



Pana Community Hospital

April 19, 2017

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

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

RE: Pana Community Hospital, Pana, Project No: 17-007; Type B Modification of Application in Response to Comments, Recommendations, or Objections of State Board Review

Dear Ms. Avery:

In conformance with Section 1113.650 of the Board's rules, Applicant hereby submits this Type B modification to its referenced application. This modification is limited to the comments, recommendations, or objections of the State Board's report (the "Report") of its review of the Hospital's application for permit ("Application").

The Report states that Applicant failed to meet two criteria in the Board's rules: (1) the Hospital's historical utilization does not warrant two operating rooms, under Section 1110.3030, and (2) the Hospital's construction costs exceed the State Board Standard for new construction and contingencies by approximately \$33.93/GSF, under Section 1120.140(c).

Section 1110.3030: Historical Utilization

The State Board Report states that the Hospital's historical utilization does not warrant two operating rooms.

Additional Information

- As stated in the Application, the surgery rooms have seen a significant increase in volume over the past three years, due mostly to Hospital hiring a general surgeon in 2012 and contracting with an orthopedic surgeon in 2016. Applicants expect that this growth will continue, though at a reduced rate over time, and eventually level out in approximately two years after the completion of the Project. At that time, the Hospital's projections show that utilization of one of the operating rooms will exceed the State Standard of 1,500 hours, which will justify the second operating room.
- Historically, the Hospital has provided surgical services, utilizing two operating rooms. The Project will replace the two operating rooms and completely renovate the existing operating rooms for offices. Therefore, the number of operating rooms will remain the same.
- Our current surgical suite, with two operating rooms, allows the Hospital to control cross-contamination and prevent infection. The Hospital's current process is to utilize one operating room for non-sterile case (for example, colonoscopies and EGDs) and the other operating room for sterile cases (for example, hernia repairs and orthopedic surgeries). This process has resulted in the Hospital having no post-surgical infections or complications related to infection or contamination.

- Two operating rooms provide necessary redundancy. If there were an equipment or mechanical failure in one room, the other room would be available for continued surgical care.

Section 1120.140(c): Reasonableness of Project Costs

The State Board Report states that the Project costs exceeded the State Board Standard for new construction and contingencies by approximately \$33.93/GSF and for modernization and contingencies by approximately \$73.13/GSF.

Additional Information on Why Those Project Costs Exceed State Board Standards and Why Applicant Cannot Further Reduce Them

- As stated in the Application, new construction and contingencies exceed State Standards due to the complexities of connecting the new construction to the existing construction. For example, the floor to ceiling heights in the existing 1955 building differ from modern construction, which makes it challenging and costly to connect the building. Connecting the buildings requires the Hospital to use a more costly delta-beam structural system instead of a standard system and to take other measures to conserve the above-ceiling height in the new building.
- Additional complexities relate to tying into the existing structure, which add costs to the project. For example, the Project must include expansion joints to tie the buildings together, open up the existing building to the new construction, and pour foundations against the existing building. In addition, the Published State Standards do not reflect additional structural costs that current seismic-design building code requirements require.
- The new construction requires extensive work to relocate existing utilities that are in the way of construction. These include both overhead and underground utilities, such as electrical, natural gas, water, sewer, and oxygen. Further, the Project requires additional site development work for the proposed main entry in order to comply with ADA-accessible route and parking requirements.
- New construction and contingencies included the construction of a new mechanical penthouse that will serve the addition and significant areas of the existing Hospital. The Hospital has to replace its existing mechanical infrastructure due to the age and condition of the Hospital's current infrastructure. In addition, published State Standards do not reflect additional costs related to current energy conservation measures, which the Illinois Energy Conservation Codes require.
- Additional costs are due to the age of the renovated areas, which have not been renovated in over 40 years.
- The modernization also includes upgrades to the Hospital's life safety systems, as part of its plan of correction to IDPH's last Life Safety Code Survey, which added significant costs. For example, the Hospital is required to spray any exposed steel with fireproofing material to provide code required construction type.
- The Project requires the Hospital to phase the Project so that it can relocate staff and adjust process flow. The phasing and relocation processes are necessary, because the Hospital will operate throughout construction, which add significant additional costs.

We hope that this additional information adequately explains why the Hospital needs two operating rooms and why certain costs of the Project exceed State Standards. In relation to costs, though a couple of them are higher than State Standards, the cost of the Project overall is much less expensive than the cost of a replacement Hospital.

Thank you for your consideration. If you have any questions, please call me at 217-562-6313 or email me at tcasner@panahospital.com.

Sincerely,

A handwritten signature in black ink, reading "Trina J. Casner". The signature is fluid and cursive, with the first name "Trina" being more prominent and the last name "Casner" following in a similar style.

Trina J. Casner, FACHE
President & Chief Executive Officer