



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET NO: H-05	BOARD MEETING: August 25, 2015	PROJECT NO: 15-031	PROJECT COST: Original: \$28,500,000
FACILITY NAME: Carle-Curtis Road Clinic		CITY: Champaign	
TYPE OF PROJECT: Non substantive			HSA: IV

PROJECT DESCRIPTION: The applicants (Carle Foundation and The Carle Foundation Hospital) propose to expand its existing two story outpatient medical office building located at 1701 W. Curtis Road in Champaign, Illinois by building 79,600 GSF of new construction and modernizing 9,000 GSF of existing space. The anticipated project cost is \$28,500,000 and the anticipated project completion date is October 31, 2017.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The applicants (Carle Foundation and The Carle Foundation Hospital) propose to expand its existing two story outpatient medical office building located at 1701 W. Curtis Road in Champaign, Illinois by building 79,600 GSF of new construction and modernizing 9,000 GSF of existing space. The anticipated project cost is \$28,500,000 and the anticipated project completion date is October 31, 2017.

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- This project is before the State Board because the project is by or on behalf of a health care facility and is in excess of the capital expenditure minimum of \$12,797,313 (20 ILCS 3960/3).

PURPOSE OF THE PROJECT:

- The purpose of this project is to improve access and quality of care for patients in the broad geographic area served by Carle Foundation Hospital.

PUBLIC HEARING/COMMENT

- A public hearing was offered in regard to the proposed project, but none was requested. No opposition letters were received by the State Board Staff. Letters of support were received from:
 - Mac Johnson, Vice President, Primary Care The Carle Foundation
 - Joella Evans, Exercise Specialist Supervisor, Carle Foundation Hospital

CONCLUSIONS:

- The applicants addressed a total of 15 criteria and have met all of the requirements of the State Board.

STATE BOARD STAFF REPORT
Project #15-031
Carle-Curtis Road Clinic

APPLICATION SUMMARY/CHRONOLOGY	
Applicants(s)	The Carle Foundation Hospital, The Carle Foundation
Facility Name	Carle- Curtis Road Clinic
Location	Champaign, Illinois
Permit Holder	The Carle Foundation Hospital
Operating Entity	The Carle Foundation Hospital
Owner of Site	The Board of Trustees University of Illinois
Application Received	July 10, 2015
Application Deemed Complete	July 17, 2015
Financial Commitment Date	August 25, 2017
Completion Date	October 31, 2017
Review Period Ends	September 14, 2015
Review Period Extended by the State Board Staff?	No
Can the applicants request a deferral?	Yes

I. Project Description

The Carle Foundation proposes to expand its existing two story outpatient medical office building located at 1701 W. Curtis Road in Champaign, Illinois by building 79,600 GSF of new construction and 9,000 GSF of modernized space. The anticipated project cost is \$28,500,000 and the anticipated project completion date is October 31, 2017.

II. Summary of Findings

- A.** The State Board Staff finds the proposed project appears to be in conformance with the provisions of Part 1110.
- B.** The State Board Staff finds the proposed project appears to be in conformance with the provisions of Part 1120.

III. General Information

The applicants are The Carle Foundation and The Carle Foundation Hospital. The Carle Foundation is an Illinois not for profit corporation and controls The Carle Foundation Hospital, Hoopeston Community Memorial Hospital, Carle Physician Group, Champaign Surgicenter, Carle Clinic, Health Alliance (HMO), and Carle Retirement Centers. The Carle Foundation Hospital is a not for profit corporation 393 bed acute care hospital in Urbana, Illinois. The Carle Foundation and The Carle Foundation Hospital are in Good Standing with the State of Illinois.

The proposed facility will be located in Health Service Area IV which includes the Illinois Counties of Champaign, Clark, Coles, Cumberland, DeWitt, Douglas, Edgar, Ford, Iroquois, Livingston, Macon, McLean, Moultrie, Piatt, Shelby, and Vermilion.

The property in which the proposed facility will be located is not in a Special Flood Plain Hazard Zone and the property is in compliance with the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180). This is non-substantive project and project obligation will occur after permit issuance.

The Carle Foundation Hospital has two active CON permits:

1. CON 14-015: Med/Surg Expansion Project:

The CON permit for project #14-015 was approved on August 27, 2014 to add 48 medical surgical beds in 40,446 BGSF at a cost of \$17,765,000. The project completion date is January 31, 2016.

2. CON 15-002: Outpatient Orthopedic and Sports Medicine Facility

The CON permit for project #15-002 was approved on April 21, 2015 for the construction of a 2 story sports medicine complex at a cost of \$23,100,000. The project completion date is January 31, 2017.

IV. Project Details

The Carle Foundation proposes to expand its existing two story outpatient medical office building located at 1701 W. Curtis Road in Champaign, Illinois by building an addition to the building. The total project cost is expected to be \$28,500,000 and will be funded with bond financing as well as cash and securities. The expansion will include 59,600 gsf of new construction of clinical space and 8,000 gsf of modernization of clinical space. Specifically, the added space is intended to house cardiac rehabilitation as well as the exam rooms for the following additional or relocated providers:

- 24 net new primary care providers (family medicine, adult medicine and pediatrics)
- 5 additional acute care and convenient care providers
- Allergists will be relocated from Carle's current Kirby Ave. (Champaign) location
- Plus planned recruitment of one new allergy provider in 2015
- Endocrinologists will be relocated from Kirby Ave. (Champaign) location
- Plus planned recruitment of two new endocrinologists in 2015 and 2016
- Rheumatologists will be relocated from Kirby Ave. (Champaign) location
- Plus planned recruitment of one new rheumatologist in 2015
- Dieticians and diabetic educators will be relocated from Kirby Ave. (Champaign) location

The Project will also contain 20,000/gsf of new construction and 1,000/gsf of modernization relating to non-clinical areas, including mechanical components and other building systems and administrative space.

V. Project Costs and Sources of Funds

The applicants are funding this project with cash of \$1,425,000 and a bond issue of \$27,075,000.

TABLE ONE			
Project Costs and Sources of Funds			
Preplanning Costs	\$192,786	\$186,105	\$378,891
Site Survey and Soil Investigation	\$66,807	\$66,807	\$133,614
Site Preparation	\$544,000	\$648,982	\$1,192,982
Off Site Work	\$190,877	\$811,228	\$1,002,105
New Construction Contracts	\$10,464,842	\$4,309,053	\$14,773,895
Modernization Contracts	\$1,008,786	\$305,404	\$1,314,190
Contingencies	\$1,138,616	\$448,891	\$1,587,507
Architectural/Engineering Fees	\$758,737	\$501,053	\$1,259,790
Consulting	\$620,351	\$801,684	\$1,422,035
Movable or Other Equipment	\$1,882,526	\$1,970,922	\$3,853,448
Bond Issuance Expense	\$335,816	\$205,684	\$541,500
Net Interest During Construction	\$470,391	\$288,109	\$758,500
Other Costs to Capitalized	\$0	\$281,544	\$281,544
Total Uses of Funds	\$17,674,535	\$10,825,465	\$28,500,000
Cash	\$883,727	\$541,273	\$1,425,000
Bond Issue	\$16,790,808	\$10,284,192	\$27,075,000
Total Sources of Funds	\$17,674,535	\$10,825,465	\$28,500,000

VI. Section 1110.230 - Purpose, Safety Net Impact, and Alternatives to the Project

A) Criterion 1110.230 (a) – Purpose of the Project

The purpose of this project is to improve access and quality of care for patients in the broad geographic area served by Carle. Carle Foundation Hospital is a 393 bed tertiary care hospital, a Level I trauma center, and a primary stroke center. It is the primary safety net hospital for the region, and is an IDPH designated Regional Hospital Coordinating Center, which is a hospital which serves as a centralized coordination center to address the challenges of emergency events such as catastrophic events related to weather, accidents or terrorism. To complement the tertiary services that the hospital provides, Carle consistently recruits physicians in the various disciplines required in a metropolitan area to ensure, as care shifts to the outpatient setting, the availability of physician services to the communities it serves. The project will improve access in Planning Area D-01 to primary and specialty care, which are key areas of health care services demand in the area. Access to these services is essential to the overall well-being of the communities Carle Foundation Hospital services, particularly in light of the aging population and the co-morbidities associated with that shifting age cohort. 97.5% of the patients who receive care that will be offered at the proposed facility reside within Carle's defined planning area. Carle Foundation Hospital serves a 28 county region extending from Kankakee

County in the north to Richland County in southern Illinois and as far west as Decatur and east into western Indiana.

B) Criterion 1110.230 (b) - Safety Net Impact Statement

The applicants stated the following: *“The Applicants propose to expand their existing two story outpatient medical office building. No services are being discontinued or added to the scope of services provided by Carle Foundation Hospital. The Project will enhance the delivery of care for Carle Foundation Hospital which serves its broad patient base without regard to ability to pay. This includes the enhancement of services to individuals now covered under insurance provisions of the Affordable Care Act and under the Health Alliance Connect Medicaid Program and the Accountable Care Entity (ACE) program. The project is not expected to have any adverse impact on safety net services in the community or on the ability of any other health care provider to deliver services. As the largest provider of Medicaid and charity care in the D-01 planning area, Carle Foundation Hospital is an integral provider of safety net services to residents in east central Illinois. In 2013, Carle provided 73.6% of all charity care and 86.7% of all Medicaid care in the D-01 planning area. As discussed in the Purpose of the Project narrative, demand for Carle's primary care and specialty services is anticipated to exceed Carle's existing capacity. The Project is therefore necessary to ensure all patients including those who rely on Carle as a safety net provider in east central Illinois have continued access to primary and specialty care. The Project will not impact Carle's Medicaid and/or charity care policies. Patients seeing Carle providers in the proposed facility will be eligible for the same charity care benefits that are available at the current locations. The proposed medical office building expansion will not adversely impact the ability of other providers or health care systems to serve patients seeking safety net services. The Applicants do not believe there will be any adverse impact on other providers or health care systems, as the Project is addressing the demand for services that Carle is already providing in Champaign-Urbana. The proposed building does not include the discontinuation of a facility or service. As a result, an analysis regarding how reduced services will impact the community is not applicable.” See pages 61-67 of the application for permit.*

C) Criterion 1110.234 (c) – Alternatives to the Project

The Applicants have considered a number of alternatives as follows:

A) Proposing a project of greater or lesser scope and cost.

This option would not address the growing importance of outpatient primary care and specialty services described throughout this application and would, therefore, result in a deterioration of patient access over time. Furthermore, doing nothing would not improve patient access to preventative services and ongoing supervision of chronic medical conditions which are more effectively managed with consistent monitoring. As a result, if

patient demand for physician services is not met, health care costs will not be reduced. Under this option, patient access and the cost of providing care would be adversely affected. For these reasons, this alternative was rejected.

B) Project of Lesser Scope: Decrease Project Costs by Reducing Scale

The Applicants believe that the Project is conservative given current and anticipated demand for services. If the scope of the Project was contracted, additional expansions at this site or other Carle locations would be required in the not too distant future to accommodate projected demand. Multiple smaller projects can ultimately be more costly than a single project. Under this option, project costs would be reduced in the short term, but would increase in the long term. For this reason, this alternative was rejected. **The estimated capital costs for this alternative is \$20,000,000.**

C) Project of Greater Scope: Build Facility With Additional Capacity

This alternative was considered since capacity may again be an issue within five years. However, due to future uncertainties, the Applicants opted for a more measured approach. If volumes continue to grow as anticipated, the Applicants will add additional space in the future at one or more of its ambulatory care locations. **The estimated capital costs for this alternative is \$30,000,000.**

D) Pursuing a joint venture

The project involves core services and would not be appropriate for joint venture arrangements. This alternative was rejected.

E) Expand Windsor Road Primary Care Clinic

Carle considered renovating its other primary care clinic in Champaign-Urbana (Windsor Rd.) instead of or in addition to its Curtis Road Clinic. However, after careful consideration, Carle ultimately decided to add all of the additional capacity at the Curtis Rd. location. If Carle were to split the renovated space between both locations, it would incur additional construction expense. A second renovation would also result in additional disruptions due to construction noise and debris. Conversely, an analysis of population growth within the community clearly showed that southwest Champaign near the Curtis Road location will be a source of significant population growth moving forward. Under this option, project cost would increase and patient satisfaction would be adversely impacted or fewer patients would gain access to services. For these reasons, this alternative was rejected. **The estimate capital costs for this alternative is \$30,000,000.**

VII. Section 1110.234 - Size of Project, Projected Utilization, Assurances

A) Criterion 1110.234 (a) - Size of Project

The proposed project will also involve the construction of cardiac rehab space and exam and treatment rooms for physicians and midlevel practitioners. The cardiac rehab space will encompass 3,000 dgsf. The exam and treatment rooms will encompass 93,144 dgsf plus an additional 8,471 dgsf for convenient care providers. There are no size standards for these departments under current State Board's rules.

TABLE TWO Size of the Project				
Department/Area	Proposed GSF	Equipment/ Rooms	State Board Standard	Met Standard
Physician Diagnosis and Treatment Rooms	93,144	62	NA	
Laboratory	3,886	1	NA	
Diagnostic Imaging	2,600	2	1,300 GSF/Room	Yes
Cardiac Rehab	3,000	5	NA	
Convenient Care	8,471	NA	NA	

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION SIZE OF PROJECT (77 IAC 1110.234 (a))

B) Criterion 1110.234 (b) - Projected Utilization

The applicants are projecting a compounded annual growth of 4.7% for general radiology which would justify of the number of X-ray units being proposed. The applicants are projecting 10,000 patient visits by 2018 for cardiac rehab. 2014 visits for cardiac rehab was 9,886 visits. The cardiac rehab space contains a gym with exercise specialists to provide cardiac rehabilitation services. The applicants are projecting 150,000 patient visits for the 62 exam rooms being proposed by 2018 or 1.42% compounded annual growth for this service. Current 2014 exam room visits were 139,760 visits. The convenient care exam rooms will be used to address non-critical urgent care visits which are scheduled on a walk in basis. The State Board does not have an utilization standard for physician exam rooms, cardiac care rehab, or convenient care services.

TABLE THREE General Radiology Projections				
Year	State Standard Procedures	Procedures	Units	Met Standard
2013	8,000	11,164	1	Yes
2014	8,000	11,235	1	Yes
2015	8,000	12,248	1	Yes
2016	8,000	12,829	1	Yes
2017	8,000	13,437	2	Yes
2018	8,000	14,074	2	Yes

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION PROJECTED UTILIZATION (77 IAC 1110.234 (b))

C) Criterion 1110.234 (e) – Assurances

In supplemental information the applicants provided the necessary assurance that the service in which the State Board has a utilization standard will be met within 2 years after project completion.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION ASSURANCES (77 IAC 1110.234 (e))

VIII. Section VIII - Clinical Service Areas Other than Categories of Services

A) Criterion 1110.3030 (b) (1) (3) – Background of Applicants

The applicants provided the necessary attestation that they have not had any adverse actions within the past three years prior to the submittal of this application and have given permission for the State Board and the Illinois Department of Public Health access to any and all information in this application for permit. The Carle Foundation Hospital is compliant with Medicare Conditions of Participation and is DNV accredited.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE BACKGROUND OF APPLICANTS WITH CRITERION (77 IAC 1110.3030 (b) (1) (3))

B) Criterion 1110.3030(d) (2) – Modernization - Necessary Expansion

The Applicants are proposing to expand their existing two story outpatient medical office building located at 1701 W. Curtis Road in Champaign, Illinois by building an addition to the building. Per the applicants *“the project is necessary to accommodate service demand as well as to create space in the acute care facility for hospital services. The additional space is necessary to meet the projected demand for primary care, convenient care, allergy, rheumatology, endocrinology, diagnostic imaging and cardiac rehab services in the future. The Applicants are recruiting to add over 30 net new providers who will practice at this location. The increased demand these providers will be addressing is due in part to internal factors including Carle's access initiative and participation in the Health Alliance Connect Medicaid Program and the Accountable Care Entity (ACE) program. Growth has also been driven by Carle's affiliations, strategic partnerships and outreach initiatives designed to ensure the medical needs of residents in east central Illinois are met close to home. Furthermore, external factors including demographic trends and advances in medicine have increased demand for primary care, convenient care, allergy, rheumatology, endocrinology and cardiac rehab services.”*

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION MODERNIZATION-NECESSARY EXPANSION (77 IAC 1110.3030 (d) (2))

IX. Section Financial Viability

A) Criterion 1120.120 - Availability of Funds

The applicants are funding this project with cash of \$1,425,000 and a bond issue of \$27,075,000. A review of the audited financial statements indicates there is sufficient cash to fund the project. The applicants have also provided evidence of an “A” or better bond rating from Standard & Poor's Ratings Services.

TABLE FOUR The Carle Foundation (in thousands)					
	The Carle Foundation			Hospital	Hospital
	2014	2013	2012	2014	2013
Net Patient Revenue	\$709,757	\$657,679	\$558,038	\$684,497	\$599,179
Net Premium Revenue	\$1,296,242	\$1,129,087	\$1,080,247	\$0	\$0
Total Revenue	\$2,054,901	\$1,839,778	\$1,689,715	\$706,994	\$622,634
Expenses	\$1,960,308	\$1,681,831	\$1,651,162	\$553,557	\$442,211
Income from Operations	\$94,593	\$157,947	\$38,553	\$153,437	\$180,423
Excess of Revenues over Expenses	\$175,085	\$231,714	\$91,934	\$153,359	\$180,278
Cash	\$55,657	\$42,888	\$47,388		
Current Assets	\$1,039,849	\$956,811	\$852,080		
PPE	\$560,390	\$536,206	\$466,730		
Total Assets	\$2,638,713	\$2,500,471	\$2,297,369		
Current Liabilities	\$498,544	\$483,958	\$480,291		
LTD	\$553,586	\$596,495	\$635,725		
Total Long Term Liabilities	\$792,622	\$781,141	\$903,504		

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION AVAILABILITY OF FUNDS (77 IAC 1120.120)

B) Criterion 1120.130- Financial Viability

The applicants have provided evidence of an “A” or better bond rating from Standard & Poor's Ratings Services, therefore under current State Board rules financial ratios do not have to be provided for the applicants and the applicants are considered to be financially viable.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION FINANCIAL VIABILITY (77 IAC 1120.130)

X. Section – Economic Feasibility

A) Criterion 1110.140 (a) – Reasonableness of Financing Arrangements

The applicants have provided evidence of an “A” or better bond rating from Standard & Poor's Ratings Services, therefore under current State Board rules criterion reasonableness of financial arrangements does not have to be addressed.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION REASONABLENESS OF FINANCING ARRANGEMENTS (77 IAC 1120.140 (a))

B) Criterion 1110.140 (b) – Terms of Debt Financing

The applicants have attested the debt will be at the lowest net cost available to the applicants. The bond issue will be secured by pledges of gross receipts, a negative pledge and obligated group credit structure. A negative pledge is a promise by a borrower to not allow any liens to be placed upon some or all of the borrower's assets.

Standard & Poors Rating Service stated: *“The outlook revision for Carle Foundation reflects a sharp improvement in financial metrics as the final payment on the promissory note that Carle Foundation entered into when it acquired the Carle Clinic in 2010 was made. The affirmations reflects a long record of improving market share in its core Champaign-Urbana hub, and a very strong balance sheet, combined with a second strong year of financial performance through nine months ended Sept. 30, 2014. The ratings also incorporates what we view as, an attractive, integrated business model with a large multi-special group practice incorporated into the obligated group, that positions Carle Foundation very well for health care reform and as the leading health care system in its broad 29-county service area and its local Champaign-Urbana market. Carle Foundation is reviewing its long-term capital plan and some additional debt is possible.”*

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION TERMS OF DEBT FINANCINGS (77 IAC 1120.140 (b))

C) Criterion 1110.140 (c) – Reasonableness of Project Costs

Preplanning Costs - These costs are \$192,786 and are 1.33% new construction, modernization, contingencies and movable equipment costs. These costs include preliminary design and pre-CON budgets. The State Board Standard is 1.8% or \$260,906 of new construction, modernization, contingencies and movable equipment costs.

Site Survey Soil Investigation and Site Preparation – These costs total \$610,807 and are 4.84% of new construction, modernization and contingencies. The State Board Standard is 5% or \$630,612.

Off Site Work – These costs total \$190,877. The State Board does not have a standard for these costs.

New Construction Contracts and a proportionate share of contingency costs are \$11,459,002 or \$192.27 per GSF (\$11,459,002/59,600 GSF = \$19.01). This appears reasonable when compared to the State Board Standard of \$221.45.

Modernization Contracts and a proportionate share of contingency costs are \$1,153,242 or \$144.16 per GSF (\$1,153,242/8,000 = \$144.16). This appears reasonable when compared to the State Board Standard of \$151.05.

Contingencies costs – these costs are \$1,138,616 or 9.92% of new construction and modernization costs. This appears reasonable when compared to the State Board Standard of 10-15%.

Architectural and Engineering Fees – these costs are \$758,737 and are 6.61% of new construction modernization and contingency costs. These costs appear reasonable when compared to the State Board Standard of 5.04-7.56% or \$867,406.

Consulting and Other Fees – these costs are **\$620,351**. The State Board does not have a standard for these costs.

<u>Consulting and Other Fees</u>			
IDPH Permits	\$23,860	\$23,860	\$47,720
City Permits	\$124,070	\$124,070	\$248,140
Special Inspections	\$71,579	\$119,298	\$190,877
Commissioning	\$47,719	\$66,807	\$114,526
CON Fees/Expenses	\$95,439	\$95,439	\$190,878
Consultants	\$114,526	\$176,561	\$291,087
Code Review	\$47,719	\$71,579	\$119,298
IT Planning	\$66,807	\$95,439	\$162,246
Security Planning	\$28,632	\$28,632	\$57,264
Total	\$620,351	\$801,685	\$1,422,036

Movable or Other Equipment – these costs are \$1,882,526. The State Board does not have a standard for these costs.

<u>Movable of Other Equipment</u>			
Equipment General	\$1,192,982	\$954,386	\$2,147,368
Furniture	\$286,316	\$429,474	\$715,790
Security Access	\$47,719	\$82,554	\$130,273
IT/Telecom	\$171,789	\$310,175	\$481,964
Signs/Way finding	\$40,561	\$64,536	\$105,097
Lab Equipment	\$95,439	\$82,077	\$177,516
Equipment Certification	\$0	\$47,719	\$47,719
Radiology Equipment Testing	\$47,719	\$0	\$47,719
Total	\$1,882,525	\$1,970,921	\$3,853,446

Bond Issuance Expense – these costs are \$335,816. The State Board does not have a standard for these costs.

Net Interest Expense During Construction – These costs are \$470,391. The State Board does not have a standard for these costs

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION REASONABLENESS OF PROJECT COSTS (77 IAC 1120.140 (c))

D) Criterion 1120.140 (d) –Projected Operating Costs

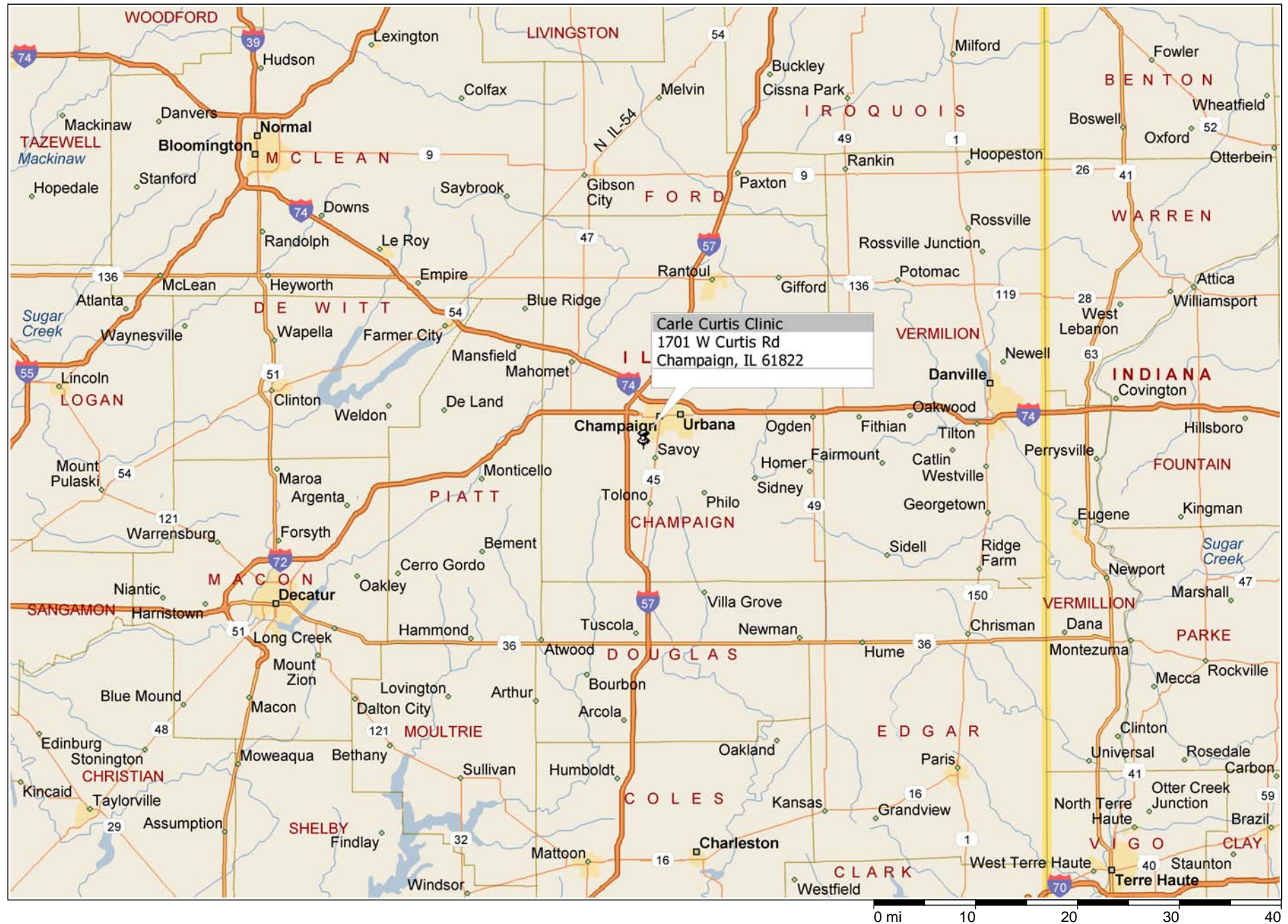
E) Criterion 1120.140 (e) – Projected Capital Costs

The applicants are projecting \$1,717.35 operating costs per equivalent patient day and a projected capital cost of \$247.64 per equivalent patient day.

1 Equivalent Patient Days (2017 Projected)	269,773
2 Total Capital Cost (2017 Projected)	\$66,805,801.00
3 Total Operating Cost (2017 Projected)	\$463,293,712.00
4 Capital Cost per Equivalent Patient Day	\$247.64
5 Operating Cost per Equivalent Patient Day	\$1,717.35

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION PROJECTED OPERATING COSTS AND PROJECTED CAPITAL COSTS (77 IAC 1120.140 (d) (e))

#15-031 Carle Curtis Road Clinic



<u>Ownership, Management and General Information</u>				<u>Patients by Race</u>		<u>Patients by Ethnicity</u>	
ADMINISTRATOR NAME:	James C. Leonard, MD			White	80.7%	Hispanic or Latino:	2.8%
ADMINSTRATOR PHONE	217-383-3220			Black	11.7%	Not Hispanic or Latino:	97.0%
OWNERSHIP:	The Carle Foundation			American Indian	0.1%	Unknown:	0.2%
OPERATOR:	The Carle Foundation Hospital			Asian	1.7%		
MANAGEMENT:	Not for Profit Corporation (Not Church-R			Hawaiian/ Pacific	0.0%	IDPH Number:	3798
CERTIFICATION:				Unknown	5.8%	HPA	D-01
FACILITY DESIGNATION:	General Hospital					HSA	4
ADDRESS	611 West Park Street	CITY: Urbana	COUNTY: Champaign County				

<u>Facility Utilization Data by Category of Service</u>										
<u>Clinical Service</u>	Authorized CON Beds 12/31/2013	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	CON Occupancy Rate %	Staffed Bed Occupancy Rate %
Medical/Surgical	212	233	233	15,098	66,989	4,694	4.7	196.4	92.6	84.3
0-14 Years				0	0					
15-44 Years				2,747	10,486					
45-64 Years				5,029	23,008					
65-74 Years				2,928	13,338					
75 Years +				4,394	20,157					
Pediatric	20	20	17	1,208	3,207	644	3.2	10.6	52.8	52.8
Intensive Care	38	38	28	1,998	6,849	20	3.4	18.8	49.5	49.5
Direct Admission				1,148	3,894					
Transfers				850	2,955					
Obstetric/Gynecology	35	37	37	2,724	8,159	71	3.0	22.5	64.4	60.9
Maternity				2,724	8,159					
Clean Gynecology				0	0					
Neonatal	25	25	20	437	4,724	0	10.8	12.9	51.8	51.8
Long Term Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Swing Beds			0	0	0		0.0	0.0		
Acute Mental Illness	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Rehabilitation	15	15	15	363	4,224	0	11.6	11.6	77.2	77.2
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Dedicated Observation	32					2150				
Facility Utilization	345			20,978	94,152	7,579	4.8	278.7	80.8	

(Includes ICU Direct Admissions Only)

<u>Inpatients and Outpatients Served by Payor Source</u>							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	31.5%	11.0%	0.5%	38.6%	3.1%	15.3%	
	6600	2308	95	8099	656	3220	20,978
Outpatients	21.3%	13.6%	0.3%	54.7%	2.2%	7.9%	
	162886	104001	2553	418000	16935	60338	764,713
<u>Financial Year Reported:</u> 1/1/2013 to 12/31/2013 <u>Inpatient and Outpatient Net Revenue by Payor Source</u>							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals	Charity Care Expense
Inpatient Revenue (\$)	35.5%	24.0%	0.3%	39.9%	0.3%	100.0%	
	108,314,000	73,247,000	905,000	121,556,000	900,000	304,922,000	12,084,283
Outpatient Revenue (\$)	21.6%	3.4%	0.2%	74.1%	0.8%	100.0%	
	59,751,000	9,303,000	519,000	205,094,000	2,235,000	276,902,000	12,702,816
							Total Charity Care Expense 24,787,099
							Total Charity Care as % of Net Revenue 4.3%

<u>Birthing Data</u>		<u>Newborn Nursery Utilization</u>				<u>Organ Transplantation</u>	
Number of Total Births:	2,700		Level I	Level II	Level II+	Kidney:	0
Number of Live Births:	2,694	Beds	26	23	25	Heart:	0
Birthing Rooms:	0	Patient Days	4,101	2,132	5,226	Lung:	0
Labor Rooms:	0	Total Newborn Patient Days			11,459	Heart/Lung:	0
Delivery Rooms:	0					Pancreas:	0
Labor-Delivery-Recovery Rooms:	7					Liver:	0
Labor-Delivery-Recovery-Postpartum Rooms:	6					Total:	0
C-Section Rooms:	2	Inpatient Studies			91,996		
CSections Performed:	918	Outpatient Studies			312,766		
		Studies Performed Under Contract			30,763		

Surgery and Operating Room Utilization

<u>Surgical Specialty</u>	<u>Operating Rooms</u>				<u>Surgical Cases</u>		<u>Surgical Hours</u>			<u>Hours per Case</u>	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Cardiovascular	0	0	2	2	451	49	1303	118	1421	2.9	2.4
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	3	3	1295	1664	3365	2386	5751	2.6	1.4
Gastroenterology	0	0	0	0	2	0	1	0	1	0.5	0.0
Neurology	0	0	2	2	604	65	2088	98	2186	3.5	1.5
OB/Gynecology	0	0	2	2	431	714	1227	760	1987	2.8	1.1
Oral/Maxillofacial	0	0	1	1	152	151	455	264	719	3.0	1.7
Ophthalmology	0	0	0	0	0	0	0	0	0	0.0	0.0
Orthopedic	0	0	2	2	1765	538	3990	876	4866	2.3	1.6
Otolaryngology	0	0	1	1	162	880	493	1216	1709	3.0	1.4
Plastic Surgery	0	0	1	1	75	152	306	278	584	4.1	1.8
Podiatry	0	0	1	1	250	146	236	127	363	0.9	0.9
Thoracic	0	0	2	2	547	0	1942	0	1942	3.6	0.0
Urology	0	0	2	2	343	658	725	644	1369	2.1	1.0
Totals	0	0	19	19	6077	5017	16131	6767	22898	2.7	1.3

SURGICAL RECOVERY STATIONS

Stage 1 Recovery Stations

17

Stage 2 Recovery Stations

60

Dedicated and Non-Dedicated Procedure Room Utilization

<u>Procedure Type</u>	<u>Procedure Rooms</u>				<u>Surgical Cases</u>		<u>Surgical Hours</u>			<u>Hours per Case</u>	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	0	10	10	1762	8246	1327	4874	6201	0.8	0.6
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	0	0	0	0	0	0	0	0	0.0	0.0
Cystoscopy	0	0	0	0	0	0	0	0	0	0.0	0.0

Multipurpose Non-Dedicated Rooms

Ophthalmology	0	0	2	2	10	2075	17	1552	1569	1.7	0.7
	0	0	0	0	0	0	0	0	0	0.0	0.0
	0	0	0	0	0	0	0	0	0	0.0	0.0

Emergency/Trauma Care

Certified Trauma Center	Yes
Level of Trauma Service	Level 1
	Adult
Operating Rooms Dedicated for Trauma Care	Not Answered
Number of Trauma Visits:	1,079
Patients Admitted from Trauma	826
Emergency Service Type:	Comprehensive
Number of Emergency Room Stations	51
Persons Treated by Emergency Services:	69,725
Patients Admitted from Emergency:	9,428
Total ED Visits (Emergency+Trauma):	70,804

Free-Standing Emergency Center

Beds in Free-Standing Centers	0
Patient Visits in Free-Standing Centers	0
Hospital Admissions from Free-Standing Center	0

Outpatient Service Data

Total Outpatient Visits	764,713
Outpatient Visits at the Hospital/ Campus:	483,761
Outpatient Visits Offsite/off campus	280,952

Cardiac Catheterization Labs

Total Cath Labs (Dedicated+Nondedicated labs):	10
Cath Labs used for Angiography procedures	0
Dedicated Diagnostic Catheterization Lab	0
Dedicated Interventional Catheterization Labs	0
Dedicated EP Catheterization Labs	2

Cardiac Catheterization Utilization

Total Cardiac Cath Procedures:	1,984
Diagnostic Catheterizations (0-14)	0
Diagnostic Catheterizations (15+)	1,232
Interventional Catheterizations (0-14):	0
Interventional Catheterization (15+)	553
EP Catheterizations (15+)	199

Cardiac Surgery Data

Total Cardiac Surgery Cases:	381
Pediatric (0 - 14 Years):	0
Adult (15 Years and Older):	381
Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases :	220

Diagnostic/Interventional Equipment**Examinations****Therapeutic Equipment****Therapies/ Treatments****Owned Contract****Inpatient****Outpt****Contract****Owned Contract**

General Radiography/Fluoroscopy	16	0	23,728	27,646	0	Lithotripsy	0	1	133
Nuclear Medicine	4	0	920	526	0	Linear Accelerator	3	0	10,878
Mammography	4	0	86	3,847	0	Image Guided Rad Therapy			8,664
Ultrasound	29	0	16,530	17,534	0	Intensity Modulated Rad Thrp			3,625
Angiography	10	0				High Dose Brachytherapy	0	0	0
Diagnostic Angiography			3,156	2,919	0	Proton Beam Therapy	0	0	0
Interventional Angiography			2,510	1,517	0	Gamma Knife	0	0	0
Positron Emission Tomography (PET)	1	0	74	246	0	Cyber knife	0	0	0
Computerized Axial Tomography (CAT)	5	0	13,840	26,042	0				
Magnetic Resonance Imaging	4	0	2,184	7,958	0				