

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION FOR THE
CHANGE OF OWNERSHIP FOR AN EXISTING HEALTH CARE FACILITY

E-057-16

ORIGINAL

RECEIVED

OCT 03 2016

HEALTH FACILITIES &
SERVICES REVIEW BOARD

1. INFORMATION FOR EXISTING FACILITY

Current Facility Name Hauser Ross Eye Institute Ambulatory Surgery Center

Address 1630 Gateway Drive

City Sycamore

Zip Code 60178

County DeKalb

Name of current licensed entity for the facility DeKalb Surgical Services, LLC d/b/a Hauser Ross Eye Institute Ambulatory Surgery Center

Does the current licensee: own this facility _____ OR lease this facility X (if leased, check if sublease ☐)

Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship

_____ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental

X Limited Liability Company _____ Other, specify _____

Illinois State Senator for the district where the facility is located: Sen. Dave Syverson

State Senate District Number 35 Mailing address of the State Senator N/A

Illinois State Representative for the district where the facility is located: Rep. Robert Pritchard

State Representative District Number 70 Mailing address of the State Representative N/A

2. **OUTSTANDING PERMITS.** Does the facility have any projects for which the State Board issued a permit that will not be completed (refer to 1130.140 "Completion or Project Completion" for a definition of project completion) by the time of the proposed ownership change? Yes ☐ No X. If yes, refer to Section 1130.520(f), and indicate the projects by Project # _____

3. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).

Exact Legal Name of Applicant DeKalb Surgical Services LLC d/b/a Hauser Ross Eye Institute Ambulatory Surgery Center

Address 1630 Gateway Drive

City, State & Zip Code Sycamore, IL 60178

Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship

_____ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental

X Limited Liability Company _____ Other, specify _____

4. **NAME OF LEGAL ENTITY THAT WILL BE THE LICENSEE/OPERATING ENTITY OF THE FACILITY NAMED IN THE APPLICATION AS A RESULT OF THIS TRANSACTION.**

Exact Legal Name of Entity to be Licensed DeKalb Surgical Services LLC d/b/a Hauser Ross Eye Institute Ambulatory Surgery Center

Address 1630 Gateway Drive

City, State & Zip Code Sycamore, IL 60178

Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship

_____ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental

X Limited Liability Company _____ Other, specify _____

5. **BUILDING/SITE OWNERSHIP. NAME OF LEGAL ENTITY THAT WILL OWN THE "BRICKS AND MORTAR" (BUILDING) OF THE FACILITY NAMED IN THIS APPLICATION IF DIFFERENT FROM THE OPERATING/LICENSED ENTITY**

Exact Legal Name of Entity That Will Own the Site MAE Sycamore Holdings, LLC

Address 1900 Main St., Suite 375

City, State & Zip Code Irvine, CA 92614

Type of ownership of the current licensed entity (check one of the following:) _____ Sole Proprietorship

_____ Not-for-Profit Corporation _____ For Profit Corporation _____ Partnership _____ Governmental

X Limited Liability Company _____ Other, specify _____

6. TRANSACTION TYPE. CHECK THE FOLLOWING THAT APPLY TO THE TRANSACTION:

- ☐ Purchase resulting in the issuance of a license to an entity different from current licensee;
- ☐ Lease resulting in the issuance of a license to an entity different from current licensee;
- ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee;
- ☐ Stock transfer resulting in no change from current licensee; (NOTE: unit/equity interest transfer)
- ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee;
- ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee;
- ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity;
- ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets;
- ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility;
- ☐ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee;
- ☒ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets, and explain in "Attachment 3 Narrative Description"

7. APPLICATION FEE. Submit the application fee in the form of a check or money order for \$2,500 payable to the Illinois Department of Public Health and append as **ATTACHMENT #1**.

8. FUNDING. Indicate the type and source of funds which will be used to acquire the facility (e.g., mortgage through Health Facilities Authority; cash gift from parent company, etc.) and append as **ATTACHMENT #2**.

9. ANTICIPATED ACQUISITION PRICE: N/A – See narrative

10. FAIR MARKET VALUE OF THE FACILITY: N/A – See narrative
(to determine fair market value, refer to 77 IAC 1130.140)

11. DATE OF PROPOSED TRANSACTION: N/A – See narrative

12. NARRATIVE DESCRIPTION. Provide a narrative description explaining the transaction, and append it to the application as **ATTACHMENT #3**. **NOTE:** For transactions involving related parties the reason the change of ownership is taking place must be provided.

13. BACKGROUND OF APPLICANT (co-applicants must also provide this information). Corporations and Limited Liability Companies must provide a current Certificate of Good Standing from the Illinois Secretary of State. Limited Liability Companies and Partnerships must provide the name and address of each partner/ member and specify the percentage of ownership of each. Append this information to the application as **ATTACHMENT #4**.

14. FINANCIAL STATEMENTS. (Co-applicants must also provide this information) Provide a copy of the applicants latest audited financial statements AND footnotes and an "A" or better bond rating, and append it to this application as **ATTACHMENT #5**. If the applicant is a newly formed entity and financial statements are not available, please indicate by checking **YES** _____, and indicate the date the entity was formed.

15. LETTER OF INTENT: A signed and notarized letter of intent must be provided that contains the following information: the terms of the transaction, name and background of the parties, structure of the transaction, the person who will be the licensed or certified entity after the transaction is complete; the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, the fair market value of assets to be transferred, the purchase price or other form of consideration to be provided for these assets and a statement that the transaction will not be completed until after approval of the Illinois Health Facilities and Services Review Board. Append as **ATTACHMENT #6**.

NOTE: For transactions involving related parties a letter of intent is not required.

16. **PRIMARY CONTACT PERSON.** Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).

Name: Clare Connor Ranalli
Address: 227 W. Monroe Street
City, State & Zip Code: Chicago, IL 60606
Telephone: (312) 984-3365

17. **ADDITIONAL CONTACT PERSON.** Consultant, attorney, other individual who is also authorized to discuss this application and act on behalf of the applicant.

Name: Ahmed Abdelsalam, M.D.
Address: 1630 Gateway Drive
City, State & Zip Code: Sycamore, IL 60178
Telephone : 815.756.5603

18. **CERTIFICATION**

I the undersigned certify that the above information and all attached information are true and correct to the best of my knowledge and belief.

I the undersigned certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois.

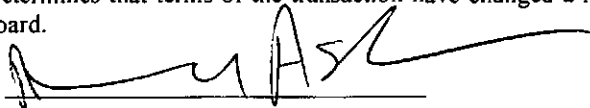
I the undersigned certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change.

I the undersigned certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

I the undersigned certify that the health care facility will not adopt a charity care policy that is more restrictive than the policy in effect during the year prior to the transaction.

I the undersigned certify that within 90 days after the closing of the transaction that I will provide a letter stating that the change of ownership has been completed in accordance with the letter of intent provided in the application for exemption. If the terms of the letter of intent have changed, those changes will be provided with this letter. I understand if the State Board determines that terms of the transaction have changed a new application for exemption will be submitted to the State Board.

Signature of Authorized Officer



Typed or Printed Name of Authorized Officer Ahmed Abdelsalam, M.D.

Title of Authorized Officer: Member/Manager, DeKalb Surgical Services, LLC

Address: 1630 Gateway Drive

City, State & Zip Code: Sycamore, IL 60178

Telephone: (815)756-5603

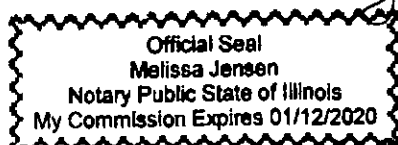
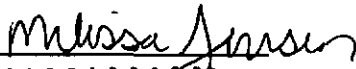
Date:

9/29/2016

Date:

9/29/16

Notary Signature



NOTE: complete a separate signature page for each co-applicant and insert following this page.

**ATTACHMENT #1
APPLICATION FEE**

See attached copy of check for application fee.

CASH ONLY IF ALL CHECKS LOCK SECURITY FEATURES LISTED ON BACK INDICATE NO TAMpering OR COPIING

DEC, LLC dba
Hauser-Ross Eye Institute
Operating Account
1830 Gateway Drive
Sycamore, IL 60178

MB FINANCIAL BANK, NA
02-173710

6756

09/29/2016

PAY TO THE ORDER OF Illinois Department of Public Health \$ **2,500.00

Two thousand five hundred and 00/100***** DOLLARS

PROTECTED AGAINST FRAUD

Illinois Department of Public Health

MEMO

006756 071001737 152000554

Details on Back

Intelli CheckLock™ Secures Checks

DEC, LLC dba

6756

09/29/2016

Illinois Department of Public Health

Date	Type	Reference	Original Amount	Balance Due	Payment
09/29/2016	Bill		2,500.00	2,500.00	2,500.00
		Check Amount			2,500.00

MB Financial - Check

2,500.00

ATTACHMENT #2
FUNDING

The acquisition of the physical plant (building) where the Hauser Ross Eye Institute Surgery Center (the "Center") leases space was funded with a loan to MAE Sycamore Holdings, LLC which is in no way related to the Center.

ATTACHMENT #3
NARRATIVE DESCRIPTION

Hauser Ross Eye Institute Surgery Center leases space in the building located at 1630 Gateway Drive in Sycamore, Illinois. The building was owned by SASS Real Properties, LLC. and was sold on May 13, 2016 to MAE Sycamore Holdings, Inc. for \$14,800,000.00 This resulted in the change of a person who controls the physical plant of a healthcare facility.

**ATTACHMENT #4
BACKGROUND OF APPLICANT(S)**

Certificate of Good Standing.

Attached please find certificates of good standing for DeKalb Surgical Services, LLC ("DSS").

**ATTACHMENT #5
FINANCIAL STATEMENTS**

DeKalb Surgical Services does not have audited financials as it has not been in operation for over a year. Further it was not involved in any way in the purchase of the building located at 1630 Gateway Drive in Sycamore, Illinois.

ATTACHMENT #6
LETTER OF INTENT

Pursuant to statutory amendment, a Letter of Intent is no longer required to be submitted. DeKalb Surgical Services, LLC d/b/a Hauser Ross Eye Institute Surgery Center was not a party to the transaction between SASS Real Properties, LLC. and MAE Sycamore Holdings, LLC.