



# STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

<b>DOCKET ITEM:</b> A-01	<b>BOARD MEETING:</b> September 14, 2021	<b>PROJECT NUMBER:</b> 18-002
<b>PERMIT HOLDERS(S):</b> Retina Surgery Center, LLC		
<b>FACILITY NAME and LOCATION:</b> Retina Surgery Center, Niles		

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

### **I. Background**

On June 4, 2019, the State Board approved Project #18-002. The permit authorized the establishment of a limited-specialty Ambulatory Surgery Treatment Center, in Niles. The State Agency notes the project is not obligated, and the current project completion date is July 30, 2020. Project cost: \$2,748,386.

State Board Staff notes the permit holders submitted the permit renewal request on June 16, 2021. 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. Board staff notes the permit holders also sought two modifications to the application:

- 1) May 14, 2018: Type A modification to increase project costs \$885,420 (39%), from \$2,247,076, to \$3,132,496.
- 2) August 2, 2018: Type B modification to decrease project costs \$384,110 (12%), from \$3,132,496, to \$2,748,386.
- 3) May 21, 2020: 12-Month Permit Renewal from July 30, 2020 to July 30, 2021

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

- A. Requested Completion Date: The permit holders request a project completion date of October 31, 2021. This would extend the project's completion date three months, from July 30, 2021 to October 31, 2021.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is proceeding with due diligence. The building permit was secured in October 2020, construction has commenced, mechanical, electrical, and plumbing has been installed, and the project is approximately 90% complete. The permit holders note the following components remain:
- Finish construction
  - IDPH inspection/certification and licensure
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state delays in the purchase and delivery of finish construction materials, combined with staffing shortages resulting from the COVID Pandemic, has resulted in the permit holders request for additional time. The permit holder notes all finish construction materials have been purchased/delivered, and sufficient staffing has been hired to complete the project in the requested extended time period.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate that \$2,475,000 (90% of the overall project costs) have been expended to date, and the permit holders 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 altered permit amount of \$2,748,386.

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

The permit authorized the establishment of a limited specialty ASTC in Niles. Project cost: \$2,748,386.

Permit Issuance Date:	June 4, 2019
Project Obligation Date:	July 4, 2020
Original Project Completion Date:	July 30, 2020
1 <sup>st</sup> Application Modification: Type A Modification	May 14, 2018
2 <sup>nd</sup> Application Modification:	August 2, 2018

Type B Modification

Proposed Project Completion Date: July 31, 2021  
(12-month renewal, 1st request)

Proposed Project Completion Date: October 31, 2021  
(3-month renewal, 2<sup>nd</sup> request)

**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.



# Retina Surgery Center, LLC

June 14, 2021

Courtney Avery, Administrator  
Illinois Department of Public Health  
Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Re: Permit Renewal  
Project Number: #18-002  
Facility Name: Retina Surgery Center  
Facility Address: 8780 W. Golf Road, Suite 102, Niles, Illinois  
Permit Holder: Retina Surgery Center, LLC  
Permit Amount: \$2,748,386

Dr. Ms. Avery:

I am writing to request an extension of the project completion date for Project No. 18-002. The permit for this Project was granted June 4, 2019. The Project is for the establishment of a limited specialty ambulatory surgical center. The permit provided for a project completion date of July 30, 2020. On May 21, 2020, the Illinois Health Facilities and Services Review Board approved the permit renewal to July 31, 2021.

The Permit Holder now requests an extension of the Project Permit, with an anticipated completion date of October 31, 2021.

## **1. Requested Project Completion Date**

The Permit Holder requests the Board grant a three-month (92 day) renewal of the Project Permit to establish October 31, 2021 as the new project completion date.

## **2. Status of the Project**

IDPH Stage 2 plan approval was received in August 2020 and the municipal building permit was received in October 2020. The project is currently under construction and approximately 90% complete. \$2,475,000 has been expended to date.

The Project has experienced ongoing delays and is unlikely to be complete by July 31, 2021 primarily owing to shortages of construction materials, particularly doors, casework and flooring products. The general contractor has also had difficulty with staffing the project through the COVID shutdowns with sufficient laborers and tradesmen.

All mechanical, electrical and plumbing systems have been installed. Eighty percent of all finishes have installed including flooring, ceilings, painting, etc. All materials required to complete the project have now been delivered to the site and the general contractor does not anticipate any further obstacles in the final late stages of the construction.



The IDPH life safety inspection submittal package is expected to be complete by June 25, 2021.

### **3. Statement Regarding Completion of the Project**

In keeping with the Statement on Status above, the Project will not be completed by July 31, 2021. However, the majority of the work is complete, and the project is proceeding towards IDPH life safety inspection. The IDPH life safety inspection submittal package is expected to be complete by June 25, 2021. We will then have to await IDPH review of the materials, scheduling of the survey, and completion of the survey to obtain licensure and complete the project.

The Permit Holder is requesting an extension to October 31, 2021 to accommodate the uncertainty in final completion date for the IDPH inspection and licensure process.

### **4. Confirmatory Evidence of Project Compliance**

Attached is a signed letter from Dr. John Michael, an authorized representative of the Permit Holder, confirming that the Permit Holder is complying with the scope and costs of the project approved by the Board and that sufficient financial resources are available pursuant to Project Permit #18-002.

Based on the above information, which is provided to the Board in keeping with Section 1130.740 of the Illinois Administrative Code, the Permit Holder formally requests a three-month (92-day) renewal of its permit for Project #18-002 and a new project completion date of October 31, 2021.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely,



John Michael, MD  
Retina Surgery Center, LLC



# Attachments



June 2, 2021

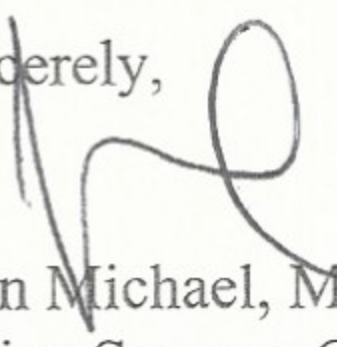
Ms. Courtney Avery, Administrator  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL 62761

Re: Attestation of Authorized Representative

On behalf of certificate of need permit holder Retina Surgery Center, LLC ("CON Permit Holder"), I acting as the Permit Holder's authorized representative, hereby attest that the project to establish an ambulatory surgical center, approved by the Illinois Health Facilities and Services Review Board ("State Board") on June 4, 2019, remains on budget and will not exceed the stated costs reported to the State Board. I further attest that sufficient financial resources remain available to complete the project.


Please contact myself at [johncmichael@aol.com](mailto:johncmichael@aol.com) with any questions regarding this filing.

Sincerely,

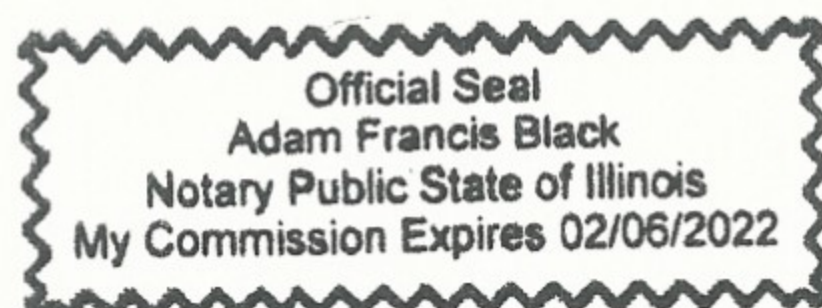
  
John Michael, MD  
Retina Surgery Center, LLC

Notarization:

Subscribed and sworn to before me this 15<sup>th</sup> day of June, 2021.

  
\_\_\_\_\_  
Signature of Notary

SEAL







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HEALTH FACILITIES AND SERVICES REVIEW BOARD

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May 21, 2020

TRANSMITTED ELECTRONICALLY

John Michael, M.D., CEO  
Retina Surgery Center, LLC  
8780 West Golf Road, Suite 102  
Niles, IL 60714

RE: Permit Renewal for Project # 18-002, Retina Surgery Center  
Permit Holder: Retina Surgery Center, LLC

Dear Dr. Michael:

On May 21, 2020 the Illinois Health Facilities and Services Review Board approved the permit holder's request for a permit renewal for the above-referenced project. Therefore, the permit for this project has been renewed until July 31, 2021.

Should the permit holder determine that it will be unable to complete the project by July 31, 2021, the permit holder may request another renewal of the permit. 77 IAC 1130.740 provides that the State Agency must be in receipt of a permit renewal request AT LEAST 45 DAYS PRIOR TO THE EXPIRATION DATE OF THE REQUIRED COMPLETION PERIOD.

The permit holder is reminded that permits for projects which are not completed within the required time frame shall expire for lack of due diligence, unless renewed by the State Board. The permit holder is also reminded of the other post-permit requirements contained in "Subpart G" of Part 1130. Adherence to these requirements is essential in maintaining a valid permit and is the sole responsibility of the permit holder.

Should you have any questions, please contact Mike Constantino or George Roate at (217) 782-3516 and ask to speak to a staff person about post permit requirements.

Sincerely,

A handwritten signature in cursive script that reads "Courtney R. Avery".

Courtney R. Avery  
Administrator  
Illinois Health Facilities and Services Review Board

Cc: Debra Savage