



COOK COUNTY HEALTH

Leadership

Tori Preckwinkle
President
Cook County Board of Commissioners

Israel Rocha, Jr.
Chief Executive Officer
Cook County Health

Board of Directors

M. Hill Hammock
Chair of the Board

David Ernesto Munar
Vice Chair of the Board

Robert Currie
Hon. Dr. Dennis Deer, LCPC, CCFC
Mary Driscoll, RN, MPH
Raul Garza
Ada Mary Gugenheim

Joseph M. Harrington
Mike Koetting
Heather M. Prendergast, MD, MS, MPH
Robert G. Reiter, Jr.
Otis L. Story, Sr.

To: Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

Email: mike.constantino@illinois.gov

From: Andrea Gibson 
Interim Chief Business Officer
Cook County Health

Date: December 21, 2020

Memo: **Third Permit Renewal Request for Project 17-017
Provident Dialysis Center**

Dear Mr. Constantino:

On November 21, 2017, Provident Hospital of Cook County ("Provident" "Permit Holders") was approved by the Illinois Health Facilities and Services Review Board (the "Board") to establish a 12-station ESRD facility on the Provident campus in Chicago, Illinois. The original completion date stated in the CON application was December 31, 2018 ("Original Completion Date"). The Permit Holders timely requested its first 12-month permit renewal to extend the Original Completion Date to December 31, 2019 (First Renewal Request"). The Board approved the First Renewal Request on January 15, 2019. Subsequently, the Permit Holders requested a second 12-month permit renewal request to reconcile construction delays and proposed a new completion date of December 31, 2020 ("Second Renewal Request"). The Board approved the Second Renewal Request on June 4, 2019.

Pursuant to 77 Ill. Admin. Code §1130.740, we are requesting a third renewal of the completion date ("Third Renewal"). This rule delineates the following criteria to be considered by the Board when determining whether a permit renewal shall be granted:

- 1) The requested completion date;

- 2) A status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date;
- 3) A statement as to the reasons why the project has not been completed; and
- 4) Confirmatory evidence by the permit holder's authorized representative that the project's costs and scope comply with the application HFSRB approved and that sufficient financial resources are available to complete the project.

We propose the following information under each criterion:

1. **The requested completion date.** The Permit Holders request that a new completion date of August 31, 2021 be given to complete the Project and file the required notice of completion and costs reports.
2. **A status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date.** The construction of the Project is 98.5% complete. The remaining items to be completed include:
 - Revisions per state plumbing inspection
 - The CMS 855(a) has been submitted and the IDPH survey will be scheduled after occupancy.

This Project was obligated on December 31, 2019. The attached **Exhibit A** shows the funds that have been committed to date.

3. **A statement as to the reasons why the project has not been completed.** We believe this Project has proceeded with “due diligence” as defined under 77 Ill. Admin. Code §1130.140. The COVID-19 pandemic is an unanticipated circumstance. As the pandemic has surged and plateaued most provider projects have been met with reconsideration, regression and a multitude of changes to capital projects. Additionally, certain security and IT elements were left out of the original design and need to be completed. Lastly, the application of the 2020 Plumbing Code as opposed to the prior Plumbing Code that this Project was designed under has resulted in new requirements and therefore added delay. Despite these challenges, the construction of this Project is 98.5% complete. We anticipate occupancy in the next few weeks and the CMS certification to follow.
4. **Confirmatory evidence by the permit holder's authorized representative that the project's costs and scope comply with the application HFSRB approved and that sufficient financial resources are available to complete the project.** First, there has been no change to the scope of this Project. We maintain that we will need 12 stations as approved by the Board. Similarly, the square footage of the Project remains consistent with what was approved by the Board. Secondly, the source of funds allocated to Cash and Securities has not changed. With respect to the overall total project costs, the approved permit costs are \$2,238,268. The total project costs expended to date are approximately 48% over.

Please let us know if you require any other information from us. We are requesting that this Third Renewal be approved by the Board Chair. A check in the amount of \$1,000 has been enclosed.

cc: Courtney Avery
encl: Check # 1405

EXHIBIT A

Project Costs and Sources of Funds - CON APPLICATION 17-017-Provident Dialysis Center

USE OF FUNDS	BUDGETED	EXPENDED TO DATE	PROJECT BALANCE
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$1,299,443.00	\$2,1092,084.00	(\$892,641)
Contingencies	\$130,000.00	\$130,000	\$0.00
Architectural/Engineering Fees	\$108,000.00	\$143,000	(35,000)
Consulting and Other Fees	\$100,000.00	\$66,232.00	\$33,768.00
Movable or Other (not in construction contracts)	\$500,825.00	\$48,024.00	\$452,801.00
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)		\$55,721.00	(\$55,721.00)
Fair Market Value of Leased Space or Equipment		\$683,823.70	(\$683,823.70)
Other Costs to Be Capitalized	\$100,000.00	\$0.00	\$100,000.00
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$2,238,268.00	\$3,318,885.00	(\$1,080,617.00)
SOURCE OF FUNDS			
Cash and Securities	\$2,238,268.00	\$2,635,062.00	(\$396,794.00)
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)		\$683,824.00	(\$683,824.00)
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$ 2,238,268.00	\$3,318,885.00	(\$1,080,617.00)

1405

JOHN H. STROGER, JR. HOSPITAL OF COOK COUNTY
GENERAL FUND ACCOUNT

2-1-710

PAY
TO THE
ORDER OF

DATE 12/21/20

Illinois Health Facilities and Services Review Board
One thousand ⁰⁰/₁₀₀ \$ 1,000.00

Security Features
Included
Check on Back

DOLLARS

BANK ONE.

JPMorgan Chase Bank, N.A.
Chicago, Illinois 60670

[Signature]

FOR Third Permit Renewal Request for Provident

Bioethics Center 001405 00710000131

MP

111152311

