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| DOCKET ITEM NUMBER: NA | BOARD MEETING: NA | PROJECT NUMBER: #E-027-17 |
|---|----------------------|------------------------------|
| BUSINESS ITEM: Relinquishment of Exemption | | |
| APPLICANTS: Aiden Center for Day Surgery, LLC | | |
| REQUESTING ENTITY / LOCATION: Aiden Center for Day Surgery, LLC, Addison, Illinois | | |

STATE BOARD STAFF REPORT RELINQUISHEMENT OF EXEMPTION

I. Background

On July 10, 2017 the Chairman of the State Board approved the change of ownership of Aiden Center for Day Surgery, LLC (Exemption #027-17). The Applicants are Addison Surgery Center, LLC, and Aiden Center for Day Surgery, LLC, 1580 West Lake Street, Addison, Illinois.

Aiden Center for Day Surgery, LLC is multi-specialty ASTC. The transaction involved the transfer of assets of the Aiden Center for Day Surgery, LLC to Addison Surgery Center, LLC at a cost of approximately \$5,000,000. Aiden Center for Day Surgery, LLC is wholly owned by Jafari Family, LLC. Addison Surgery Center, LLC is owned 30% by Nueterra Holdings, LLC and by sixteen (16) individuals owning 70%. The operating entity/licensee was to be Addison Surgery Center, LLC. The owner of the site is Jafari Family, LLC. The expected completion of the change of ownership was upon the approval of the Illinois Health Facilities and Services Review Board.

II. Reasons for Relinquishment

On April 12, 2018 the State Board received a request to relinquish the exemption permit #E-027-17. The exemption holders requested the exemption E-027-17 be withdrawn because the proposed transaction could not be completed by the parties. The approval of the exemption was based upon the application's compliance with applicable provisions of 77 ILAC 1130.140, 1130.500 and 1130.520. The approval of the exemption was not based upon need.

III. Staff Recommendation

An exemption holder desiring to relinquish an exemption is required to submit to the State Board a letter documenting: The exemption holder shall notify HFSRB in writing, prior to the execution of the withdrawal of a project. The notice shall include:

- 1) A description of the exemption and related costs;
- 2) A detailed explanation of the reasons for relinquishment; and
- 3) If the approval of the permit or exemption was based upon need, an explanation of how that need will be met in absence of the project.

The exemption holders have provided all of the information required by the State Board.

STATE BOARD STAFF FINDS THE PROPOSED RELINQUISHMENT EXEMPTION TO BE IN COMPLIANCE WITH CRITERION RELINQUISHMENT OF AN EXEMPTION (77 IAC 1130.580)