



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET ITEM NUMBER: D-01	BOARD MEETING: June 7, 2022	PROJECT NUMBER: 16-008
PERMIT HOLDER: The University of Chicago Medical Center		
FACILITY NAME and LOCATION: The University of Chicago Medical Center, Chicago, Illinois		

STATE BOARD STAFF REPORT **PERMIT ALTERATION REQUEST**

I. Project Description and Background Information

On May 10, 2016, the State Board approved Permit #16-008 to increase the Permit Holder's number of medical-surgical beds by 168 (from 338 to 506 beds) and to increase the number of its intensive care beds by 20 (from 126 to 146 beds) at Bernard Mitchell Hospital. The Permit Holder was approved to renovate Bernard Mitchell Hospital to replace patient rooms and common areas, upgrade the mechanical systems, and replace the exterior. Additionally, the Adult Emergency Department was approved to be relocated and expanded from Bernard Mitchell Hospital to space adjacent to the Center for Disease and Recovery and to consist of 41 treatment stations, including four trauma resuscitation bays, two radiographic imaging rooms, and one CT room. As part of the State Board's approval the Medical Center stated it would seek Illinois Department of Public Health approval for a Level I Adult Trauma Center to be located on the hospital campus. The project has been obligated and the expected completion date is June 30, 2022. The total cost of the project is \$268,842,147.

First Alteration

In September 2021, the State Board approved the Permit Holder to decrease the overall project cost from \$268,842,147 to \$116,444,591 or a decrease of **\$152,397,557** (56.7%), square footage from 259,617 GSF to 248,796 GSF (4.17%) and the number of new beds from 188 to 159. The Permit Holder reduced the number of beds approved by 29 beds as reflected in the Table below. The University of Chicago Medical Center has the following number of beds by category of service and location.

TABLE ONE University of Chicago Medical Center Beds by Location Upon Approval of Alteration						
Category of Service	Bernard A Mitchell Hospital			Center for Care and Discovery	Comer Center for Children and Specialty Care	Total
Medical Surgical	196	-25	171	310	0	481
Intensive Care	20	-4	16	96	30	142
Obstetric	46	0	46	0	0	46
Pediatric	0	0	0	0	60	60
Neonatal	0	0	0	0	53	53
Total Beds	262	-29	233	406	143	782

This second alteration seeks to increase project cost from \$116,444,591 to \$120,444,591 (\$4,000/3.43%), and increase project size from 248,796GSF to 251,632 GSF (2,836GSF/1.1%). This alteration will accommodate the addition of a second computed topography (CT) Scanner.

Board Staff notes that a request for a 9-month permit renewal (6/30/22 – 3/31/23) accompanied the second Alteration request.

II. Summary of Findings

The State Board Staff finds the Alteration is in conformance with 77 ILAC 750 Alteration to Permit.

III. Permit Holder

The University of Chicago Medical Center is an Illinois not-for profit corporation. The Medical Center operates the Center for Care and Discovery, the Bernard Mitchell Hospital, the Chicago Lying-In Hospital, the University of Chicago Comer Children's Hospital, the Duchossois Center for Advanced Medicine and various other outpatient clinics and treatment areas. These five facilities are operated under a single hospital license.

V. Reasons for the Proposed Alteration

According to the Permit Holder “we request the addition of a second CT scanner in our Adult ED and construction of ancillary clinical and non-clinical space, including a dedicated room for the CT Scanner and an enabling locker room for staff. This would bring UCMC’s total number of CT Scanners from 8 to 9 units, which is still below the number justified by the State standard. UCMC was the busiest Adult ED in the State in CY 2020. The Adult ED has one dedicated CT Scanner, but its current utilization was

almost five (5) times the State utilization standard last fiscal year and has three times more volume than the next busiest scanners at UCMC.”

VI. The Proposed Alteration

In this second alteration, the permit holder seeks to increase project cost from \$116,444,591 to \$120,444,591 (\$4,000/3.43%), and increase project size from 248,796GSF to 251,632 (2,836GSF/1.1%). This alteration will accommodate the addition of a second computed topography (CT) Scanner.

The alteration does **NOT** propose the discontinuation or addition of any categories of service nor an increase in borrowed funds. Changes in methods of financing include an increase in cash and securities allocated for this project.

VII. Proposed Changes

Per the Statute, Projects **may deviate** from the costs, fees, and expenses provided in their project cost information for the project's cost components, provided that **the final total project cost** does not exceed the approved permit amount. Project alterations shall not increase the **total approved permit amount** by more than the limit [7% of total permit amount] set forth under the Board's rules [20 ILCS 3960/5].

The Permit Holder provided an explanation of the changes to the uses of funds in their Alteration Request and the explanations appear reasonable.

Pending Board approval, Permit #16-008 will be funded with cash of \$90,468,591 and other sources of funds of \$25,976,000. The Other Sources of Funds refers to the Project's ability to take advantage of tax credits. The University of Chicago Medical Center's subsidiary Title Holding Corporation II¹ qualifies as a Qualified Active Low-Income Community Business (QALICB),² which allowed it to enter a New Market Tax Credit (NMTC)³ financing of the Adult Emergency Department and Trauma Center. The NMTC program was established by the US Congress as part of the Community Renewal Tax Relief Act of 2000 and is administered by the Department of Treasury to encourage private investment in qualifying low-income communities.

Tables Two and Three outline the proposed changes to the gross square footage and the project costs. The difference in total space and project cost is below the 5% State Board threshold, and the difference in total cost is below the 7% threshold, as required.

TABLE TWO

Project Costs and Sources of Funds

Use of Funds	Approved Project Costs (after 1st Alteration)	Proposed (With 2nd Alteration)	Differences	% Of Difference
Pre-Planning Costs	967,728	\$967,728	\$0	0%
Site Survey Soil Investigation	\$9,750	\$9, 750	\$0	0%
Site Preparation	\$9,800	\$9,800	\$0	0%
New Construction	\$30,222,809	\$30,902,809	\$680,000	2.2%
Modernization	\$35,732,306	\$36,382,306	\$650,000	1.8%
Contingencies	\$1,957,266	\$2,091,766	\$134,500	6.9%
Architectural/Engineering Fees	\$8,344,930	\$8,439,931	\$95,001	1.1%
Consulting & Other Fees	\$7,415,256	\$7,431,256	\$16,000	.02%
Net Interest Expense During Construction	\$3,161,940	\$3,161,940	\$0	0%
Other Costs to Be Capitalized	\$12,634,421	\$12,688,921	\$54,500	.04%
Total Use of Funds	\$116,444,592	\$120,444,592	\$4,000,000	3.4%
SOURCES OF FUNDS				
Cash & Securities	\$90,468,592	\$94,468,592	\$4,000,000	4.4%
Other Funds and Sources	\$25,976,000	\$25,976,000	\$0	0%
Total	\$116,444,592	\$120,444,592	\$4,000,000	3.4%

TABLE THREE				
Spatial Allocations per Project Alteration				
Service	Existing (Approved after 1st Alteration)	Proposed via 2nd Alteration	Difference	% Of Difference
Reviewable				
Adult Emergency	28,672	28,672	0	0%
Radiology	1,419	2,805	1,386	97.7%
Medical/Surgical	79,217	79,217	0	0%
Cancer Ancillaries	4,144	4,144	0	0%
Non-Reviewable				
Staff Support	32,397	33,847	1,450	22.4%
Building Systems	102,947	102,947	0	0%
TOTAL	248,796	251,632	2,836	1.2%

VIII. Applicable Rules

Board decisions regarding the construction of health care facilities must consider capacity, quality, value, and equity. Projects **may deviate** from the costs, fees, and expenses provided in their project cost information for the project's cost components, provided that the final total project cost does not exceed the approved permit amount. Project alterations shall not increase the **total approved permit amount** by more than the limit set forth under the Board's rules [20 ILCS 3960/5].

77 ILAC 1130.140 defines "Alteration" to mean:

".... any revision or change to a project as detailed in the application that occurs after HFSRB issued the permit. A completed project cannot be altered. The site of the proposed project or the persons who are the permit holder cannot be altered..."

77 ILAC 130.750 states that a permit is only valid for the designated construction or modification, equipment, site, amount, and person named in the application. Any change to a project after the State Board's issuance of a permit constitutes an alteration to the project.

77 ILAC 1130.750 (b) - Limits on Allowable Alterations Requiring HFSRB Approval

The cumulative effect of alterations to a project shall not exceed the following:

- 1) a change in the approved number of beds or stations, provided that the change would not independently require a permit or exemption from HFSRB.
- 2) abandonment of an approved category of service established under the permit.
- 3) any increase in the square footage of the project up to 5% of the approved gross square footage.
- 4) any decrease in square footage greater than 5% of the project.
- 5) any increase in the cost of the project not to exceed 7% of the total project cost. This alteration may exceed the capital expenditure minimum in place when the permit was issued if it does not exceed 7% of the total project cost.
- 6) any increase in the amount of funds to be borrowed for those permit holders that have not documented 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).

IX. Other Information

Attached to the end of this report is the Permit Holder's request for an Alteration.

¹ IRC 501(c)(2) exempts from federal income tax corporations (as defined in IRC 7701(a)(3), "corporations" include associations) organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt under IRC 501(a). The Corporation is organized/operated, for the benefit of The University of Chicago Medical Center, a tax-exempt organization recognized as a public charity under 501(c)(3).

²A QALICB is any corporation or partnership (for profit or not for profit) **engaged in the active conduct of** a qualified business in a Low-Income Community meeting standard pertaining to gross income, use of property, and services performed.

³ NMTC investors provide capital to community development entities (CDEs), and in exchange are awarded credits against their federal tax obligations. Investors can claim their allotted tax credits in as little as seven years—5 percent of the investment for each of the first three years and 6 percent of the project for the remaining four years—for a total of 39 percent of the NMTC project. A CDE can be its own investor or find an outside investor. Investors are primarily corporate entities—often large international banks or other regulated financial institutions—but any entity or person is eligible to claim NMTCs.



May 5, 2022

Via Overnight Courier

Ms. Debra Savage, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: University of Chicago Medical Center ("UCMC", the "Medical Center")
ED Relocation, Re-opening of Mitchell Beds, Trauma Center, Project No. 16-008
(the "Project")
Request for Permit Alteration

Dear Chairwoman Savage:

UCMC is requesting a second alteration to Project 16-008, which the Illinois Health Facilities and Services Review Board (the "Review Board") first approved on May 10, 2016, with a total cost of \$268,842,148 and total square footage of 259,617 GSF. The Review Board subsequently approved a Permit Alteration on September 14, 2021 with a reduction in Project Cost to \$116,444,591, total square footage to 248,796 GSF, and the number of new beds from 188 to 159. UCMC is now requesting to add a second computed tomography scanner ("CT Scanner") in its Adult Emergency Department ("Adult ED"), which will increase the Project Cost to \$120,444,591 and total square footage to 251,632 GSF.

UCMC is submitting this request for a Permit Alteration in conjunction with a request for Permit Renewal to extend the Project Completion date to March 31, 2023, as well as its Annual Report for the Project.

Current Status of Project

In 2016, the Review Board approved Project 16-008 – UCMC's GetCare Project to reduce disparities in life-saving care available in our community. The Project had three main components, including a new and expanded Adult Emergency Department and Adult Level I trauma service capabilities near some of the highest incidences of trauma injury and gun violence in Chicago. The Project also contemplated a comprehensive renovation of UCMC's Mitchell Hospital by re-opening critically needed beds.

The new Adult Emergency Department ("ED") opened December 29, 2017, and the Level I Adult Trauma services was approved by the Illinois Department of Public Health ("IDPH") on May 1, 2018. Adult ED visits have grown from the 57,201 for CY 2015 to 70,440 for CY 2021. On May 1, 2022, our Adult Level I Trauma Center celebrated its fourth anniversary, and IDPH recently renewed our Adult Level I trauma designation. In these four years, UCMC has had almost 13,000 adult trauma activations, making it the second busiest Trauma Center in the City of Chicago. Our comprehensive trauma program saw 4,624 adult and

pediatric activations in 2021 alone. More importantly, we brought trauma care back to the South Side of Chicago for the first time in 30 years.

As part of the CON Project in 2016, UCMC received approval to add a combination of 188 medical-surgical beds and ICU beds. With the Permit Alteration approved in 2021, we reduced the scope of the capital project and modestly decreased the number of new beds in Mitchell Hospital, adding 143 medical-surgical beds rather than the 168 beds approved, and 16 ICU beds instead of the 20 approved to achieve a smaller-scale, more cost-efficient refresh of Mitchell Hospital. The renovations in Mitchell Hospital remain in progress and have been managed to minimize disruptions to patient care. UCMC began operating additional medical-surgical units in Mitchell to accommodate high bed utilization soon after CON approval and has continued to open units over the past several years to accommodate growth. Growth is mainly due to trauma patients and additional admissions coming through the Adult ED. Over the past twelve months, UCMC's medical-surgical beds have had an average occupancy of 96%.

Proposed Changes and Reason for Changes

With this Permit Alteration, we request the addition of a second CT Scanner in our Adult ED and construction of ancillary clinical and non-clinical space, including a dedicated room for the CT Scanner and an enabling locker room for staff. This would bring UCMC's total number of CT Scanners from 8 units to 9 units, which is still below the number justified by the state standard. While the addition of the CT Scanner would not otherwise require UCMC's application to the Review Board, the capital improvements in Mitchell Hospital remain ongoing and the Permit for the Project remains open.

UCMC was the busiest Adult ED in the state in CY20.¹ The Adult ED has one dedicated CT Scanner, but its current utilization was almost five (5) times the state utilization standard last fiscal year and has three times more volume than the next busiest scanners at UCMC.

Building	Hours of Operation	FY19 Scans	FY20 Scans	FY21 Scans
CT Adult ED	24 hours / everyday	28,347	28,497	34,766

As both a Comprehensive Level I Trauma Center and a Comprehensive Stroke Center, UCMC requires enhanced imaging and clinical diagnostic capacity to meet the needs of the sickest patients in the communities we serve. The benefits of having a CT Scanner in a hospital's emergency room have long been recognized for the ability to expedite treatment of injured or critically ill patients by proximity and availability. The additional CT Scanner will reduce wait times and boost the efficiency with which patients can be diagnosed and treated. Whether for rapid stroke detection or detection of internal bleeding in traumatic injury, prompt access to a CT Scanner can save lives and minimize disabilities. In emergencies such as these, minutes matter.

¹ AHQ data on Review Board web site (visited 4/26/2022).

Specific Changes and Explanation

Attached are revised pages to the original CON application that would implement the Permit Alteration.

1. Project Costs and Sources of Funds. This table has been revised to reflect the increase in the Project Cost by \$4,000,000 to add a second CT Scanner in the Adult ED. The addition of the second CT Scanner includes components of New Construction and Modernization, but the bulk of the Project Costs are attributed to Equipment. We note that the New Construction cost/sf is above the state standard for 2016, but is less than the cost/sf approved in the Permit. Otherwise, we believe that the revised Project Costs meet all of the state standards. We continue to show an amount for capitalized interest as set forth in our Permit Alteration approved by the CON Board on September 14, 2021.²
2. Availability of Funds. The Availability of Funds pages have been revised to reflect the revised Project.
3. Attachment 7 – Project Cost Detail. Attachment 7 has been revised to show detail as to new Project Costs.
4. Attachment 9 – Cost Space Requirements. This table has been revised to reflect the construction of a dedicated room for a second CT Scanner in the Adult ED. The amount of square footage for the Project is increased by 1.1%.
5. Attachment 15 – Projected Services Utilization. This table has been revised to reflect that UCMC can justify 13 CT scanners based on current utilization. In CY20, UCMC's CT Scanner utilization justified 11 units, and in CY21 justified 13 units, based on the state standard, and the rounding up methodology.
6. Attachment 34 – Utilization of Service (Radiology). This table has been revised to reflect that UCMC can justify 13 CT Scanners based on current utilization.
7. Attachment 39 – Economic Feasibility. As with Attachment 9, this table has been revised to reflect the addition of a CT Scanner in the Adult Emergency Department with Project Costs attributed to both New Construction and Modernization.

² This is consistent with Generally Accepted Accounting Principles (GAAP) that state that long term self-constructed assets require capitalizing all borrowing costs to finance the construction of assets. Borrowing costs can include both actual borrowing costs for a project and interest imputed based on weighted average rates on other borrowings. Further guidance is provided in FASB Statement No. 34. UCMC applies this calculation to self-constructed assets with an expected cost of greater than \$5,000,000 and when the construction period is greater than one year.

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Conclusion

We are pleased to submit our Permit Alteration to the Review Board and look forward to working with you to fulfill our mission.

Very truly yours,

A handwritten signature in black ink, appearing to read "Phillip L. Kaufman". The signature is fluid and cursive, with the first name "Phillip" being more prominent than the last name "Kaufman".

Phillip L. Kaufman, CPA
Vice President
Finance and Shared Services

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)

VII. 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]:

\$94,468,592	<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 timetable 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 timetable 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
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	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;
<u>\$25,976,000</u>	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$120,444,591	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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Project Costs and Sources of Funds				
USE OF FUNDS	PERMIT ALTERATION			TOTAL
	Original Permit Amount	CLINICAL	NONCLINICAL	Alteration Permit Estimate
Preplaning Costs	\$ 967,728	\$ 571,309	396,419	\$ 967,728
Site Survey and Soil Investigation	9,750	3,900	5,850	9,750
Site Preparation	9,800	3,920	5,880	9,800
Off Site Work				
New Construction Contracts	30,222,809	19,000,370	11,862,439	30,902,809
Modernization Contracts	35,752,306	14,682,922	21,699,384	36,382,306
Contingencies	1,957,266	822,656	1,269,110	2,091,766
Architectural/Engineering Fees	8,344,930	3,654,087	4,785,844	8,439,931
Consulting and Other Fees	7,415,256	3,576,641	3,854,615	7,431,256
Movable or Other Equipment (not in construction contracts)	15,988,385	10,827,960	7,530,417	18,358,385
Bond Issuance Expense (project related)	-	-	-	-
Net Interest Expense During Construction (project related)	3,161,940	1,532,667	1,629,273	3,161,940
Fair Market Value of Leased Space or Equipment				
Other Costs To Be Capitalized	11,634,421	5,559,161	7,119,760	12,688,921
Acquisition of Building or Other Property (excluding land)				
TOTAL USES OF FUNDS	\$ 116,444,591	\$ 60,275,601	\$ 60,168,991	\$ 120,444,592
SOURCE OF FUNDS	TOTAL			TOTAL
	Current Estimate			Current Estimate
Cash and Securities	90,468,591	47,276,105	47,192,486	94,468,591
Pledges				
Gifts and Bequests				
Bond Issues (project related)	-			-
Mortgages				
Leases (fair market value)				
Governmental Appropriations				
Grants				
Other Funds and Sources	25,976,000	12,999,496	12,976,504	25,976,000
TOTAL SOURCES OF FUNDS	\$ 116,444,591	\$ 60,275,601	\$ 60,168,990	\$ 120,444,591



Attachment 7

Cost Detailed

Line Item	Detail	Adult ED/Cell Therapy	Mitchell	CT Room In Adult ED	Total	Clinical	Non-Clinical
Preplanning Costs							
	Mockups	800,948	166,780	-	967,728	571,300	396,419
	Site Survey and Soil Investigation		9,760		9,760	3,900	5,850
	Site Preparation		9,800		9,800	3,920	5,880
New Construction							
	Construction	30,196,849		680,000	30,876,849		
	Material Testing	25,960			25,960		
	IT Systems (Infrastructure)						
		30,222,809	0	680,000	30,902,809	19,040,370	11,862,439
Modernization Contracts							
	Construction	-	32,679,893		32,679,893		
		-	52,913		52,913		
		-	3,000,000		3,000,000		
	CT Suite Build Up	-		650,000	650,000		
		-	36,732,806	650,000	36,382,306	14,082,922	21,609,384
Contingencies							
			1,987,266	134,500	2,091,766	822,656	1,269,110
Architectural/Engineering Fees							
		1,236,180	7,108,780	95,000	8,439,930	3,654,087	4,785,844
Consulting and Other Fees							
	Legal	85,562	166,638		252,200		
	Tax and Balance			3,000	3,000		
	Program Manager	1,540,122	2,815,210		4,355,332		
	IT Project Management	54,992	57,760		112,752		
	Equipment Planner	474,872	138,876		613,747		
	Scheduling Consultant	1,944	100,473		102,417		
	Traffic Consultant	20,308	0		20,308		
	Vibration Consultant	74,165	30,148		104,313		
	Code Consultant	28296.6	72,930		101,227		
	Other Consultants	183,437	1,189,262		1,372,699		
	City Permit Fees	38,863	30,092	1,000	69,955		
	UPM Review Fees	118,821	172,340	10,000	301,161		
	Builders Risk Insurance	0	11,725		11,725		
		2,420,602	4,794,664	16,000	7,231,266	3,576,641	3,654,615
Movable and Other Equipment							
	Mobile Medical Equipment			30,000	30,000		
	CT Medical Equipment			1,250,000	1,250,000		
	Nurse Call (Interstate)			5,000	5,000		
	Adult Emergency	7,899,880			7,899,880		
	Med-Surg		6,690,962		6,690,962		
	Lecher Room Furniture			70,000	70,000		
	CT Room Furniture			15,000	15,000		
	Cell Therapy	1,398,673	0		1,398,673		
		9,298,323	6,690,962	1,375,000	16,364,285	10,827,968	7,530,417
Net Interest Expense During Construction							
		1,164,744	1,997,196	-	3,161,940	1,532,667	1,629,273
Other Costs to be Capitalized							
	Locks			3,000	3,000		
	Windows Treatment CT Room			1,000	1,000		
	Signage			3,000	3,000		
	PCs - UWS			2,000	2,000		
	Printers			3,000	3,000		
	EVS			3,000	3,000		
	Plant Department Work			5,000	5,000		
	Builder's Risk	48,000	-		48,000		
	IT Systems (Labor/Cabling)	1,492,521	9,634,166	1,500	11,128,187		
	Environmental Services	169,184	172,005		341,189		
	Movers	175,691	422,876	3,000	601,567		
	Asbestos Work	266	151,100		151,366		
	Capitalized Software - Outside Consultants	87,900	86,526		174,426		
	Architect/Marketing	3,227	59,484	1,000	63,711		
	Security	130,520	1,125	29,000	160,645		
		2,197,359	10,527,962	54,500	12,688,921	5,559,161	7,129,760
Total Costs							
		47,450,935	63,993,656	4,000,000	120,444,591	60,175,601	60,168,990



AT THE FOREFRONT

**UChicago
Medicine**

Finance and
Shared Services

**Attachment 7
Cost Detailed**

Line Item	Detail	Adult ED/Call Therapy	Mitchell	CT Room in Adult ED	Total	Clinical	Non-Clinical
Preexisting Costs							
	Meckage	990,948	166,780	-	967,728	571,309	396,419
	Site Survey and Soil Investigation		9,750		9,750	3,900	5,850
	Site Preparation		9,800		9,800	3,920	5,880
	Other						
New Construction							
	Construction	30,196,849		688,000	30,876,849		
	Material Testing	25,960			25,960		
	IT Systems (Infrastructure)						
		30,222,809	0	688,000	30,902,809	19,040,370	11,862,439
Modernization Contracts							
	Construction	-	32,679,393		32,679,393		
		-	52,913		52,913		
		-	3,000,000		3,000,000		
	CT Suite Build Up	-		650,000	650,000		
		-	35,732,306	650,000	36,382,306	14,682,922	21,699,384
Contingencies							
		-	1,957,266	134,500	2,091,766	822,656	1,269,110
Architectural/Engineering Fees							
		1,236,150	7,108,780	95,000	8,439,930	3,654,087	4,785,844
Consulting and Other Fees							
	Legal	85,552	166,538		252,090		
	Ten and Balance			3,000	3,000		
	Program Manager	1,540,122	2,815,210		4,355,332		
	IT Project Management	54,992	57,760		112,752		
	Equipment Planner	474,872	138,676		613,547		
	Scheduling Consultant	1,944	100,473		102,417		
	Traffic Consultant	20,368	0		20,368		
	Vibration Consultant	74,145	30,148		104,293		
	Code Consultant	282,965	72,930		355,895		
	Other Consultants	183,437	1,189,362		1,372,698		
	City Permit Fee	58,853	39,092	3,000	90,945		
	IDPH Review Fee	118,021	172,840	10,000	300,861		
	Sudden Risk Insurance	0	11,725		11,725		
		2,620,602	4,794,654	16,000	7,431,256	3,576,641	3,854,615
Movable and Other Equipment							
	Mobile Medical Equipment			30,000	30,000		
	CT Medical Equipment			2,250,000	2,250,000		
	Nurse Call (Intercom)			5,000	5,000		
	Adult Emergency	7,899,850			7,899,850		
	Med-Surg		6,690,062		6,690,062		
	Locker Room Furniture			70,000	70,000		
	CT Room Furniture			15,000	15,000		
	Cell Therapy	1,398,473	0		1,398,473		
		9,298,323	6,690,062	2,370,000	18,358,385	10,827,968	7,530,417
Net Interest Expenses During Construction							
		1,164,744	1,997,196	-	3,161,940	1,532,667	1,629,273
Other Costs to be Capitalized							
	Locks			3,000	3,000		
	Windows Transoms CT Room			1,000	1,000		
	Signage			3,000	3,000		
	PCs - UWS			2,000	2,000		
	Printers			3,000	3,000		
	HVS			3,000	3,000		
	Plant Department Work			5,000	5,000		
	Buildex Risk	48,000			48,000		
	IT Systems (Labor, Cabling)	1,492,521	9,634,166	1,500	11,128,188		
	Environmental Services	169,184	172,005		341,189		
	Movers	175,691	422,676	3,000	601,367		
	Asbestos Work	255	151,160		151,415		
	Capitalized Salaries - Outside Consultants	87,960	86,526		174,486		
	Armwork/Archiving	3,227	59,404	1,000	63,631		
	Security	130,520	1,125	29,000	160,645		
		2,167,359	10,527,062	64,500	12,698,921	5,559,161	7,129,760
Total Costs							
		47,450,935	68,993,656	4,008,000	120,444,591	60,275,601	60,168,991

ATTACHMENT 7

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Movable or Other Equipment (not in construction contracts)

	Adult ED	Med/Stroke / Mitchell Units	Cell Therapy	Adult ED CT Room	Non-Reviewable	Total
Medical Equipment						
Omnicell	69,791	274,125				343,916
Blood Flow Dopler	111,802					111,802
CT scanner	1,817,092			2,250,000		4,067,092
Endoscopes	149,997					149,997
Gynae stretchers	223,485	24,861				248,346
Infusion pumps and poles	155,290	330,891				486,181
Intermetro carts	172,822					172,822
Mindray Units	211,620					211,620
Mobile x-ray Unit	192,000					192,000
Philips Monitoring Package part 1	1,634,598					1,634,598
Trauma bays-exams lights, equipment booms, surgical lights and scrub sinks	343,335					343,335
X ray	617,548					617,548
IV Pumps		145,085				145,085
IV Pole		7,533				7,533
Vital Monitors		6,486				6,486
Bladder Scanner		12,050				12,050
Other Fixed Medical Equipment	1,637,928	3,153,980	728,139	30,000		5,550,027
BD FACSCanto II			139,350			139,350
Environmental monitoring systems			114,198			114,198
Incubators, safety cabinets			160,713			160,713
Lab Equipment			128,574			128,574
Quad controlled freezer		55,346	66,814			122,160
Ultrasound System						
Nurse Call (Interstate)				5,000		5,000
R2 Carts		68,556				68,556
Medical Equipment Total	7,337,408	4,076,891	1,335,788	2,285,000		15,035,087
Furnishings						
Furniture	492,222	2,185,524	62,666	15,000	404,832	3,160,263
Outside Curtains	70,220	93,015				163,235
Total Furnishings	562,442	2,278,539	62,666	15,000	404,832	3,323,498
Total Movable or Other Equipment (not in construction contracts)	7,899,850	6,355,430	1,398,452	2,300,000	404,832	18,358,585

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Department/Area	Cost	Gross Square Foot			Amount of Proposed Total BGSF That Is:			
		Existing	Original Permit	Proposed	New Construction	Modern	As Is	Vacated Space
Reviewable:								
Adult Emergency	\$27,368,120	16,517	29,017	28,672	28,672			16,517
Radiology	\$1,354,470	117,306	116,977	1,419	1,419	1,386		2,000
Medical/Surgical	\$27,597,462	236,012	345,334	79,217	0	79,215	236,012	0
ICU	\$0	77,446	87,709	0	0		77,446	
Cancer Ancillaries	\$3,955,549	2,991	10,697	4,144	4,144			2,991
Total Reviewable	\$60,275,601	450,272	589,734	113,452	34,235	80,601	313,458	21,508
Nonreviewable:								
Staff Support	\$14,887,640	1,093,742	1,111,962	32,397	6,771	27,076	1,093,742	
Public	\$0	598,546	663,550	0	0	0	598,546	
Bldg. Systems	\$45,281,350	961,201	976,624	102,947	10,389	92,558	961,201	
Total Nonreviewable	\$60,168,990	2,653,489	2,752,136	135,344	17,160	119,634	2,653,489	
Grand Total	\$120,444,591	3,103,761	3,341,870	248,796	51,395	200,235	2,966,947	21,508



Section IV, Project Services Utilization

Attachment 15

I. Section 1110. Appendix B, Project Services Utilization

In CY20, UCMC's CT Scanner utilization justified 11 units, and in CY21 justified 13 units, based on the state standard, and the rounding up methodology. As part of this Permit Alteration, UCMC is requesting one additional CT Scan unit in the Adult Emergency Department, bringing the total from 8 units to 9 units, which is still below the number justified by the state standard. The existing CT Scan in the Adult Emergency Department currently operates at a utilization that is five times the state standard.

Note that the years shown below are based on Calendar Years ending December 31st of each year, consistent with the IDPH Annual Questionnaire.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
	CT Scan			7,000 Visits Per Machine Per Year	
2017	8 Units	50,567		56,000	YES
2018	8 Units	64,393		56,000	YES
2019	8 Units	70,063		56,000	YES
2020	8 Units	71,548		56,000	YES
2021	8 Units	84,053		56,000	YES
2022	9 Units		85,734	63,000	
2023	9 Units		85,734	63,000	
2024	9 Units		85,734	63,000	
2025	9 Units		85,734	63,000	
2026	9 Units		85,734	63,000	

Justification for added CT Scanner:

Calculation of Beds Justified Two Years After Project Completion		
Year	CT Scan Visits	Comments
Historical, year ending 12/31:		
2016	44,764	
2017	50,567	
2018	64,393	
2019	70,063	
2020	71,548	
2021	84,053	
Projected:		

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Calculation of Beds Justified Two Years After Project Completion		
Year	CT Scan Visits	Comments
Historical, year ending 12/31:		
2022	85,734	2% Growth in Staffed Beds
2023	85,734	
2024	85,734	
2025	85,734	
2026	85,734	

CT Scan justified at 7,000 visits per machine = 13 (85,734 visits / 7,000 visits per machine – rounded up)

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE						
Department (List below)	A Cost/Sq. Foot		C Gross Sq. Ft.		E Gross Sq. Ft.	
	New	Mod.	New	Con.	Mod.	Con.
Reversible:						
Adult Emergency	\$ 556.17		28,672	33%		
Radiology	\$ 556.17	\$ 147.17	1,619	8%	1,386	18%
Med/Surg	0.00	\$ 147.17	0	0%	79,217	21%
ICU	0.00		0	0%		
Emergency Ambulance	\$ 556.17		4,144	30%		
Reversible Total	\$556.17	\$147.17	34,235	31%	80,603	21%
Non-reversible:						
Staff Support	\$ 853.65	\$ 181.38	6,773	21%	27,076	18%
Public	0.00		0	0%		
Build. Systems	\$ 853.65	\$ 181.38	10,380	0%	92,538	23%
Non-reversible Total	\$ 853.65	\$ 181.38	17,153	8%	119,614	22%
Contingency	\$ 1.34	\$10.10				
TOTALS	\$1,411.16	\$328.65	51,388	39%	200,217	23%