



# STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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<b>DOCKET ITEM:</b> A-01	<b>BOARD MEETING:</b> June 30, 2020	<b>PROJECT NUMBER:</b> 17-073
<b>PERMIT HOLDERS(S):</b> Illinois Back & Neck Institute		
<b>FACILITY NAME and LOCATION:</b> Illinois Back & Neck Institute, Elmhurst		

## **STATE BOARD STAFF REPORT** **PERMIT RENEWAL REQUEST**

### **I. Background**

On July 24, 2018, the State Board approved Project #17-073. The permit authorized the establishment of a multi-specialty Ambulatory Surgery Treatment Center (ASTC), in Elmhurst. The State Agency notes the project is obligated, and the current project completion date is June 30, 2020. Project cost: \$790,000.

State Board Staff notes the permit holders submitted the permit renewal request on May 15, 2020. This submittal was in accordance with 77 IAC 1130.740(d), which states that the State Board must receive renewal requests at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

### **II. Findings**

State Board Staff notes this is the second renewal request for this project and the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal. Information pertaining to the first permit renewal request is shown below.

August 6, 2019: 12 Month Permit Renewal Request, (June 30, 2019 – June 30, 2020)

### **III. The Permit Renewal Request**

- A. Requested Completion Date: The permit holders request a project completion date of November 30, 2020. This would extend the project's completion date five months, from June 30, 2020 to November 30, 2020.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is proceeding with due diligence. Architectural plans have been submitted to and approved by IDPH. A general contractor has been selected, and permits have been issued from the Village of Elmhurst. The applicants are currently waiting to initiate the construction phase, which will be short (5-8 weeks).
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the project has proceeded with due diligence. However, delays in plan reviews and approvals, combined with new inspection procedures and extensive scheduling delays associated with the COVID-19 Pandemic has made it necessary to request a second permit renewal.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate that \$15,000 (1.9% of the overall project cost of \$790,000) has been expended to date, and can attest to the existence of sufficient financial resources to complete the project.
- E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the original permit amount of \$790,000.

### **IV. Project Description & Other Background Information**

The permit authorized the conversion of a physician's office into a multi-specialty ASTC in Elmhurst. Project cost: \$790,000.

Permit Issuance Date: July 24, 2018

Project Obligation Date: July 24, 2018

Original Project Completion Date: June 30, 2019

Proposed Project Completion Date: June 30, 2020  
(1st renewal request-12 months)

Proposed Project Completion Date: November 30, 2020  
(2<sup>nd</sup> renewal request-5 months)

**V. Applicable Rules for Permit Renewal Requests**

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.230(h)(5) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(b) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(c) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 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 holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(d) states the State Board staff will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFSRB criteria, and if this is the first request for this project, then the request, staff's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFSRB, will approve, deny or refer the request to the HFSRB for action. If staff finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFSRB for action, then HFSRB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). Denial of a permit renewal request constitutes HFSRB's Notice of Intent to revoke a permit and the permit holders will be afforded an opportunity for an administrative hearing.

**VI. Other Information**

Appended to this report are the following: the permit holders' documents for a permit renewal, and a copy of the original State Board Staff Report.