospital of Cook County, as well as other hospitals in the broader service area, including Northwestern Memorial Hospital (AA+) and the University of Chicago Medical Center. However, the medical center has a market share of 4.3% based on the most recent information.

The medical center is an operating unit of the University of Illinois, the flagship institution among the nine state-supported universities in Illinois. The University of Illinois receives about a third of all the state appropriations for higher education. The medical center is a 449-staffed-bed academic teaching hospital that is located on the University of Illinois-Chicago campus and associated with the University of Illinois College of Medicine. Although the University of Illinois does not provide a formal guarantee on the medical center's debt, the bonds are secured by the medical center's net system revenues, the University of Illinois College of Medicine's tuition receipts, and the University of Illinois' faculty medical service plan revenues.

As the primary training ground for the University of Illinois' 1,300-student medical school, the medical center is supported by both the state ('A+' GO rating) and the University of Illinois. Previously, the medical center received part of the state's annual appropriations to the University of Illinois, but recently the funds it receives from the state have been based on a per diem payment, and the medical center does not expect them to be any less than what it had received in appropriation funding. Management views this change in payment positively, but we are still somewhat concerned because the state is fiscally challenged, as are other states.

Financial operations for fiscal 2010 have been solid as compared with fiscal 2009. For the 10 months of fiscal 2010 ended April 30, the medical center posted an operating margin of 5.8% as compared compared with 0.2% in fiscal 2009. The medical center attributes the operational improvement to increased Medicaid payments and expense reductions during the last year. The State of Illinois changed its Medicaid payment program, and the medical center was one of the two biggest benefactors from this change. Also for fiscal 2010, the medical center's expenses are approximately \$10

million under budget. For the 10 months of fiscal 2010, discharges for the medical center were down 7.8%, births down 8%, and inpatient surgeries down 7.4%. Despite the softness in volumes, the medical center has been able to produce solid operations. As noted above, expenses are \$10 million under budget, a major factor being that full-time employees are down 116 from 2009 and 246 from budgeted levels. MADS coverage has rebounded to 8.6x due to the solid operations in the 10 months of fiscal 2010 and the low debt burden of about 1.1%.

The medical center's balance sheet has improved, but remains below rating category medians, specifically in terms of liquidity and liquidity-related ratios. Liquidity is partly a reflection of the state's cap on liquidity for the medical center, although the medical center is not near the threshold. For fiscal 2010, the medical center had 88 days' cash on hand, its highest level in many years. However, this is tempered by the medical center's light spending from a capital standpoint and its knowledge that it will have to spend funds in the near future to stay on par with the competition. (Rush University is in the middle of a major building project, and Stroger Hospital completed a new facility a few years ago.) Management has stated that the medical center will need to spend \$80 million over the next three to five years, of which \$14 million will come from cash. Cash to long-term debt is greatly improved at 223.9%, reflecting low debt levels. Leverage is a manageable 24.5%.

The University of Illinois, on behalf of the medical center, has entered into a floating- to fixed-rate swap with Loop Financial Products as the counterparty. The University of Illinois (including all swaps for the medical center and the university) maintains a Standard & Poor's debt derivative profile (DDP) score of '1.5' on an enhanced four-point scale, where '1' reflects the lowest risk. The floating- to fixed-rate swap maintains a net variable-rate exposure of about 25% for the medical center.

Outlook

The stable outlook reflects the improved operations of the medical center amid possibilities of more challenging state support. However, Standard & Poor's remains concerned about the likely larger capital plans on an already limited balance sheet. Additional debt and spending without maintained improvement in financial operations and the balance sheet would likely result in a lower rating.

Letter Of Credit

The LOC provides coverage for payment of principal of and interest on the bonds, including payment of unremarketed tendered bonds. The initial LOC provides for a maximum of 35 days of interest coverage at 12% per year. The bondholders have the option of tendering their bonds for purchase while the bonds bear interest in the daily or weekly mode upon providing appropriate notice. The stated expiration date of the LOC is June 24, 2011, unless extended or earlier terminated pursuant to its terms. Upon expiration, the rating will be withdrawn unless the LOC is extended pursuant to its terms, or an alternate LOC is delivered.

The bonds are subject to mandatory tender upon:

- No later than 15 days following the LOC provider's notice of an event of default;
- Conversion to the long-term, flexible-, or fixed-rate mode;
- LOC expiration or termination; and
- Date of LOC substitution.

The bonds are also subject to optional redemptions as fully detailed in the indenture. The revenues of the medical center, tuition receipts from the University of Illinois College of Medicine, and the

University of Illinois faculty medical service plan revenues secure the series 2008 bonds, and aside from the tuition receipts and the medical service plan revenues the university is not obligated for the overall medical center's debt. The medical center also has series 1997B variable-rate bonds backed by an LOC from Landesbank Hessen-Thuringen.

Debt Derivative Profile: Very Low Risk

The university's swap program has floating- to fixed-rate swap contracts with a total notional amount of about \$235 million. Two contracts are with Morgan Stanley Capital Services Inc. as counterparty on the university's series 2004 COPs and a portion of the series 2006A bonds (refunded by the series 2008 bonds), with a notional amount of about \$167 million. A third swap contract is with JPMorgan as counterparty on a portion of the series 2006A bonds (refunded by the series 2008 bonds), with a notional amount of \$26.8 million. A fourth contract is with Loop Financial Products I LLC as counterparty on the HSPS series 2007 (refunded by the series 2008 bonds) for a notional amount of \$40.9 million.

Standard & Poor's scored the university's swap program as '1.5' on its four-point DDP scale, with '1' representing the lowest risk. The score reflects Standard & Poor's view that the university's swap program poses very low risk to the university's credit quality, particularly given its financial resources relative to any potential swap termination liability. Swap contracts are favorable to the university, because the university is not required to post collateral but the counterparties may be required to do so. The score also reflects the average economic viability of the contract, as a result of a structure well matched to the underlying debt, and good management practices, including a formal debt and swap management plan. The university's net variable-rate debt exposure, incorporating the synthetic fixed-rate debt, is modest at about 13% of total debt.

Related Criteria And Research

- USPF Criteria: Not-For-Profit Health Care, June 14, 2007
- USPF Criteria: Municipal Swaps, June 27, 2007
- USPF Criteria: Debt Derivative Profile Scores, March 27, 2006
- USPF Criteria: Municipal Applications For Joint Support Criteria, June 25, 2007

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X. 1120.140 - Economic Feasibility

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements (Not Applicable; A-bond rating)

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing (Not Applicable; A-bond rating)

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

| COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE | | | | | | | | | | | |
|---|----------------------------|--------------|----------------------|--------|-----------------------|--------|----------------------|--------------------|---|---|--------------------------|
| Department (list below) | A | B | C | | D | | E | F | G | H | Total Cost (G + H) |
| | Cost/Square Foot New | Foot Mod. | Gross Sq. Ft. New | Circ.* | Gross Sq. Ft. Mod. | Circ.* | Const. \$ (A x C) | Mod. \$ (B x E) | | | |
| | | | | | | | | | | | |
| Contingency | | | | | | | | | | | |
| TOTALS | | | | | | | | | | | |

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT -42 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Reasonableness of project and related costs (See Attached)

| COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE | | | | | | | | | |
|---|-------------------------|---------------------|----------------------|-------------------------|-----------------------|-------------------------|----------------------|---------------------|-----------------------|
| Department (list below) | A | B | C | D | E | F | G | H | Total Cost (G + H) |
| | Cost/Square Foot New | Square Foot Mod. | Gross Sq. Ft. New | Gross Sq. Ft. Circ.* | Gross Sq. Ft. Mod. | Gross Sq. Ft. Circ.* | Const. \$ (A x C) | Mod. \$ (B x E) | |
| Clinical | | | | | | | | | |
| Contemporary Procedure Support Bays | \$394.99 | | | | 7,000 | | | \$2,764,941 | |
| Ultrasound | 388.06 | | | | 4,750 | | | 1,843,294 | |
| Stem Cell Lab | 609.56 | | | | 1,294 | | | 788,777 | |
| Operating Room and Control | 444.74 | | | | 2,400 | | | 1,067,385 | |
| Subtotal / Average | 418.54 | | | | 15,445 | | | 6,464,397 | |
| Contingency | 20.94 | | | | | | | 323,427 | |
| Total Clinical | <u>\$439.48</u> | | | | 15,445 | | | <u>6,787,824</u> | |
| Non-Clinical | | | | | | | | | |
| Morgue Downsizing | \$603.66 | | | | 1,960 | | | \$1,183,166 | |
| Registration / Waiting / Sub-waiting | 109.49 | | | | 3,200 | | | 350,352 | |
| Kitchen Remodel | 78.46 | | | | 13,000 | | | 1,020,000 | |
| Infrastructure | 69.39 | | | | 215,300 | | | 14,938,783 | |
| Physician Offices / Support | 108.00 | | | | 400 | | | 43,302 | |
| Subtotal / Average | \$74.98 | | | | 233,860 | | | 17,535,603 | |
| Contingency | 10.49 | | | | | | | 2,452,768 | |
| Total Non-Clinical | <u>\$85.47</u> | | | | 233,860 | | | <u>\$19,988,371</u> | |
| * Include the percentage (%) of space for circulation | | | | | | | | | |

* Excluding contingencies

Total modernization contracts and contingencies are \$26,776,195.

November 3, 2010

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

Re: Support of UIMC Infrastructure Modernization, Renovation and Expansion
Certificate of Need Application

To Whom It May Concern,



This letter is intended to provide the Board with additional information related to the information provided in Attachment 42 of the application. We feel that there are mitigating circumstances regarding the square foot construction costs that we would like the Board to consider in their review.

First, the MS Means cost data does have a mechanism for dealing with increased costs associated with construction in urban areas, but we have found during the course of extensive work in the Chicago metro area that these provisions still do not accurately reflect the local construction market. We believe that additional provisions should be made for hospitals constructed in these distinct locations.

Second, all of the proposed work will take inside a fully operational hospital that is effectively utilizing all of their current space. The proposed work will take place in a series of distinct phases, often in very small construction zones. Each of these construction phases requires additional work to assure that infection control is maintained, as well as adequate patient, staff and public access. Each of these elements results in increased costs on a square foot basis and should be considered when reviewing project costs.

Third, most of the clinical spaces in the project involve renovation from current non-clinical uses. While the entire facility has an institutional classification, the infrastructure required to allow these spaces to be used for clinical purposes may not be readily accessible and require additional funds to be allocated to bring them to the new spaces.

With regard to the Hybrid OR project, the cost guidelines for this work are not adequate for the proposed work. The project is intended to provide the hospital with space to test new operating room applications, techniques, and processes. The complexity of the elements proposed to be integrated into this room has significant impact on the costs, and these are exacerbated by the limited nature of the area of this project.

I hope that these additional issues will be taken into consideration by the Board in their deliberations for this project.

Sincerely,

Kent E. Davidson, AIA
Project Manager
VOA Associates
License Number 001.015226

UNIVERSITY OF ILLINOIS MEDICAL CENTER AT CHICAGO
FORECASTED FINANCIAL
PERFORMANCE

PROJECTED OPERATING COSTS

| | 'FY 2014 | 'FY 2015 | 'FY 2016 | 'FY 2017 |
|-----------------------------|------------|------------|------------|------------|
| TOTAL NET OPERATING REVENUE | \$ 765,419 | \$ 796,464 | \$ 827,854 | \$ 857,909 |
| OPERATING EXPENSES | | | | |
| salaries & benefits | \$ 448,126 | \$ 465,042 | \$ 482,644 | \$ 500,960 |
| supplies & other | \$ 246,399 | \$ 255,224 | \$ 264,413 | \$ 273,982 |
| depreciation & amortization | \$ 24,238 | \$ 27,080 | \$ 28,947 | \$ 29,228 |
| interest expense | \$ 1,541 | \$ 1,463 | \$ 1,385 | \$ 1,307 |
| bad debts | \$ 35,746 | \$ 37,865 | \$ 40,113 | \$ 42,499 |
| total expenses | \$ 756,050 | \$ 786,674 | \$ 817,502 | \$ 847,976 |
| EXCESS REVENUE OVER EXPENSE | \$ 9,369 | \$ 9,790 | \$ 10,352 | \$ 9,933 |

- 1) The financial projections assume the project commences in January 15, 2011 and is completed January 15, 2014
- 2) The financials reflect the total UIMCC projected financial performance for the half fiscal year of operation in 2014, the first full year of operation in 2015, and the next two fiscal years' financial performance after project completion.
- 3) Projected financials forecast only incremental variable costs due to the project since existing fixed costs maintains adequate capacity to absorb the incremental changes in operations caused by the project.

TOTAL EFFECT OF THE PROJECT ON CAPITAL COST
 (Annual Capital Cost and Per Equivalent Patient Day)

| | | |
|--|----------------------|---|
| total project costs per attachment # 7 of project #07-016 | \$ 37,114,898 | |
| add: incremental interest expense | \$ 2,818,125 | |
| | ----- | |
| total incremental capital cost | \$ 39,933,023 | |
| estimated useful life of project (stated in years) | | 15 |
| estimated additional projected operating expense | \$ 2,662,202 | |
| projected equivalent patient days | | 206,821 |
| estimated additional projected operating expense per equivalent patient day | \$ 12.87 | |
| equivalent patient days = anticipated | | X total gross rev / inpatient gross rev |
| | patient days 2014 | |
| | 115,470 patient days | |
| | X | \$1,829,814,000 / \$1,021,600,000 = |
| | | 206,821 |

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge. **No impact is expected; no change in services**
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant. **Not Applicable; no change in service; modernization project only.**
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant. **Any discontinuation could result in higher demand placed on UIMCC**

Safety Net Impact Statements shall also include all of the following:

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

A table in the following format must be provided as part of Attachment 43.

| Safety Net Information per PA 96-0031 | | | |
|---------------------------------------|--|--|--|
| CHARITY CARE | | | |
| Charity (# of patients) | | | |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |
| Charity (cost in dollars) | | | |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |
| Medicaid (# of patients) | | | |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |
| Medicaid (revenue) | | | |
| Inpatient | | | |
| Outpatient | | | |
| Total | | | |

APPEND DOCUMENTATION AS ATTACHMENT 43 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

| Safety Net Information per PA 96-0031 | | | | |
|--|----------------|--------------------|--------------------|--------------------|
| CHARITY CARE | | | | |
| Charity (# of patients) | 2006 | 2007 | 2008 | 2009 |
| Inpatient | 209 | 445 | 543 | 605 |
| Outpatient | 2,195 | 6,239 | 8,827 | 8,967 |
| Total | 2,404 | 6,684 | 8,830 | 9,592 |
| Charity (cost In dollars) | | | | |
| Inpatient | -- | 3,260,220 | 5,603,442 | 5,806,175 |
| Outpatient | -- | 1,635,889 | 3,349,178 | 3,722,198 |
| Total | | 4,896,109 | 8,952,620 | 9,528,373 |
| MEDICAID | | | | |
| Medicaid (# of patients) | 2006 | 2007 | 2008 | 2009 |
| Inpatient | 7,372 | 7,734 | 7,893 | 7,078 |
| Outpatient | 146,435 | 155,226 | 157,182 | 150,935 |
| Total | 153,807 | 162,960 | 165,075 | 158,103 |
| Medicaid (revenue) | | | | |
| Inpatient | -- | 267,355,866 | 104,948,860 | 108,977,893 |
| Outpatient | -- | 128,981,197 | 13,503,532 | 14,246,847 |
| Total | | 396,337,063 | 118,452,392 | 123,224,740 |

Revenue not reported on 2006 AHQ

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

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

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

A table in the following format must be provided for all facilities as part of Attachment 44.

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

APPEND DOCUMENTATION AS ATTACHMENT-44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

A table in the following format must be provided for all facilities as part of Attachment 44.

| CHARITY CARE | | | |
|----------------------------------|----------------------|--------------------|--------------------|
| | 2007 | 2008 | 2009 |
| Net Patient Revenue | 1,207,358,026 | 444,529,075 | 460,907,683 |
| Amount of Charity Care (charges) | 12,600,727 | 25,328,495 | 26,940,787 |
| Cost of Charity Care | 4,896,109 | 8,962,620 | 9,528,373 |

Charity Care and Community Benefits Material

Overview / Summary

University of Illinois Medical Center at Chicago
Public Service Review
Fiscal Year 2009

2010 Service to the State Report
University of Illinois Medical Center

Charity Care and Community Benefits Summary Statement

The University of Illinois Medical Center at Chicago demonstrates its commitment to provide compassionate, high quality health care to the people of Illinois through a variety of programs and services. The initiatives vary both in scope and communities served. From raising funds for the American Heart Association to providing the Jesse Brown VA Medical Center with faculty members to offer cardiology, radiation therapy, mammography, and cardiac catheterization lab services, UIMCC truly is changing medicine for good.

Locally, UIMCC has been providing primary and social services to high-risk, vulnerable populations throughout the Chicagoland area for over 30 years through its Mile Square Health Center (MSHC). As a Federally Qualified Health Center, MSHC is considered one of the nation's safety net providers whose mission is to provide care to patients regardless of their ability to pay. Through MSHC, we meet patients' immediate needs, while incorporating the support systems necessary to acquire and maintain a greater level of health in the future.

UIMCC not only seeks to improve the health of those in our own community, but to all Illinois citizens. UIMCC offers vital services to people throughout the state by operating unique programs such as the Division of Specialized Care for Children and the Comprehensive Sickle Cell Center. The Division of Specialized Care for Children (DSCC) provides diagnostic services, care coordination, and financial assistance for eligible children with certain chronic physical disabilities and health impairments. Annually DSCC serves more than 24,000 families and pays for, or coordinates payment of, over \$74,000,000 for specialty healthcare services. UIMCC is also home to the Comprehensive Sickle Cell Center (CSCC), which strives to improve the quality of life for people with Sickle Cell Disease by providing cutting edge clinical, psychosocial, educational, and research services. CSCC is the only comprehensive center nationally to treat both adults and children with SCD by providing inpatient and outpatient care, as well as adult outpatient management of sickle cell pain, all in one location.

These are only a few examples of how the University of Illinois Medical Center at Chicago works to achieve our vision to "be true to our commitment to the people of Illinois to provide compassionate, high quality health care and be an acclaimed leader in advancing the art and science of medicine".



**University of
Illinois
Medical Center**

Changing medicine. For good.

**University of Illinois Medical Center at Chicago
Public Service Review
Fiscal Year 2009**

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I. Introduction

The University of Illinois Medical Center at Chicago's (UIMCC) mission as a public service institution is to provide the best of care in accordance to the highest standards to Illinois residents. UIMCC has an obligation to capitalize on research and education to extend quality health care to the people of Illinois. As a public service institution, UIMCC is committed to provide compassionate, high quality health care to the people of Illinois and be an acclaimed leader in advancing the art and science of medicine. UIMCC engages in research on new ways to prevent, diagnose, and treat illness, serves as a clinical environment for the University of Illinois at Chicago's (UIC) six health science colleges, and continues to shape the future of medicine all while providing exceptional clinical care to the people of Illinois.

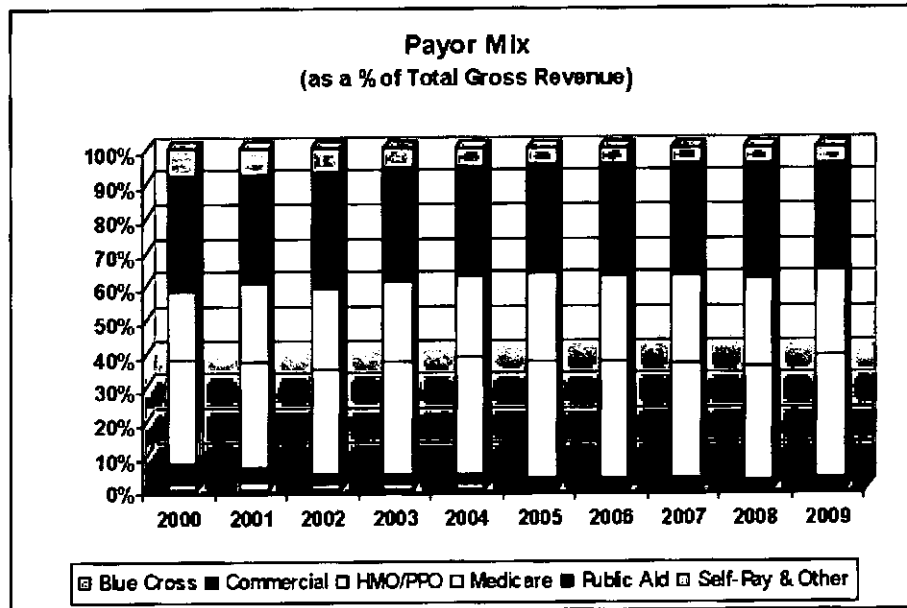
II. University of Illinois Medical Center at Chicago

The University of Illinois Medical Center at Chicago can trace its roots back to 1919, when a cooperative agreement between the University of Illinois and the Illinois Department of Public Welfare resulted in the construction of the Research and Educational Hospitals. History clearly illustrates the commitment of the Illinois General Assembly which appropriated the funds to build the first hospital in 1919 and then again in 1947. The eventual aging of the Research and Educational Hospitals gave rise to the building of the University of Illinois Hospital in 1977. Today, over 500 physicians and specialists provide high quality primary and specialty care to patients from the city of Chicago, the state of Illinois and around the world. As a member of the Illinois Medical District, UIMCC is centrally located in one of the largest urban healthcare, educational, research, and technology districts in the nation.

UIMCC is comprised of a 491-bed hospital, outpatient diagnostic and specialty clinics, and three Federally Qualified Health Centers (FQHCs) that serve as primary teaching facilities for the University of Illinois at Chicago Health Science Colleges. The eight-story inpatient facility provides a full complement of patient care services from primary care through and including transplantation, with a medical staff comprising recognized leaders in a variety of specialties. The Outpatient Care Center (OCC) is a state-of-the-art facility with a fully computerized medical record system, allowing all patient records to be accessible electronically to care-givers in both inpatient and outpatient environments. The OCC houses all subspecialty and general medicine outpatient services and the Women's Health Center.

UIMCC serves as a referral site for patients throughout the city, state and world. In fiscal year 2009, approximately 14,000 inpatient and outpatient surgeries were performed, over 57,000 patients visited the emergency department, 20,000 patients were admitted to the hospital, and 450,000 patients visited the Outpatient Care Center¹. UIMCC is situated in an environment that continues to experience population growth and significant demographic changes. UIMCC is a critical part of the state Medicaid health care system. UIMCC is among the top five Medicaid providers in the state.

¹ "Budget Reporting Monthly (BRM)," University of Illinois Medical Center June 2009.



Through its affiliation with UIC, UIMCC has access to many additional healthcare resources. As the largest medical school in the country, the UIC College of Medicine (COM) educates a broad cultural and economically diverse base of medical students and trainees. The community benefits from the collaborative relationships between UIMCC and UIC's other health science colleges, which includes the Colleges of Dentistry, Pharmacy, Allied Health Professions, Nursing and the School of Public Health. In addition, the UIC campus hosts the Lions of Illinois Eye Research Institute, the Light House for the Blind, and UIMCC's Eye and Ear Infirmary (EEI), making this a major statewide referral center for eye disease.

The diverse staff and resources that comprise UIMCC enable the fulfillment of its commitment to the people of Illinois and help to foster an environment focused on providing the highest level of patient care, a commitment to education, and dedication to discovering leading-edge cures and treatments. The foundation of UIMCC's public service programs center on the three pillars of clinical care, research, and education.

III. Public Service and Clinical Care

University of Illinois Medical Center at Chicago provides a full range of medical and community services to its neighborhood on a routine and annual basis; many of which generate low or negative margin. These programs have been developed in response to the needs of unique populations, and would likely be discontinued if analyzed on a purely financial basis. A number of these activities are outlined below.

Community Health Promotion and Wellness Program

UIMCC provides Community Health Promotion and Wellness Programs throughout the calendar year. These programs are held at UIMCC and variety off-site locations including local churches,

schools, and public libraries. Programs held throughout the calendar year included a number of health topics such as Uterine Fibroid Embolization, Diabetes, Blood Pressure, Stroke, Peripheral Arterial Disease, Kidney Disease, Back-to-School Physicals, and Breathing/Lung Testing. Each program was free and open to the public and staffed by UIMCC employees who volunteer their time and energy for the events.

Division of Specialized Services for Children (DSCC)

Established in 1937, and administered by the University of Illinois at Chicago, the Division of Specialized Services for Children (DSCC) is the Illinois Title V agency that provides care coordination for families and children with special health care needs. DSCC helps children with disabilities, and those who have conditions that may lead to disabilities, grow and develop to the full extent of their abilities. Over 20,000 families in all 102 counties in the State of Illinois annually receive services from DSCC.

Mile Square Health Center (MSHC)

The University of Illinois Mile Square Health Center (MSHC) is a Federally Qualified Health Center (FQHC) with over 30 years of rich history of providing primary healthcare and social services to high-risk, vulnerable populations throughout the Chicagoland area. As an entity of the University of Illinois, MSHC is managed and staffed by health professionals from the University of Illinois. The health center has a Board of Directors, 51% of who are consumers of the health center. MSHC offers a comprehensive array of medical care and social services, including Family Practice Medicine, Family Planning, Obstetrics and Gynecology Services, Podiatry, Pediatrics, Optometry, Pediatric and Adult Psychiatry, Nutritional Counseling, Breastfeeding Support, WIC Program, and an extensive Community Outreach Program and several School-based Health Clinics.

MSHC currently has eight primary service sites:

- Mile Square Health Center
- James Jordan Family Life Center
- Near West Family Center
- Mile Square Health Center at South Shore
- Mile Square Health Center at Back-of-the-Yards
- John M. Smyth STARS Programs at John M Smyth Elementary School
- Young Women's Leadership Charter School Clinic
- National Teachers Academy

MSHC provides high quality, compassionate healthcare based on the patients and families individual needs, while incorporating the support systems to help maintain healthy families and healthy communities. As a FQHC, MSHC is considered one of the nation's "safety net providers", whose mission is to provide care to patients regardless of their ability to pay. MSHC medical care community outreach programs include:

1) Health Disparities Collaborative - Group Visit Topics

It has been documented that ethnically diverse communities have health disparities that exceed other populations. The Bureau of Primary Healthcare through the Health Resources and Services Administration (HRSA) established nationwide collaboratives to address health

disparities beginning in 2002. MSCH focuses on cardiovascular disease as its disparities initiative. Group visits are held monthly with patients and their families. During these visits, patients meet with a physician, attend lectures, and participate in group discussions to aid in their understanding of their illness. They also develop self-management goals to help them change specific behaviors that may contribute to their illness.

2) Pregnancy Centering

Pregnancy centered programs are offered for new parents where expectant mothers participate in group discussions with their partners in an effort to promote prenatal bonding and education.

3) OB Orientation

A program for pregnant MSHC patients OB Orientation allows the opportunity for new mothers and their partners to learn about the challenges of childbirth as well as obtain assistance in receiving the necessary support needed during their pregnancy.

4) School of Allied Health Steering Committee

A partnership between the College of Applied Health Science and MSHC has been established for Allied Health Students to do projects at Mile Square that will give them experience with diverse community groups and issues.

5) Breastfeeding Education

Mothers are educated and encouraged to breastfeed their infants in order to maximize nutritional and health benefits. Lactation support and consultation are provided to mothers during their visit and in their homes.

6) Patient Education

Patient education courses ranging on car seat safety, asthma, cancer, and HIV/AIDS awareness are held throughout the year to focus on a myriad of health issues that affect our community.

Comprehensive Care for Sickle Cell Patients (CSCC)

A team of physicians, nurses, researchers, a social worker, a community educator and a psychologist staff the Comprehensive Sickle Cell Center (CSCC) at UIC. The Center was founded in 2001 with state funding, it is the only comprehensive center in Illinois devoted to clinical care of people with sickle cell disease. Since 1989, every newborn in Illinois is tested for sickle cell disease in a screening program. UIMCC is one of the contracted hospitals that receive State referrals for babies and children with sickle cell disease. UIMCC is unique in Chicago, in the fact that the center also tests adult sufferers of the disease and has a program to help adults transition from children's treatment centers at other hospitals to the adult treatment program at UIC, assisting with insurance, forms, and other personal and financial matters.

In addition to treating patients, the CSCC has a team of scientists that has been researching sickle cell disease for more than 20 years. One clinical trial that ended in 2002 produced a widely effective drug treatment, call decitabine, for sufferers of sickle cell disease.

The Center has been designated by the National Institutes of Health (NIH) to become a member of the Sickle Cell Disease Network, a group of eight centers across the country that will design and perform multiple therapeutic trials. This will give the Center the ability to participate in multi-center trials, which will benefit the patients.

Community education and awareness of sickle cell disease is a large focus of the Center. The Center holds monthly support meetings for patients, participates in community health fairs, and helps patients overcome the obstacles they face during treatment.

Lunchtime Health Lecture Series

Lunchtime Health Lecture series serves to educate area residents and employees on a wide-range of health-related topics. These physician/healthcare provider-led lectures occur at various points throughout the year on our campuses to increase access to the community. These lectures are announced electronically via the e-newsletter and the UIMCC Website and are free and open to the public.

Laboratory Outreach Program

The Laboratory Outreach Program services the entire state of Illinois. This includes patients and physicians from other healthcare facilities, such as hospitals, physician offices and clinics, and government agencies such as the Illinois Department of Human Services Mental Health facilities, Illinois Department of Corrections, Illinois Department of Public Health, and the Chicago Department of Public Health Clinics (indigent care and HIV). This also includes low income counties.

American Heart Association Heart Walk

UIMCC has been very active in the American Heart Association's annual Heart Walk. The American Heart Association is a national voluntary health agency whose mission is to reduce disability and death from cardiovascular diseases and stroke. Over a hundred faculty and staff have participated in the AHA Heart Walk with one hundred percent of the money raised donated to the American Heart Association.

March of Dimes

UIMCC has been very active in the March of Dimes Campaigns to reduce preterm birth. Faculty and staff have participated in both providing lectures and raising money for the March of Dimes through the annual Walk. Ninety percent of the money raised for the March of Dimes is directed towards community education and projects for improving perinatal outcomes.

Support Groups

UIMCC organizes and manages a number of support groups, including the Pediatric Oncology, HIV, and the Bariatrics groups, which are aimed at enabling and empowering patients to treat and cope with their health issues. These support groups are promoted within the various departments that manage them, and may provide food and parking reimbursement.

Health Fairs/Screenings

In its continued efforts to contribute to the public service mission, UIMCC participates in a number of health fair and screening programs throughout the Chicago area. For example, UIMCC

participates in the American Heart Association Go Red annual event. Sponsors a back to school health fairs including educational supplies, school physicals and immunizations provided to uninsured.

Other programs that highlight UIMCC public service contribution include the stroke screening events for a mostly Spanish speaking population in conjunction with the Stroke Prevention and Education Committee and the "Buy a Mom a Mammogram" program which works in conjunction with Silver Lining Foundation, and provides mammograms to the uninsured community.

Language Assistant Services

The University of Illinois Medical Center at Chicago provides Language Assistance Services to patients with limited English proficiency or deaf/hearing impaired patients. These following services are provided by the Department of Guest Services:

- On site Spanish interpreters
- On site languages interpreters for other languages besides Spanish (upon request)
- On site sign Language interpreters (upon request)

Language Interpreters Services over the phone are available 24 hours a day, 7 days a week. These services are provided to the patients at no charge.

Donations

Many of the items noted under Community Health Services are paid for by in-kind donations from UIMCC and include the notices that publicize screenings and lunchtime lectures, the food and beverages for the various events, and the staff time and hours spent organizing and working these activities.

UIMCC, with the help of the University of Illinois Foundation, recently set up *I Care Fund* which serves to provide much needed resources to UIMCC patients and their families. UIMCC is unique in that it has one of the largest and most diverse patient bases in Chicago and includes many working uninsured and underinsured individuals. Through the *I Care Fund*, UIMCC is working to provide financial assistance to these patients during their time of need.

Volunteer Services

At UIMCC, volunteer services are of considerable importance to individual patients and contribute to the wellness of its population. A number of programs are available at UIMCC:

- 1) **Volunteer Greeters**
Volunteers help to brighten the day of people entering UIMCC by welcoming guests and helping them get to their destination. This is a primary focus for UIMCC and one that patients and their families sincerely appreciate.
- 2) **Pediatric Volunteer**
Volunteers help children facing medical challenges get through their daily routine by holding their hand as they go through a test or play a game with them while they wait for the medicine to work.

- 3) **Baby Cuddlers**
The Cuddler Program uses trained volunteers to handle, hold, rock, and cuddle stable infants as they convalesce from premature birth or other illnesses. Research has shown that infants who are held demonstrate greater growth, physiologic stability and have shorter hospital stays than infants denied that opportunity. Since critically ill newborns are frequently hospitalized for an extended period of time, parents find themselves emotionally and physically torn between their desires to visit with their infants and other life responsibilities.
- 4) **Reach Out and Read**
Volunteers read to children in the Pediatric Clinic waiting room while they are waiting to see their healthcare providers. This program serves two important purposes for families. First, volunteers provide a positive, nurturing experience with books at a time when children may need comfort. Second, books and stories provide new ideas, amusement, and a window into a wider world at a moment when children might otherwise find themselves with few distractions from the anxieties of waiting and wondering what the doctor's appointment will bring.
- 5) **SurgiCenter**
Volunteers in the SurgiCenter provide extra care to these people by being the link between them and the SurgiCenter staff. They also provide reading material, directions, and some transport services.
- 6) **Pastoral Care**
Pastoral Care Services are available to meet the spiritual needs of UIMCC patients and their families. Chaplains are available as a resource for the following services:
 - Spiritual and emotional support
 - Administering the sacraments, such as Holy Communion or the sacrament of the sick
 - Ethical decision-making assistance on issues such as Advanced Directives.

Financial Assistance Programs

Government-sponsored health care community benefits include the unpaid costs of public programs. The University of Illinois Medical Center at Chicago provides a number of financial assistance programs to its patients.

- 1) **Medicaid Presumptive Eligibility (MPE)**
Medicaid Presumptive Eligibility (MPE) offers immediate, temporary coverage for outpatient health care for pregnant women who meet income requirements. Those that qualify are eligible for the following covered benefit services: prenatal checkups, doctor visits, lab tests, prenatal vitamins, medicine, specialty medical care, eye care, dental care, emergency room care, mental health and substance abuse services, transportation to get medical care and other services.
- 2) **ALL KIDS**
ALL KIDS covers health care for women while they are pregnant and for 60 days after the baby is born. It also covers both outpatient health care and inpatient hospital care, including

labor and delivery. It pays for services to babies for the first year of the baby's life, if the mother is covered by ALL KIDS when the baby is born.

- 3) **Outpatient Medicaid and SSI/SSDI enrollment assistance**
UIMCC Health Social Work department assesses established patients who may qualify for public aid, cash assistance, food stamps and supplemental security income/social security disability insurance.
- 4) **Community Service Discount**
UIMCC offers a community service discount for self-pay patients who are receiving medically necessary services from the hospital and do not qualify for any other coverage program.
- 5) **Centers for Medicare & Medicaid Services (CMS) – 1011 Non-Citizen Emergency Treatment Program**
CMS approves payment to currently approved Medicare providers. Only services that are rendered in relation to emergency treatment will be paid under the program. Non-citizen patients who are admitted through the Emergency Department (ED) will have their inpatient services covered. If patients require outpatient follow-up to the ED visit, these services also will be covered.
- 6) **Crime Victims Compensation**
Crime Victims Compensation (CVC) offers residents of the State of Illinois financial assistance to crime victims and their families to compensate them for certain types of losses caused by the crime. In addition, where the victim was working at the time of the crime or within two years of that time, the victim, or victim's family can be compensated from the State of Illinois for loss of wages and/or support.

An important service provided by the Crime Victims Project (CVP) is short-term counseling or referral to a professionally trained counselor. Counseling can provide assistance with immediate problems faced by the victim, lending the necessary support mechanisms to help the victim reestablish the confidence to proceed with the activities of his or her life.
- 7) **Inpatient Medicaid enrollment assistance**
The UIMCC Health Social Work department and Great Lakes Medicaid screen all inpatient self-pay patients for potential application to Public Aid for assistance. Patients are assessed and qualified applicants are assisted in completing the application and/or other documentation requirements.

IV. Public Service and Education

The University of Illinois Medical Center at Chicago's educational mission encourages health science college students to interact with the neighboring community. This interaction is two-fold in that it allows UIMCC and the health science colleges embrace public service while also providing

students the opportunity for hands-on learning and experience. Detailed below are a few of the programs that demonstrate the organization's commitment to public service and education.

College of Medicine (COM)

The mission of the UIC College of Medicine (COM) is to produce new knowledge in the medical sciences, develop best practices in health care delivery, and educate the next generation of physicians and biomedical and physician scientists committed to serving the needs of Illinois and the nation. The college has four sites that provide a tremendous opportunity for the community outside the city of Chicago to build upon the already premier rural health programs.

UIC's Rockford campus medical education program (RMED) was founded in 1993 to address the serious problem of inadequate access to quality health care in rural communities, not only in Illinois but across the nation. RMED recruits and trains medical students from rural communities to practice in medically underserved rural areas. The RMED program is a supplemental curriculum designed to complement the regular medical school curriculum. All RMED students take the traditional curriculum with other medical students, but go on to additional training in rural medicine. The education programs at UIMCC and in outreach centers provide patient care and improve access to urban, rural and minority populations.

UIMCC is committed to advancing access to health care in the underserved areas of the state particularly in rural areas. While UIMCC provides direct patient care to a sizable number of patients who travel distances from rural areas of the state, it is also committed to advancing telemedicine as a method of patient care delivery in rural areas and in other underserved areas. The first major telemedicine project was established to assist a critical access hospital in the far north western part of the state in Galena. The academic/rural partnership between Galena-Strauss, Hospital and Healthcare Center and UIMCC, Department of Emergency Medicine provides around the clock coverage for urgent care and emergency medicine at Galena-Strauss, Hospital and Healthcare Center. Through this strategic alliance, board certified emergency room physicians provide critical and urgent care for Galena-Strauss' Emergency Department. In addition, UIMCC Emergency Physicians also work with area Emergency Management Service agencies by providing them with on-going and comprehensive continuing education and training.

Other telemedicine projects include services which can be delivered to assist the Illinois Department of Corrections to meet the needs of their inmates around the state.

College of Nursing (CON)

The mission of the UIC College of Nursing (CON) is to educate highly competent nurse leaders for direct nursing practice as well as for administrative leadership in academic and healthcare systems. To achieve this mission, the CON utilizes faculty-driven local and global innovations in learning, knowledge discovery and practice. The intention is to discover and synthesize knowledge and to promote critical thinking and learning so as to disseminate, translate and apply knowledge for improving health and health care delivery based on the most contemporary evidence available. The CON educates nursing professionals proficient in delivering patient-centered care as members of interdisciplinary teams epitomizing evidence-based care, electronic health information management and continual quality improvement. At the UIC College of Nursing the focus is on Advancing Nursing Leadership for health in Illinois and beyond.

College of Dentistry (COD)

The mission of the UIC College of Dentistry (COD) is to promote optimum oral and general health to the people of the State of Illinois and worldwide through excellence in education, patient care, research, and service.

One of the goals of the College of Dentistry is to prepare an oral health care workforce that is competent and committed to addressing the oral health needs of vulnerable and underserved populations and to play its part in eliminating health disparities. The COD engages all fourth year dental students in service-learning experiences in community-based clinics in Chicago and other areas of Illinois including Aurora, Rockford and Lake County. These experiences are integral for students and provide care to the underserved urban, rural, and special needs populations including children, developmentally disabled, HIV positive and geriatrics patients.

College of Pharmacy (COP)

The UIC College of Pharmacy (COP) provides leadership in education, research, public service, entrepreneurship and business activities and patient care to guide and serve the pharmaceutical care needs of society – extending from the people of Illinois to the global community.

School of Public Health (SPH)

The UIC School of Public Health (SPH) is dedicated to excellence in protecting and improving the health and well-being of the people of the metropolitan Chicago area, the State of Illinois, and of others throughout the world. The School achieves this mission by: educating scientists, professionals and the public; conducting research to develop solutions to public health problems; providing public health service; and contributing to the formulation of public health policy.

An ongoing initiative within the SPH is the Community Outreach Intervention Projects (COIP). COIP currently serve neighborhoods across Chicago and its suburbs with an array of public health interventions and research studies. The staff of over seventy members includes researchers, service providers, administrators, student assistants, and volunteers. Five storefront field stations, a motor home, and a mobile van unit form the base for COIP operations. COIP interventions are known for their use of the Indigenous Leader Outreach Model, which employs members of targeted populations to deliver community-based services. Among the services offered at COIP sites are: street outreach, prevention education, counseling and testing addressing HIV, hepatitis, syphilis and other infectious diseases common among impoverished and substance-abusing populations, case management, syringe exchange, drug abuse counseling, and free medical care for persons living with HIV.

College of Applied Health Sciences (AHS)

The College of Applied Health Sciences (AHS) is a socially conscious, research-intensive academic community whose mission is to build capacity in the allied health sciences. The mission is accomplished by training professionals and scholars who excel in a complex, multicultural world; discovering and translating new knowledge that transforms individuals, families, and communities; fostering UIC's Great Cities Commitment by working with urban community partners in mutually beneficial ways; and providing clinical services and care to the underserved.

The interdisciplinary PhD program in disability studies at UIC is the first PhD in the United States dedicated to the field of disability studies and is one of only a few such programs in the world. It has been featured in USA Today, the Chicago Tribune, the Journal of the American Medical Association, and on NBC Nightly News. It produces disability scholars prepared to take prominent roles in advancing and integrating the scientific and cultural study of disability².

The Assistive Technology Certificate Program (ATCP) trains professionals to deliver state-of-the-art assistive technology clinical services to individuals with physical, cognitive, and/or sensory disabilities. The ATCP instructors are faculty members in the Department of Disability and Human Development and group leaders with the Assistive Technology Unit (ATU). ATU provides Assistive Technology services to approximately 500 individuals with disabilities in northeast Illinois each year³.

Public service for UIMCC includes serving as the learning laboratory for and collaborating with the six health science colleges and local institutions. UIMCC serves as the clinical site for training radiology technology students from a number of area community colleges. This clinical training helps them to be competent in their area of study and contributes to the production of much needed qualified radiology professionals to serve the health care needs of our community.

V. Public Service and Research

The University of Illinois is committed to providing leadership in the field of translational biomedical research that will impact human health and society through the expertise in the colleges of medicine, health science and engineering. UIMCC is essentially the clinical laboratory for health science clinical research and embraces providing public service and advancing medical care through research. Together these disciplines bring together a unique combination of biotechnology and technology transfer and UIMCC continues to be a technologically advanced and patient-friendly health care system. With the increasing emphasis on translational research, UIMCC's role in research will be even greater than it has been in the past.

Several current research projects at UIC have lead to breakthroughs that are finding solutions to major health problems. Examples of these breakthroughs are:

Use of Nanotechnology to Restore Vision to Damaged Retinal Cells

This project puts UIC at the front line of nanotech—the emerging technology used to create devices a nanometer—one billionth of a meter—in size. These nanotech devices can interact with molecules on the surface of cells, presenting a vast array of potential clinical applications. This research is focused on developing a nanotech structure—that is, an artificially generated molecule—that can compensate for the damage that blinding diseases such as degenerative retinal diseases and repair vision loss and pave the way for other neurological degenerative conditions. By age 75, the

² University of Illinois at Chicago, Department of Disability and Human Development at the College of Applied Health Sciences.

³ University of Illinois at Chicago, Department of Disability and Human Development at the College of Applied Health Sciences.

risk of developing age-related macular degeneration (AMD) reaches 25 percent. Over 15 million people world wide presently have this disease.

This project defines UIC as among the leading institutions of eye research, not only in the United States, but worldwide.

Functional Cure for Diabetes

For the last few years, hopes for a functional cure for diabetes have centered on an international effort led by doctors and scientists from UIMCC and others from Europe, Israel, Canada, and other United States academic medical centers. Today, doctors are dependent on donor pancreases, which is why this initiative in trying to multiply the number of crucial islet cells (once they are harvested from the pancreas) is so important.

When successful, this research would solve one significant problem related to islet transplantation. Today 20.8 million diabetics need islet cells, but each of the 6,000 annual donors can help only one diabetic. This program could double or triple the number of diabetic recipients and maybe one day the cells would multiply by the hundreds, thereby increasing the number of diabetics who would benefit from each donor.

VI. Conclusion

The goals of UIMCC are to provide the highest quality patient care services, using the most advanced technologies to cure disease and restore life, to provide access to under represented groups in Chicago and throughout Illinois, to support the instruction of students from the College of Medicine and other UIC health science colleges, and to discover new technologies and advance translation of clinical research into patient care. UIMCC is the learning laboratory for health science students, is the primary site of clinical practice for the faculty physicians, dentists, pharmacists, nurses, physical therapists, occupational therapists, nutritionists, and other health professionals, and is the principal clinical care setting for providing access to quality care for the people of Illinois and beyond.

2010 SERVICE TO THE STATE REPORT

UNIVERSITY OF ILLINOIS MEDICAL CENTER

Three programs that demonstrate the statewide impact of the University of Illinois Medical Center are the Comprehensive Sickle Cell Center, the Laboratories Outreach Program, and the Division of Specialized Care for Children.

COMPREHENSIVE SICKLE CELL CENTER

The mission of the University of Illinois at Chicago Comprehensive Sickle Cell Center (SCC) is to improve the quality of life for adults and children with Sickle Cell Disease (SCD) and their families, and to reduce morbidity and mortality by providing cutting edge clinical, psychosocial, educational, and research services. With over 35 years of experience, highly skilled and dedicated physicians, nurses, and counselors provide excellent health care to over 800 patients with SCD, the second largest sickle cell patient population in the country. Centrally located within the dense population of sickle cell patients in the west and south sides of Chicago, *the SCC is the only state and federally funded program of its kind in the Midwest.* It is unique nationally as it is the only comprehensive center that treats *both* adults and children with SCD providing inpatient and outpatient care, as well as adult outpatient management of sickle cell pain all in one location. Since the inception of Illinois State funding in 2002, the SCC has experienced clinical volume increases of an average 15% each year.

Adult Clinic and Acute Care Center

A joint effort of the SCC and the University of Illinois Medical Center, the long anticipated Acute Care Center (ACC) for the outpatient management of sickle cell pain crisis opened in 2009. Uncomplicated pain crises are the most frequent reason for emergency room visits by sickle cell patients and result in hospitalization 60% of the time. The ACC is a

preferable alternative to the use of conventional emergency departments for the treatment of sickle cell pain, not only for cost savings, but also for improved medical treatment, improved outcomes, and patient satisfaction.

Pediatric Program

In addition to providing routine medical care, the Pediatric Program offers patients and families ongoing education and counseling regarding SCD and its management at home. Working with the Illinois Department of Public Health, the Pediatric Program provides confirmatory testing for infants identified on newborn screening as having hemoglobinopathies. Counseling and educational services are also made available to family members. Ongoing collaborative partnerships within the sickle cell programs at Rush Medical Center, John H. Stroger, Jr. Hospital, and Children's Memorial Hospital allow for access to all the programs and resources of the SCC.

Psychosocial Services

Myriad psychological and social issues impact the life of a sickle cell patient. UIC's Health Psychology Team utilizes an integrative approach to help these patients cope with their chronic illness, coordinating interventions with the patient's ongoing medical care to include psychological evaluations, as well as inpatient and outpatient therapy. The sickle cell social worker attends both adult and pediatric clinics to assist families with issues related to work/school difficulties, financial difficulties, and Supplemental Social Security Disability. The Youth-to-Adult Transition program, led by a social worker, utilizes a team approach to enable the young adult to achieve a successful transition from the pediatric to the adult program.

Education and Outreach Program

The Education and Outreach Program seeks to broaden knowledge of SCD and enhance public awareness of the SCC's services for patients and their families. Educational activities are conducted at a variety of venues such as, schools, churches, educational forums, community health fairs, radio broadcasts, cable access television, and other media. Patient and family support are also provided through a support group and a patient council that meets on a monthly basis. This year the first annual Memorial Service was conducted for families and friends of deceased patients. In 2007 the Community Hemoglobinopathy Screening and Education initiative was implemented with 7% of the nearly 700 individuals screened identified as trait carriers.

Research/ Clinical Trials

The first evidence that the expression of fetal hemoglobin (HbF), which appears to ameliorate many symptoms and complications of SCD, could be increased by the use of a medication was reported from Dr. Joseph DeSimone of the University of Illinois at Chicago. Individuals with SCD and the staff of the SCC have contributed to virtually every national study of SCD. As a member of the NIH research network and through its involvement in a variety of national research activities, the SCC enjoys a national reputation as a leader in Sickle Cell research and patient care. This has facilitated the ability for timely new and innovative treatment options to be developed for patients afflicted with SCD. Clinical Practice Guidelines/Management protocols for the treatment of several specific acute and chronic complications of the disease have been developed at the SCC and shared through informal affiliations with hospitals throughout the state of Illinois and nationally.

UNIVERSITY OF ILLINOIS MEDICAL CENTER PATHOLOGY LABORATORIES OUTREACH PROGRAM

Since its inception in 2004, the University of Illinois Medical Center Pathology Laboratories Outreach Program has provided the Illinois community with affordable, accessible healthcare of the highest quality. The Outreach Program is a full-service reference laboratory that offers over 1,000 routine and esoteric tests in the areas of molecular pathology, clinical chemistry, hematopathology & coagulation, flow cytometry, cytogenetics, biochemical genetics, surgical and anatomic pathology, cytology, tissue typing, and transfusion medicine. New tests and cutting-edge technologies are continually being developed to assist in offering the highest standard of patient care. The Laboratory's technical staff is backed by a team of University of Illinois pathologists, physicians, and doctoral scientists whose goal is fostering the future of diagnostic testing through innovative clinical research.

Through its consultative approach to testing, leading edge technology, and focus on customer service, the Outreach Program was selected and currently provides laboratory and consultative services to a number of state and local agencies including more than fifteen Illinois Department of Human Services Mental Health Facilities, ten Illinois Department of Correction facilities, nine Chicago Department of Public Health Clinics, eight Regional Veterans Affairs Hospitals, John H. Stroger, Jr. Hospital, and many other universities, hospitals, clinics, and physician offices throughout Illinois and eight other states.

The goals of the Laboratory Outreach Program reach beyond diagnostic testing and consultative services. For one, its innovative and flexible laboratory practice has strengthened strategic relationships with health organizations in our community and nationwide. The program continues to expand opportunities for education for medical technologists, medical students, and

physicians. And finally, the Laboratory Outreach Program fosters support and collaboration for medical research.

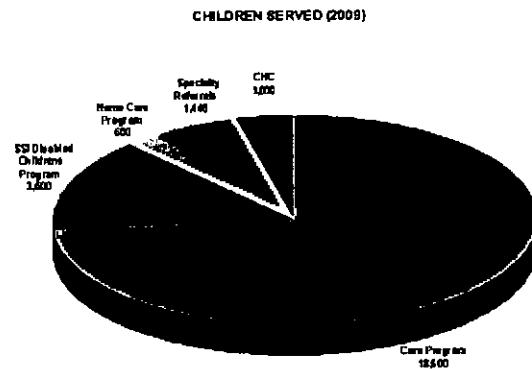
DIVISION OF SPECIALIZED CARE FOR CHILDREN

The University of Illinois Medical Center's Division of Specialized Care for Children (DSCC) helps the University achieve its public service mission to the state by helping more than 1 million Illinois children and youth with special health care needs

(CYSHCN) since its creation in 1937. Annually DSCC serves more than 24,000 families and pays for or coordinates payment of over \$74,000,000 for specialty healthcare services.

When children are diagnosed with chronic medical conditions, families often experience additional emotional and financial strains. A parent commented that since her child's diagnosis, "... it has been a struggle to understand a world I am not familiar with." DSCC partners with families to build an Individualized Service Plan to navigate the complexities of multiple service systems. DSCC provides three important services for eligible children with certain chronic physical disabilities and health impairments between the ages of 0 to 21 years.

- *Diagnostic services:* Provided at no cost regardless of family income if an eligible condition is suspected.
- *Care coordination:* Provided to medically eligible children, regardless of income.

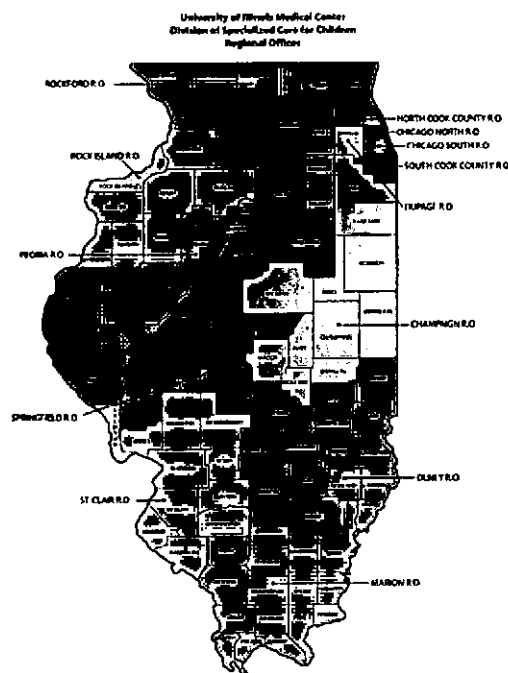


- *Financial assistance:* Provided for families who meet financial eligibility requirements including those with private or public health insurance as well as the uninsured.

Connecting Families

DSCC care coordination teams serve all 102 counties in Illinois through a network of 13 regional offices, 30 satellite offices and over 50 orthopedic clinics in rural communities. The care coordination teams link eligible children to qualified medical specialty health care providers. The teams are comprised of nurses, social workers, audiologists, speech-language pathologists, and program coordinator assistants. Using a family-centered approach, care coordinators facilitate communication between the family and medical providers, connect families to appropriate medical care and community resources, advocate for families, provide information about medical conditions, and assist with transition planning to help CYSHCN plan for their future. The care coordinator is also a knowledgeable partner or as a parent wrote: *“the voice on the phone always calmed and assured me . . . I will never forget how much she helped me as I adjusted to caring for a child with special needs.”*

DSCC also operates the Children’s Habilitation Clinic at the University of Illinois Medical Center. This clinic provides diagnosis and developmental management for approximately 1,000 children and youth with complex disabling conditions.



Collaboration

DSCC, the state's Title V CSYHCN Program, also focuses on strengthening Illinois' service systems. DSCC works with other state agencies to enhance continuity of care between programs and to identify CYSHCN.

Home Care Waiver Program

DSCC provides cost effective care coordination services for over 600 CYSHCN who receive services through the Department of Healthcare and Family Services' (HFS), waiver for Home and Community Based Services for Medically Fragile/Technology Dependent Children. The goal of the program, administered by HFS, is to provide in-home services to CYSHCN who would otherwise require care in a hospital or skilled nursing facility, to support the family to participate in their child's care to the fullest extent possible, and to help integrate the child into the community. DSCC care coordinators receive referrals, assess needs identified by the family and physician, assess the home environment, and coordinate a service plan with the family that meets the child's medical needs. In partnership with HFS, DSCC also works to promote program quality.

Information, Referral and Outreach

Identifying CYSHCN is a vital part of the DSCC program. Coordination with state agencies provides an opportunity to identify children who might be eligible for DSCC services. DSCC provides program information, referral services, and outreach to children served by the following state programs: Supplemental Security Income-Disabled Children's Program, the Adverse Pregnancy Outcome Referral System, and the Early Hearing Detection and Intervention Program. DSCC attempts to connect families who are not eligible with other potential resources.

Working Together

DSCC collaborates with many groups and councils, addressing issues important to CYSHCN such as: the Illinois Interagency Council on Early Intervention, the Illinois Interagency Council on Transition, and the Illinois Chapter of the American Academy of Pediatrics. In local communities, DSCC regional staff work with agencies and participate in planning groups. DSCC benefits from having a Medical Advisory Board comprised of medical community leaders from across the state. The Board provides advice and guidance on program policy. A Family Advisory Council, comprised of family members of CYSHCN from throughout the state, provides an essential family perspective to help shape DSCC efforts. Both boards assist DSCC with its mission to provide, promote and coordinate family-centered, community-based, culturally competent care for eligible CYSHCN in Illinois.