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October 23, 2017

VIA OVERNIGHT DELIVERY

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

RECEIVED

OCT 24 2017

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Valley Ambulatory Surgery Center LP, St. Charles

Dear Mr. Constantino:

Per my email of October 23, 2017, enclosed please find the replacement pages for Attachment 15 and 25 for Valley Ambulatory Surgery Center LP.

Please contact me if you have any questions regarding the above.

Very truly yours,

BARNES & THORNBURG LLP

Claire M. Reed

Claire Reed

CR:dp
Enclosures

ATTACHMENT 15

Project Services Utilization

The projected utilization of services for which the Review Board has utilization standards is included in the table below. A narrative of the rationale supporting the utilization projections follows the table.

UTILIZATION					
	Dept./Service	Historical Utilization (Surgical Hours)	Projected Utilization	State Standard	Met Standard?
Year 1	ASTC	6,472 Hrs 809 Hrs/OR (2016)	1,451 Hrs/OR	1,500+ hours per OR/PR	No
Year 2	ASTC	10,008 Hrs 1,251 Hrs/OR (2017)	1,507 Hrs/OR	1,500+ hours per OR/PR	Yes

The project completion date is October 31, 2019. The first year after project completion is 2020 and the second year after project completion is 2021. Although the facility did not meet target utilization in 2016, it has experienced a significant increase in cases through the 12-month period ending September 2017 from 5701 cases to 6,985 cases, a 23% increase. This includes dramatic increases in the number of gastroenterology cases (from 1,918 to 3,064), neurology (from 7 to 54), urology (from 53 to 144), and ophthalmology (from 553 to 920). These increases are attributable to increased physician recruitment in 2017 including one new spine physician, five new urologists, and four new ophthalmologists. These recruitment efforts will continue.

In addition to increased case numbers, the average hours per case have increased due to the changes in the medical staff resulting in an increase in the complexity of the procedures now being performed. The gastroenterologists are now performing an increased number of colon and EGD (Esophagogastroduodenoscopy) procedures being performed together in the same case, which adds 30 minutes to the procedure time. In addition, new orthopedic surgeons are performing higher acuity cases and using advanced techniques that take longer to perform including total joint replacements. Also, three new oral/maxillofacial surgeons are performing complex cases, such as full mouth restorations, with cases taking 4-5 hours to perform. Further, several new urologists have been recruited who perform lithotripsy procedures and a wide range of more complex surgical procedures such as bladder slings.

Given the recent 23% increase in cases since 2016, the increasing complexity of cases and the successful physician recruitment program, the applicants projected a very conservative 3.8% annual growth in OR hours that will result in the facility meeting target utilization for its six ORs and two procedure rooms by the second year of operation. The projected case load and hours for the first and second year of operation are set forth below in the tables below. The historical trailing twelve-month case load is also shown below.

Year 1 Projections:

Case Specialty	# of Cases	OR Prep Hours	Surgery Hours	OR Turnover Hours
Gastroenterology	3510.00	702.00	1755.00	877.50
General	350.00	87.50	350.00	175.00
Neurological	95.00	47.50	142.50	47.50
OB/Gynecology	80.00	20.00	80.00	40.00
Ophthalmology	1528.00	382.00	946.09	382.00
Oral/Maxillofacial	130.00	32.50	325.00	32.50
Orthopedic	700.00	525.00	1400.00	525.00
Otolaryngology	550.00	137.50	687.50	137.50
Pain Management	620.00	155.00	155.00	155.00
Plastic	70.00	35.00	221.67	35.00
Podiatry	135.00	33.75	270.00	33.75
Urology	270.00	202.50	270.00	202.50
Totals	8038.00	2360.25	6602.76	2643.25

Total Utilization Hours	11606.26
# of OR/PRs	8.00
Hours per OR/PR	1450.78

Year 2 Projections:

Case Specialty	# of Cases	OR Prep Hours	Surgery Hours	OR Turnover Hours
Gastroenterology	3650.00	730.00	1825.00	912.50
General	354.00	88.50	354.00	177.00
Neurological	99.00	49.50	148.50	49.50
OB/Gynecology	84.00	21.00	84.00	42.00
Ophthalmology	1589.00	397.25	983.86	397.25
Oral/Maxillofacial	135.00	33.75	337.50	33.75
Orthopedic	728.00	546.00	1456.00	546.00
Otolaryngology	572.00	143.00	715.00	143.00
Pain Management	645.00	161.25	161.25	161.25
Plastic	73.00	36.50	231.17	36.50
Podiatry	140.00	35.00	280.00	35.00
Urology	281.00	210.75	281.00	210.75
Totals	8350.00	2452.50	6857.28	2744.50

Total Utilization Hours	12054.28
# of OR/PRs	8.00
Hours per OR/PR	1506.79

Historical Trailing 12-Month Period (October 2016-September 2017):

Case Specialty	Number of Cases
Gastroenterology	3064
General	337
Neurological	54
OB/Gynecology	307
Ophthalmology	920
Oral/Maxillofacial	173
Orthopedic	607
Otolaryngology	554
Pain Management	500
Plastic	53
Podiatry	272
Urology	144
Total	6985

ATTACHMENT 25

**Section VI. Service Specific Review Criteria
G. Non-Hospital Based Ambulatory Surgery**

Criterion 1110.1540(d) Service Demand—Establishment of an ASTC Facility or Additional ASTC Service

The physician referral letters providing the number of patients referred for treatments to the existing ASTC in the past 12 months are attached. The table below reflects the total number of patients referred in the past twelve months.

Historical Trailing 12-Month Period (October 2016-September 2017)

Case Specialty	Number of Cases
Gastroenterology	3064
General	337
Neurological	54
OB/Gynecology	307
Ophthalmology	920
Oral/Maxillofacial	173
Orthopedic	607
Otolaryngology	554
Pain Management	500
Plastic	53
Podiatry	272
Urology	144
Total	6985