



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET NO: H-11	BOARD MEETING: November 14, 2017	PROJECT NO: 17-041	PROJECT COST: Original: \$5,117,973
FACILITY NAME: Palos Hills Surgery Center		CITY: Palos Hills	
TYPE OF PROJECT: Non-Substantive			HSA: VII

PROJECT DESCRIPTION: The applicant (Palos Hills Surgery Center, LLC) is proposing to modernize and expand an existing limited specialty ambulatory surgical treatment facility (ASTC) in Palos Hills. The project cost is \$5,117,973 and the project completion date is December 1, 2019.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The applicant (Palos Hills Surgery Center, LLC) (Applicant) is proposing to modernize and expand its limited specialty ambulatory surgical treatment facility located at 10330 South Roberts Road, Suite 3000, Palos Hills. The project cost is 5,117,973 and the project completion date is December 1, 2019.
- The existing facility is a limited-specialty ASTC with two operating rooms and six recovery stations. Palos Hills Surgery Center currently performs Orthopedic and Plastic Surgery procedures. No new surgical specialties will be added as a result of the modernization and expansion project.
- The proposed project will involve 5,519 GSF of newly constructed space and 810 GSF of modernized space, resulting in two additional treatment rooms.
- The proposed project is a non-substantive project with no costs and subject to a 77 ILAC 1110 review. If the project is approved by the State Board, the ASTC will continue to be classified as a limited-specialty surgery center (providing one or two surgical specialties outlined in 77 ILAC 1110.Appendix A).

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- This project is before the State Board because the project proposes to modernize and expand an existing limited specialty ASTS as defined by the Illinois Health Facilities Planning Act. (20 ILCS 3960/3)

PURPOSE OF THE PROJECT:

- The Applicant stated:

The primary purpose of the project is to enable the applicant to meet the current and future needs of its patients and the community for high quality, cost efficient and accessible outpatient orthopedic and plastic/reconstructive surgical care. The expansion of the facility from two (2) operating rooms to four (4) operating rooms will enable the Applicant to meet this objective by addressing existing issues identified by the Applicants. Specifically, the project aims to meet the following objectives:

- 1) Meet the community need for Specialized Hand & Upper Extremity Surgical capacity.*
- 2) Meet the community need for Orthopedic spine and total joint replacement surgery.*
- 3) Continue transition from hospital to ASTC setting.*
- 4) Protect PHSC's emergency operative capabilities for traumatic injuries.*
- 5) Provide surgical time for pediatric/public aid surgeries.*

PUBLIC HEARING/COMMENT:

No public hearing was requested. State Board Staff received two letters of support and no opposition letters.

SUMMARY:

- State Board Staff reviewed the application for permit and additional information provided by the Applicant and note the following:
- The Applicant requests to add two surgical/procedure rooms and seven recovery rooms to an existing two-room limited specialty ASTC in Palos Hills. The project will result in a four room ASTC with 13 recovery stations.
- **Reviewer Note:** The request to modernize and add surgical space will not change the ASTCs limited classification.
- **Reviewer Note:** Board rules recognize two types of ASTCs:
 - **Limited-Specialty:** Providing one or two of the surgical specialties listed in Part 1110, Appendix A
 - **Multi-Specialty:** Providing at least three of the surgical specialties listed in Part 1110, Appendix A

The Applicant addressed a total of 11 criteria and was not compliant with the following:

Criteria	Reasons for Non-Compliance
77 ILAC 1120.130 - Financial Viability	The Applicant reported a substandard cushion ratio for 2014. Board Staff notes this facility is currently operational and it is likely that the negative finding will have little effect on future financial viability.
77 ILAC 1120.140 – Reasonableness of Project and Related Costs	The Applicant reported New Construction and Proportionate Contingencies costs in excess of the State standard.

STATE BOARD STAFF REPORT
Palos Hills Surgery Center
Project #17-041

APPLICATION CHRONOLOGY	
Applicant	Palos Hills Surgery Center, LLC
Facility Name	Palos Hills Surgery Center
Location	10330 South Roberts Road, Palos Hills, IL
Permit Holder	Palos Hills Surgery Center, LLC
Operating Entity/Licensee	Palos Hills Surgery Center, LLC
Owner of Site	Palos Hills Realty, LLC
Application Received	August 23, 2017
Application Deemed Complete	August 25, 2017
Financial Commitment Date	Upon Permit Issuance
Anticipated Completion Date	December 1, 2019
Review Period Ends	October 24, 2017
Review Period Extended by State Board Staff	No
Can the Applicant Request a Deferral	Yes

I. Project Description

The Applicant (Palos Hills Surgery Center, LLC) proposes to modernize/expand an existing limited-specialty ambulatory surgical treatment facility, located at 10330 South Roberts Road, Elmhurst. The project cost is \$5,117,973 and the project completion date is December 1, 2019.

II. Summary of Findings

- A. State Board Staff finds the proposed project in conformance with all relevant provisions of 77 ILAC 1110 (Part 1110).
- B. State Board Staff finds the proposed project not in conformance with all relevant provisions of 77 ILAC 1120 (Part 1120).

III. General Information

The Applicant is Palos Hills Surgery Center, LLC and the proposed project is the modernization and expansion of an existing limited-specialty ASTC located at 10330 South Roberts Road, Palos Hills. The facility is currently a limited-specialty ASTC providing Orthopedic and Plastic surgical services. The Applicant proposes to add two surgical/procedure rooms to its existing two-room facility, resulting in a four-room ASTC.

IV. Health Service Area/Health Planning Area

The proposed ASTC will be located in suburban Cook County in Health Service Area (HSA) VII. HSA-VII includes DuPage and suburban Cook counties. There are 52 ASTCs in HSA-VII reporting to have performed 152,336 surgical procedures in 2016. There are 35 hospitals in this HSA reporting to have performed a total of 217,306 surgical procedures in the same year (Source: 2016 Annual Hospital/ASTC Questionnaire).

V. Project Description

Palos Hills Surgery Center is currently operating as a limited specialty ASTC performing orthopedic and plastic surgical procedures. The ASTC contains two surgical suites and six recovery stations and reported having performed 2,434 (2,055 hrs) Orthopedic procedures in 2016. The Applicant proposes to add two surgical suites and seven recovery stations, essentially doubling the size of the facility. The entire facility will also be modernized.

VI. Project Costs

The Applicant reports the project will be funded with a combination of cash and securities totaling \$535,563 and a mortgage/loan totaling \$4,582,409. There will be a combination of new construction (7,185 GSF) and modernized space (810 GSF).

TABLE TWO			
Project Costs and Sources of Funds			
USE OF FUNDS	Reviewable	Non Reviewable	Total
Preplanning Costs	\$60,985	\$13,788.66	\$74,763.66
Site Survey/Soil Investigation	\$7,092	\$577.87	\$7,669.87
Site Preparation	\$115,472.82	\$10,265.31	\$125,738.13
Off Site Work	\$125,000	\$23,200	\$148,200
New Construction Contracts	\$2,210,121.40	\$775,630	\$2,985,751.40
Contingencies	\$50,000	\$11,386.14	\$61,386.14
Architectural/Engineering Fees	\$235,800	\$70,000	\$305,800
Consulting & Other Fees	\$141,000	\$14,000	\$155,000
Movable or Other Equipment (not in construction contracts)	\$916,988.18	\$123,500	\$1,040,488.18
TOTAL USES OF FUNDS	\$4,075,635.50	\$1,043,337.98	\$5,117,973.48
SOURCE OF FUNDS	Reviewable	Non Reviewable	Total
Cash and Securities	\$437,785	\$97,778.66	\$535,563.66
Other Funds and Sources/Mortgage	\$3,637,850.50	\$944,559.32	\$4,582,409.82
TOTAL SOURCES	\$4,075,635.50	\$1,042,337.98	\$5,117,973.48
Source: Page 5 of the Application for Permit.			

VII. Purpose of the Project, Safety Net Impact Statement, Alternatives

A) Criterion 1110.230(a) – Purpose of the Project

Applicants are asked to:

1. *Document that the project will provide health services that improve the health care or well-being of the market-area population to be served.*
2. *Define the planning area or market area, or other area, per the applicant's definition.*
3. *Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project.*
4. *Cite the sources of the information provided as documentation.*
5. *Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.*
6. *Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.*

The Applicant stated: *The primary purpose of the project is to enable the applicant to meet the current and future needs of its patients and the community for high quality, cost efficient and accessible outpatient orthopedic and plastic/reconstructive surgical care. The expansion of the facility from two (2) operating rooms to four (4) operating rooms will enable the Applicant to meet this objective by addressing existing issues identified by the Applicants (sic). Specifically, the project aims to meet the following objectives:*

- 1) *Meet the community need for Specialized Hand & Upper Extremity Surgical capacity.*
- 2) *Meet the community need for Orthopedic spine and total joint replacement surgery.*
- 3) *Continue transition from hospital to ASTC setting.*
- 4) *Protect PHSC's emergency operative capabilities for traumatic injuries.*
- 5) *Provide surgical time for pediatric/public aid surgeries.*

B) Criterion 1110.230(b) – Safety Net Impact Statement

Applicants are asked to document:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

The project is classified as non-substantive; therefore, a Safety Net Impact Statement was not required. The Applicant reported Charity care data for three years preceding the filing of this application (See Table Three).

TABLE THREE			
Charity Care Palos Hills Surgery Center, LLC			
	2014	2015	2016
Net Patient Revenue	\$1,102,476	\$2,479,467	\$3,639,788
Amount of Charity Care (Number of Patients)	6	11	0
Amount of Charity Care (Charges in Dollars)	\$35,561	\$96,486	\$0.00
Cost of Charity Care (In Dollars)	\$8,890	\$24,121	\$0.00
Ratio of Charity Care to Net Revenue	1%	1%	N/A

C) Criterion 1110.230(c) Alternatives to the Project

To demonstrate compliance with this criterion, applicants must document that the proposed project is the most effective or least costly alternative for meeting the health care needs of the population to be served by the project.

The applicant considered three alternatives to the project as described. They are:

1) **Maintain Status Quo**

The Applicant decided not to expand the existing facility because it would be counterintuitive to its decision to increase surgical capacity at the existing ASTC. This option would do nothing to increase availability of additional surgical modalities or aid in patient access to said surgical modalities. There were no costs identified with this alternative.

2) **Utilize Local Hospitals and Facilities**

The Applicant considered performing the surgical procedures in a hospital setting or other facility, but rejected this alternative based on the lost conveniences of utilizing their own ASTC. The Applicant notes an ASTC environment would provide a more convenient location for services, shorter waiting times for surgeries, and easier scheduling. There were no costs identified with this alternative.

3) **Reduce Scope and Size of Current Project**

The Applicant considered a project of lesser scale (one Surgical Suite), but rejected this alternative because one additional surgical suite would not address the projected surgical volume anticipated with the enhanced services planned. The Applicant carefully researched the anticipated surgical volumes and potential scheduling difficulties realized with the enhanced surgical modalities and determined that two additional surgical suites would be sufficient and necessary to cover any additional surgical volume.

VIII. **Size of the Project, Projected Utilization of the Project, Assurances**

A) Criterion 1110.234(a) – Size of the Project

To document compliance with this criterion, the applicant must document that the proposed surgical rooms and recovery stations meet the State Board GSF Standard's in Part 1110, Appendix B.

The Applicant proposes to add 2 surgical suites and 7 recovery stations to an existing ASTC containing 2 surgical suites and 6 recovery stations. Once completed, the ASTC will increase in size from 6,311 GSF to 13,496 GSF. The finished project will result in four surgical suites and thirteen 13 recovery stations in 10,984 GSF of clinical space. The State standard for ASTC rooms is 1600-2,200DGSF per room. The Applicant met the requirements of the criterion.

B) Criterion 1110.234(b) – Projected Utilization

To document compliance with this criterion, applicants must document that the proposed surgical/procedure rooms will be at target utilization or 1,500 hours per operating/procedure room by the second year after project completion.

The State Board Standard is 1,500 hours per operating room. The Applicant is projecting a total of 9,415 hours by the second year of operation for four operating rooms. [Application, p. 110] The Applicant met the requirements of this criterion.

C) Criterion 1110.234(e) – Assurances

To document compliance with this criterion, applicants must provide an attestation that the proposed project will be at target occupancy two years after project completion.

The project does not involve the build out of shell space, and this criterion is not applicable.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERIA SIZE OF THE PROJECT, PROJECTED UTILIZATION, AND ASSURANCES (77 ILAC 1110.234(a), (b), and (e))

IX. Expansion of an Existing ASTC Service

A) Criterion 1110.1540(b)(1) to (4) - Background of the Applicants

To demonstrate compliance with this criterion, applicants must provide documentation of the following:

- 1) Any adverse action taken against the applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed healthcare facility, or against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.
- 2) A listing of all health care facilities currently owned and/or operated by the applicant in Illinois or elsewhere, including licensing, certification and accreditation identification numbers, as applicable;
- 3) A letter from the Illinois Historic Preservation Agency or documentation that the proposed project is located in a flood plain zone is not required for this project because the proposed project:
 1. Does not involve demolition of any structure;
 2. Does not involve the construction of new buildings; or
 3. Does not involve the modernization of existing buildings.

Palos Hills Surgery Center, LLC is jointly owned by Dr. Anton Fakhouri, M.D. and Dr. Gary Khonen, M.D. The Applicant supplied proof of its Certificate of Good Standing and licensure/accreditation information. The Applicant notes having no ownership interest in any other IDPH licensed facility and supplied a letter permitting the State Board and IDPH to verify any information contained in this Application. [Source: Application, p. 65]

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION BACKGROUND OF THE APPLICANTS (77 ILAC 1110.1540(b)(1) to (3))

B) Criterion 1110.1540(c)(2) – Service to GSA Residents

To demonstrate compliance with this criterion, the applicants must provide a list of zip codes that comprise the geographic service area. The applicant must also provide patient origin information by zip code for the prior 12 months. This information must verify that at least 50% of the facility's admissions were residents of the geographic service area.

1. As required, The Applicant provided information pertaining to the geographical service area for the ASTC and Drs. Fakhouri's and Kronen's patient referrals in the last 12 months. [Application, pp. 121-123] In addition, the Applicant provided proof that over 50% of the referral patients for the surgery center come from within the prescribed 45-minute service area.

The proposed ASTC will provide services to the residents of the established geographic service area.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION GEOGRAPHIC SERVICE AREA NEED (77 ILAC 1110.1540(c)(2))

C) Criterion 1110.1540(d)(1) and (2) - Service Demand – Expansion of an ASTC Facility

To demonstrate compliance with this criterion, the applicants must provide physician referral letters that attest to the total number of treatments for each ASTC service that was referred to an existing IDPH-licensed ASTC or hospital located in the GSA during the 12-month period prior to the application. The referral letter must contain:

1. Patient origin by zip code of residence;
2. Name and specialty of referring physician;
3. Name and location of the recipient hospital or ASTC; and
4. Number of referrals to other facilities for each proposed ASTC service for each of the latest two years;
5. Estimated number of referrals to the proposed ASTC within 24 months after project completion
6. Physician notarized signature signed and dated; and
7. An attestation that the patient referrals have not been used to support another pending or approved CON application for the subject services.

By rule the referrals to a proposed ASTC must be from IDPH licensed ASTCs or hospitals. The Applicant submitted a list of historical patient referrals to nearby licensed hospitals and ASTCs. The referral list (Application, pp. 199-216) contains the names of the facilities and zip codes of patient origin, confirming that over 50% of those referrals originated from zip codes within the geographical service area.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION SERVICE DEMAND (77 ILAC 1110.1540(d)(1) and (2))

D) Criterion 1110.1540(f)(1) and (2) - Treatment Room Need Assessment

To document compliance with this criterion, applicants must provide the projected patient volume or hours to justify the number of operating rooms requested. The applicant must document the average treatment time per procedure.

State Board Staff notes the proposed project will result in Palos Hills Surgery Center having four operating rooms. Appendix 1 of the Application (Application, pp. 163-197) contains referral letters attesting to the performance of 4,230 procedures, resulting in 4,838 hours of operation, which meets the requirement of this criterion. The Applicant projects these data using an estimated 1.14 hours per procedure. [Application, p. 115]

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION TREATMENT ROOM NEED ASSESSMENT (77 ILAC 1110.1540(f)(1) and (2))

E) Criterion 1110.1540(i) - Staffing

To demonstrate compliance with this criterion, the applicants must provide documentation that relevant clinical and professional staffing needs will be met and a medical director will be selected that is board certified.

The Applicant attests that Palos Hills Surgery Center is currently operating with sufficient staff levels applicable for licensure and comprehensive patient care. Each service is performed by a Board certified physician who is competent in his/her prescribed surgical service.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION STAFFING (77 ILAC 1110.1540(i))

F) Criterion 1110.1540(j) - Charge Commitment

To document compliance with this criterion, applicants must provide the following:

- 1) A statement of all charges, except for any professional fee (physician charge); and
- 2) A commitment that these charges will not be increased, at a minimum, for the first two years of operation unless a permit is first obtained pursuant to 77 Ill. Adm. Code 1130.310(a).

The Applicant supplied a statement of charges (Application, pp. 124-145) and attestation that the identified charges will not increase for at least the first two years after project completion (Application, p. 146).

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION CHARGE COMMITMENT (77 ILAC 1110.1540(j))

G) Criterion 1110.1540(k) - Assurances

To demonstrate compliance with this criterion, applicants must attest that a peer review program will be implemented and that the proposed ASTC will be at target occupancy two years after project completion.

The Applicant provided certified attestation that Palos Hills Surgery Center will continue to maintain quality patient care standards, and meet or exceed the utilization standards specified in 77 ILAC 1100 by the second year of operation. [Application, p. 147]

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1110.1540(k))

FINANCIAL VIABILITY

IX. Section 1120.120 - Availability of Funds

The Applicant is funding this project with cash/securities of \$535,563 and mortgage/financing totaling \$4,582,409. The Applicant provided historical and projected financial information, including unaudited financial statements.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION AVAILABILITY OF FUNDS (77 ILAC 1120.120)

X. Section 1120.130 - Financial Viability

The Applicant is funding this project with cash of \$535,563 and mortgage/financing totaling \$4,582,409. The Applicant supplied unaudited financial statements and historical/projected financial viability ratios (see Table Four)

TABLE FOUR Financial Ratios Palos Hills Surgery Center, LLC					
		Historical			Projected
	State Standard	2014	2015	2016	2020
Current Ratio	>1.5	1.29	2.29	2.54	2.82
Net Margin Percentage	>3.5%	51%	47%	53%	60%
Percent Debt to Total Capitalization	<80%	25%	17%	12%	9%

TABLE FOUR Financial Ratios Palos Hills Surgery Center, LLC					
			Historical		
			2014	2015	2016
			Projected		
			2020		
Projected Debt Service Coverage	>1.75	2.0	19.5	28.3	41.0
Days Cash on Hand	>45 days	57	224	303	365
Cushion Ratio	>3.0	0.3	11.6	17.8	27.2

The Applicant failed to meet the cushion ratio for 2014.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION FINANCIAL VIABILITY (77 ILAC 11120.130)

ECONOMIC FEASIBILITY

- A) Criterion 1120.140(a) – Reasonableness of Financing Arrangements**
- B) Criterion 1120.140(b) - Conditions of Debt Financing**

The Applicant will fund this project with cash and securities totaling \$535,563 and mortgage/financing totaling \$4,582,409. The \$4,582,409 is a business line of credit with First Midwest Bank. State Board Staff believes the project is economically feasible based on the financial statements and the willingness of the lender to finance the mortgage portion. The Applicant also supplied a letter attesting that the selected form of debt financing will be at the lowest net cost available [See Application, p. 160]

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION REASONABLENESS OF FINANCING ARRANGEMENTS AND CONDITIONS OF DEBT FINANCING (77 ILAC 1120.140(a) and (b))

- C) Criterion 1120.140(c) - Reasonableness of Project and Related Costs**
- The applicant shall document that the estimated project costs are reasonable. All cost used in these calculations are reviewable/clinical.**

Preplanning Costs are \$ 60,985 and are 1.79% of construction, modernization, contingencies, and equipment. This appears reasonable when compared to the State Board Standard of 1.8%.

Site Survey/Site Preparation Costs are \$122,564 and are 4.5% of construction, modernization and contingency. This appears reasonable when compared to the State Board Standard of 5%.

Off Site Work These costs total \$125,000. The State Board does not have a standard for these costs.

New Construction Costs and a Proportionate Share of Contingencies is \$2,255,771 (\$2,210,121+\$45,650) and are \$408.72 per GSF (5,519 GSF). This appears **HIGH** when compared to the State Board Standard of \$402.81.

Modernization Costs and a Proportionate Share of Contingencies is \$217,526 (\$213,176+\$4,350) and are \$268.55 per GSF. This appears reasonable when compared to the State Board Standard of \$281.00.

Contingencies Costs are \$50,000 and are 2% of construction and modernization. This appears reasonable when compared to the State Board Standard of 10% for projects with drawings classified as being in the schematics stage.

Architectural and Engineering Fees are \$235,800 and are 9.5% of new construction, modernization, and contingency costs. This appears reasonable when compared to the State Board Standard of 7.06%-10.6%.

Consulting and Other Fees are \$141,000. The State Board does not have a standard for these costs.

Movable or Other Equipment Costs are \$916,988 or \$458,494 per procedure room (2). This appears reasonable when compared to the State Board Standard of \$489,744.

The Applicant exceeded the allowable thresholds for New Construction/Proportionate Contingencies costs and a negative finding results for this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS NOT IN CONFORMANCE WITH CRITERION REASONABLENESS OF PROJECT AND RELATED COSTS (77 ILAC 1120.140(c))

D) Criterion 1120.140(d) - Projected Operating Costs

The projected operating cost per case is \$581.53 per patient day. This appears reasonable compared to previously approved projects.

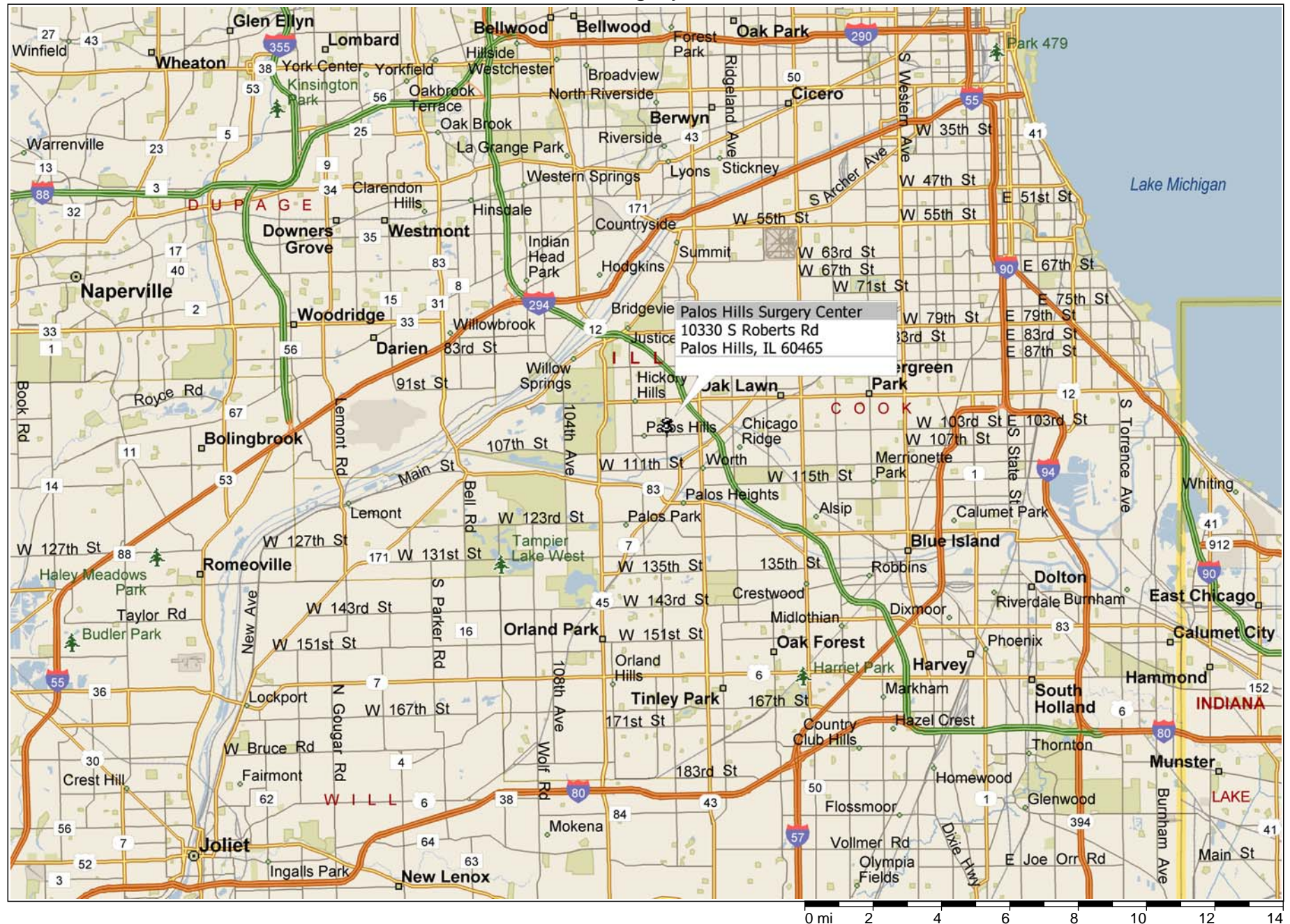
STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION PROJECTED OPERATING COSTS (77 ILAC 1120.140(d))

E) Criterion 1120.140(e) - Total Effect of the Project on Capital Costs

The projected effect of the project on capital costs is \$73.47 per patient day. This appears reasonable compared to previously approved projects.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN
CONFORMANCE WITH CRITERION TOTAL EFFECT OF THE PROJECT ON**

17-041 Palos Hills Surgery Center - Palos Hills



Reference Numbers Facility Id 7003186
 Health Service Area 007 Planning Service Area 031
 Palos Hills Surgery Center
 10330 South Roberts Road, Suite 300
 Palos Hills , IL 60465

Number of Operating Rooms 2
 Procedure Rooms
 Exam Rooms
 Number of Recovery Stations Stage 1 6
 Number of Recovery Stations Stage 2 6

Administrator **Date Complete**
 Ronald P. Ladniak 2/27/2017

Contact Person **Telephone**
 Roberta Smith 630/869-6397

Registered Agent
 Patrick C Keeley

Property Owner
 Palos Hills Realty Co.

Legal Owner(s)
 Anton J. Fakhouri
 Gary Kronen

Type of Ownership
 Limited Liability Company (RA required)

HOSPITAL TRANSFER RELATIONSHIPS

HOSPITAL NAME	NUMBER OF PATIENTS
Advocate Christ Hospital, Oak Lawn, IL	0

STAFFING PATTERNS

PERSONNEL	FULL-TIME EQUIVALENTS
Administrator	0.00
Physicians	0.00
Nurse Anesthetists	0.00
Director of Nurses	0.00
Registered Nurses	5.00
Certified Aides	3.00
Other Health Profs.	4.00
Other Non-Health Profs	4.00
TOTAL	16.00

DAYS AND HOURS OF OPERATION

Monday	11
Tuesday	11
Wednesday	11
Thursday	11
Friday	11
Saturday	0
Sunday	0

NUMBER OF PATIENTS BY AGE GROUP

AGE	MALE	FEMALE	TOTAL
0-14 years	29	31	60
15-44 years	469	275	744
45-64 years	468	495	963
65-74 years	193	217	410
75+ years	109	148	257
TOTAL	1,268	1,166	2,434

NUMBER OF PATIENTS BY PRIMARY PAYMENT SOURCE

PAYMENT SOURCE	MALE	FEMALE	TOTAL
Medicaid	0	0	0
Medicare	229	301	530
Other Public	5	6	11
Insurance	1,026	847	1,873
Private Pay	8	12	20
Charity Care	0	0	0
TOTAL	1,268	1,166	2,434

NET REVENUE BY PAYOR SOURCE FOR FISCAL YEAR

Medicare	Medicaid	Other Public	Private Insurance	Private Pay	TOTALS	Charity Care Expense	Charity Care Expense as % of Total Net Revenue
10.1%	0.0%	0.5%	88.7%	0.8%	100.0%		
688,414	0	30,961	6,044,157	53,751	6,817,283	0	0%

OPERATING ROOM UTILIZATION FOR THE REPORTING YEAR

SURGERY AREA	TOTAL SURGERIES	SURGERY TIME (HOURS)	SURGERY PREP AND CLEAN-UP TIME (HOURS)	TOTAL SURGERY TIME (HOURS)	AVERAGE CASE TIME (HOURS)
Cardiovascular	0	0.00	0.00	0.00	0.00
Dermatology	0	0.00	0.00	0.00	0.00
Gastroenterology	0	0.00	0.00	0.00	0.00
General Surgery	0	0.00	0.00	0.00	0.00
Laser Eye Surgery	0	0.00	0.00	0.00	0.00
Neurological	0	0.00	0.00	0.00	0.00
OB/Gynecology	0	0.00	0.00	0.00	0.00
Ophthalmology	0	0.00	0.00	0.00	0.00
Oral/Maxillofacial	0	0.00	0.00	0.00	0.00
Orthopedic	2165	811.75	1,082.50	1894.25	0.87
Otolaryngology	0	0.00	0.00	0.00	0.00
Pain Management	269	26.50	134.50	161.00	0.60
Plastic	0	0.00	0.00	0.00	0.00
Podiatry	0	0.00	0.00	0.00	0.00
Thoracic	0	0.00	0.00	0.00	0.00
Urology	0	0.00	0.00	0.00	0.00
TOTAL	2434	838.25	1,217.00	2055.25	0.84

PROCEDURE ROOM UTILIZATION FOR THE REPORTING YEAR

SURGERY AREA	PROCEDURE ROOMS	TOTAL SURGERIES	SURGERY TIME (HOURS)	PREP AND CLEAN-UP TIME (HOURS)	TOTAL SURGERY TIME (HOURS)	AVERAGE CASE TIME (HOURS)
Cardiac Catheterizat	0	0	0	0	0	0.00
Gastro-Intestinal	0	0	0	0	0	0.00
Laser Eye	0	0	0	0	0	0.00
Pain Management	0	0	0	0	0	0.00
TOTALS	0	0	0	0	0	0.00

Leading Locations of Patient Residence

<u>Zip Code</u>	<u>City</u>	<u>County</u>	<u>Patients</u>
60453	Oak Lawn		181
60462	Orland Park		119
60655	Chicago		106
60423	Frankfort		100
60477	Tinley Park		100
60448	Mokena		84
60452	Oak Forest		76
60467	Orland Park		73
60465	Palos Hills		66
60652	Chicago		59
60445	Midlothian		55
60487	Tinley Park		50
60451	New Lenox		49
60629	Chicago		49
60459	Burbank		47
60803	Alsip		45
60638	Chicago		44
60805	Evergreen Park		44
60411	Chicago Heights		43
60643	Chicago		43
60491	Homer Glen		37
60466	Park Forest		37
60464	Palos Park		36
60457	Hickory Hills		33