

Roate, George

From: maryjane.yothment@hklaw.com on behalf of Clare.Ranalli@hklaw.com
Sent: Thursday, January 20, 2011 3:02 PM
To: Roate, George
Cc: jackvinson@prairieeyecenter.com
Subject: #10-079
Attachments: Project 10-079 Prairie SurgiCenter.pdf

George:

Attached are replacement pages for project 10-079 reflecting the FMV of equipment purchased for the project. The information regarding Dr. Watson will follow in the next few days.

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

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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.

The applicant, which is a limited specialty surgicenter with two operating rooms offering ophthalmology services proposes addition of another surgical specialty – orthopedics. No construction/modernization or other costs are directly associated with the project. However, the FMV of equipment for the project is \$161,788.83. This equipment cost was part of the project costs in the initial application to establish the ASC and has been expended.

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. See 20 ILCS 3960 for definition of non-clinical. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized	\$161,788.83		\$161,788.83
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$161,788.83	0	\$161,788.83
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$161,788.83	N/A	\$161,788.83
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 COSTS

FMV of Purchased Equipment - \$161,788.83

This equipment was purchased and installed to equip one of the ORs for orthopedic procedures. This was done when the ASC was constructed and so the equipment has already been purchased, paid for and installed.

See attached.

Surgery Center Services

2733 N. Power Rd; Ste 102, PMB 610
Mesa, Arizona 85215

Pralie Surgery Center
2020 W. Iles Avenue
Springfield, IL 62704

Item	Description	Qty	Rate	Total
	Installed Equipment			
204R	X-Ray Viewers			
	AMS. X-Ray Viewer. 4 panel. 110V	2	1,075.00	2,150.00T
201R	AMS. Recessed X-Ray Viewer. Single Bank, 110V	1	275.00	275.00T
Nuvo Quote	OR1- Equipment Boom NUVO. Anesthesia & Equipment booms with dual articulating arms NUVO Halogen Dual Surgical Lights w/Dual 24" NDS monitors NUVO 4x2 Fiber optic DVI video router	1	78,605.16	78,605.16T
Nuvo Quote	OR#2. Same Halogen light but w/two single mounts w/24" NDS HD monitors plus V-Plex Video Router	1	56,665.10	56,665.10T
Tracks				
0700-003-000	Neptune Fluid Waste Management System Stryker. Neptune Rover W/out Smoke Evac and Power Pole.	1	12,093.00	12,093.20T
0702-014-000	Stryker. Neptune 2 Docking Station	1	12,000.37	12,000.37T
Total				161,788.83

a time frame of approximately one (1) day a week (280 procedures a year at one hour surgery time). These procedures will be reserved for Fridays, so that patients can recuperate over the weekend and return to work on the following Monday. Most patients who have eye surgery must be seen the next day, and so Friday is a good day for one of the 2 ORs to be dedicated to orthopedic procedures. The ophthalmologic procedures that were initially going to be performed in the OR on a regular basis may be referred to local hospitals and so in a large sense this is a zero sum game with respect to impact on area hospitals. Also, given efficiency in performing the procedures, many of the eye procedures will still be done at the surgery center despite the performance of orthopedic procedures as well. Dr. Watson, the orthopedic surgeon who will refer patients, does not currently refer any patients to local surgicenters, and hence there will be absolutely no impact on them. The cost of the chosen alternative is zero at this time, but when the original ASC was constructed equipment costing \$161,788.83 was purchased which will be used for orthopedic surgery, if the project is approved.