



Jeannie Carmedelle Frey
Chief Legal Officer and General Counsel
Presence Health
200 S. Wacker Drive
Chicago, IL 60606
Jfrey@presencehealth.org
312-308-3291

RECEIVED

FEB 25 2016

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

January 28, 2016

Illinois Health Facilities and Services Review Board
Attn: Mike Constantino, Supervisor, Project Review Section
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: *Permit Alteration Request – Project #15-005, Presence Lakeshore Gastroenterology
ASC, Des Plaines*

Dear Mr. Constantino:

The above-referenced permit was approved by the Illinois Health Facilities Planning and Services Review Board ("HFSRB") on August 25, 2015. The project was first scheduled to be heard by HFSRB at its April meeting, but was deferred. The permit holders have since reconsidered the original specifications and costs first calculated over a year ago. Consequently, the permit holders respectfully request the following alterations:

An increase in the total project cost in the amount of \$183,900 which is less than 7% of the approved project cost (\$2,898,522). The total project cost if this alteration is approved will be \$3,082,422; and

An increase in the square footage of the project, from 3,417 to 3,587 gross square feet ("GSF") – 5% or less of the approved GSF.

Sufficient financial resources remain available to complete this project. The alteration is necessary for the following reasons:

As plans developed for the ASC the overall GSF was determined to be too small (it is in existing leased space). The space is being re-configured to make the ASC space larger, but within CON parameters for alterations. (See attached revised Attachment 9.)

The cost of the project is increasing due to higher lease costs associated with the additional GSF added to the ASC, and slightly increased modernization costs. (See the revised attached cost and sources of funds page.)

Pursuant to 77 Ill. Admin. Code § 1130.750, the cumulative effects of the alterations are within the allowable parameters. The alterations: do **not** increase the cost of the project more than 7% of the approved total cost and do **not** increase the square footage more than 5% of the approved GSF. Despite the requested alterations, the project still conforms to HFSRB criteria.

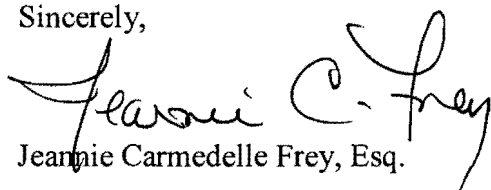


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The project is slated for completion at the end of 2016. This is the first alteration request and the project remains in conformance with HFSRB criteria.

Enclosed is a check in the amount of \$1,000, the required processing fee. If you have any questions, please contact Clare Connor Ranalli at 312.984.3365.

Sincerely,



Jeannie Carmedelle Frey, Esq.

cc: Clare Connor Ranalli, Esq.
Brandy Canady
Nousha Parkhill
Courtney Avery

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			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$574,000.00	\$162,520.00	\$736,520.00
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)	\$903,929.00	\$406,729.00	\$1,310,658.00
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$690,306.00	\$344,938.00	\$1,035,244.00
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$2,168,236.00	\$914,187.00	\$3,082,422.00
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$2,168,236.00	\$914,187.00	\$3,082,422.00
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$2,168,236.00	\$914,187.00	\$3,082,422.00
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Cost Space Requirements

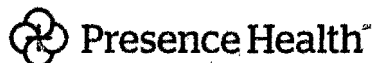
Reviewable		GSF	Amount of Proposed Total GSF that is:		
<u>Dept.</u>	<u>Cost</u> <u>Vacated</u>	<u>Prop.</u>	<u>New Cust.</u>	<u>Mod.</u>	<u>As Is</u>
Ambulatory Surgery 0	\$2,168,236.00	2,296	0	2,296	0

Non Reviewable		GSF	Amount of Proposed Cost That is:		
<u>Dept.</u>	<u>Cost</u> <u>Vacated</u>	<u>Prop.</u>	<u>New Cust.</u>	<u>Mod.</u>	<u>As Is</u>
Registration/ Waiting/ 0 Admin	\$914,187.00	1,291	0	1,291	0
Total ASC 0	\$3,082,422.00	3,587	0	3,587	0

Cost Per GSF for the Reviewable Modernization (Clinical) Portion of the Project is \$574,000.00 or \$250 per GSF*.

The costs for this project include the FMV of leased space, the FMV of leased equipment and the purchase price of movable equipment.

*Includes all equipment cost



Check Date: Feb/19/2016		Supplier Number: 1000002986	Supplier Name: ILLINOIS DEPARTMENT OF PUBLIC HEALTH		Check No: 169237	Handling CD: RQ
Invoice Number	Invoice Date	Purchase Order Number	Gross Amount	Discount Taken	Paid Amount	
160128 Permit Project 15-005	Feb/12/2016		1,000.00	0.00	1,000.00	

Questions about this check can be addressed to 847-813-3926

Check Number	Date	Total Gross Amount	Total Discounts	Total Paid Amount
169237	Feb/19/2016	\$1,000.00	\$0.00	\$1,000.00

REMOVE DOCUMENT ALONG THIS PERFORATION



Presence Health

100 North River Road
Des Plaines, Illinois 60016
847.297.1800

Bank of America

2-3/710 IL

2/19/2016

169237

15-005 Presence Lakechore Gastroenterology

Void After 90 Days

Pay ****ONE THOUSAND AND XX/100 DOLLAR****

\$1,000.00

AMOUNT

To The
Order Of

ILLINOIS DEPARTMENT OF PUBLI
525 W JEFFERSON ST
SPRINGFIELD IL 62702-5056

Michael W. Englehart
Authorized Signature

⑈ 169237 ⑈ ⑆ 071000039 ⑆ 8670407549 ⑈

SEE REVERSE SIDE FOR OPENING INSTRUCTIONS



Presence Health

100 North River Road
Des Plaines, Illinois 60016
847.297.1800

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