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October 20, 2017

VIA FEDEX

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson
Springfield, IL 62761

RE: Project # 16-031

Dear Ms. Avery:

Pursuant to 77 Illinois Administrative Code 1130.760, this is the annual progress report for project # 16-031, Rush Oak Brook Surgery Center (the "Project"). The Permit for the Project was issued on October 25, 2016, to Rush Oak Brook Orthopaedic Center, LLC and Rush University Medical Center (jointly the "Permit Holders"). The approved Permit amount was \$21,766,530 for the development of an ambulatory surgical treatment center. The Permit Holders provide the following information regarding the progress of the Project:

1. Current Status of the Project—Through October, 2017 to date the Project is 2% complete. The scope and size of the Project have not changed per permit issuance.
2. Costs Incurred to Date-- Project costs incurred through October, 2017 to date are \$378,900. The Permit Holders anticipate the total project costs at completion will be consistent with those reported in the approved CON application.
3. Obligation of Project—The Project has been obligated via commitment of at least one-third of the projected project costs.
4. Method of Financing the Project—The Project has been financed using cash and securities in accord with the permit.
5. Anticipated Date of Completion—The anticipated completion date of the Project is June 1, 2019, consistent with that identified in the CON application; and there has been no change to the scope of the Project.

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

If you need any additional information, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Clare E. Connor". The signature is written in dark ink and is positioned above the printed name and title.

Clare E. Connor
Partner

cc: Justin Johnson, RUMC Legal Affairs
Randall Johnson, Midwest Orthopaedics at Rush
Jack Axel