



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO: H-11	BOARD MEETING: July 24, 2018	PROJECT NO: 18-014	PROJECT COST:
FACILITY NAME: Carle SurgiCenter - Danville		CITY: Danville	Original: \$1,540,000
TYPE OF PROJECT: Non-Substantive			HSA: IV

PROJECT DESCRIPTION: The Applicants (The Carle Foundation and The Carle Foundation Hospital) propose to add four surgical specialties to Carle SurgiCenter-Danville. The estimated cost of the project is \$1,540,000 and the anticipated completion date is December 31, 2020.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The Applicants (The Carle Foundation and The Carle Foundation Hospital) propose to add four surgical specialties (colon rectal surgery, plastic surgery, interventional radiology and urology) to Carle SurgiCenter-Danville. The estimated cost of the project is \$1,540,000 and the anticipated completion date is December 31, 2020.
- Carle SurgiCenter-Danville was approved by the State Board as a multi-specialty ASTC in August of 1998 as Permit #97-105 for 2 operating rooms and 1 procedure room at a cost of \$4,151,146.

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- The project is before the State Board because the project proposes a substantial change in scope as defined at 20 ILCS 3960/5.
- One of the objectives of the Health Facilities Planning Act is “to assess the financial burden to patients caused by unnecessary health care construction and modification. Evidence-based assessments, projections and decisions will be applied regarding **capacity, quality, value and equity** in the delivery of health care services in Illinois. Cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process.” [20 ILCS 3960/2]

PURPOSE OF THE PROJECT:

- The Applicants stated the following:
“The purpose of this project is to expand the scope of ASTC services available to residents of Danville and surrounding areas. Importantly, all of the historical volumes identified were associated with Danville area residents (zip codes 61832 and 61834) who traveled to Champaign-Urbana to undergo their surgical procedures. By offering these same services in Danville, Carle would significantly reduce travel times for these patients and would eliminate transportation difficulties for elderly and low-income patients. This expansion will be consistent with Section 1100.400 of the HFSRB, which provides that "health care services should be appropriately located to meet the needs of the population. Illinois residents needing services should not be forced to travel excessive distances.”
- **77 ILAC 1100.400 - Location** states the following:
“Health care services should be appropriately located to best meet the needs of the population. Illinois residents needing services should not be forced to travel excessive distances. Where feasible, underutilized services should be consolidated to promote efficiency of operation and quality when such consolidation does not create access problems.”

PUBLIC HEARING/COMMENT:

- A public hearing was offered but was not requested. The project file contains no letters of support or letters of opposition.

SUMMARY:

- Carle SurgiCenter – Danville has two operating rooms and one procedure room that are currently underutilized. The Applicants are not proposing to add operating/procedure rooms or additional gross square footage to this facility. As stated above the Applicants are proposing to add four surgical specialties (colon rectal surgery, plastic surgery, interventional radiology and urology).
- The Geographic Service Area (“GSA”) is 21 miles in all directions as defined by the State Board at 77 ILAC 1100.510 (d) for health facilities located in Vermillion County. There are 2 ASTC (Carle SurgiCenter-Danville and Danville Polyclinic ASTC) and one hospital (OSF Sacred Heart

Hospital, Danville) in this 21-mile GSA. OSF Sacred Heart Hospital, Danville and Carle SurgiCenter – Danville and are underutilized based upon 2016 Hospital and ASTC Profile information respectively.

- The purpose of the project as stated above is to improve access for residents of the defined geographical service area. While the proposed additional surgical specialties will not increase utilization at the ASTC to the target occupancy of 1,500 hours per room it will improve service capability and efficient operation. The existing surgery center, as a division of the Carle Foundation Hospital, operates under the Carle Foundation Hospital Medicaid and charity care financial assistance policies. The Applicants do not believe there will be any adverse impact on other providers or health care systems, as the Project is aimed at addressing the demand for services currently performed at Champaign SurgiCenter and Carle Foundation Hospital. It appears that this proposed project meets the intent of Part 1100 Health Care Facilities Plan that states *“The standards presented herein are designed to promote development of needed facilities and services, avoid duplication of services and prevent unnecessary construction.”*
- The Applicants have addressed a total 18 criteria and have successfully addressed them all.

STATE BOARD STAFF REPORT
Project #18-014
Carle SurgiCenter - Danville

APPLICATION/SUMMARY CHRONOLOGY	
Applicants(s)	The Carle Foundation, The Carle Foundation Hospital
Facility Name	Carle SurgiCenter - Danville
Location	2300 N. Vermilion Street, Danville, IL
Permit Holder	The Carle Foundation, The Carle Foundation Hospital
Operating Entity/Licensee	The Carle Foundation Hospital
Owner of Site	The Carle Foundation
Gross Square Feet	11,677 GSF
Application Received	April 30, 2018
Application Deemed Complete	May 7, 2018
Financial Commitment Date	July 24, 2019
Anticipated Completion Date	December 31, 2020
Review Period Ends	July 6, 2018
Review Period Extended by the State Board Staff?	No
Can the Applicants request a deferral?	Yes

I. Project Description

The Applicants (The Carle Foundation and The Carle Foundation Hospital) propose to add colon and rectal surgery, plastic surgery, interventional radiology, and urology specialties to Carle SurgiCenter – Danville, its current multi specialty ambulatory surgical treatment center, at a cost of \$1,540,000. The expected completion date is December 31, 2020.

II. Summary of Findings

- A.** State Board Staff finds the proposed project is in conformance with all relevant provisions of Part 1110 (77 ILAC 1110).
- B.** State Board Staff finds the proposed project is in conformance with all relevant provisions of Part 1120 (77 ILAC 1120).

III. General Information

The Applicants are The Carle Foundation and The Carle Foundation Hospital. The Carle Foundation in Urbana, Illinois, is an Illinois not-for-profit corporation engaged in providing health care services to residents of central Illinois. The Foundation serves as the sole member and elects all of the trustees of The Carle Foundation Hospital.

The Carle Foundation Hospital operates a licensed 413-bed hospital, a certified home health agency, and a certified hospice, all of which lease property and equipment from the Foundation. The Hospital also operates Carle Medical Supply, a provider of medical equipment and supplies to the general public and hospital patients; and the Danville Surgery Center, which is located in Danville, Illinois. The Hospital serves as the sole stockholder and

elects all directors of and, therefore, controls the following for-profit subsidiaries: Carle Risk Management Company, which provides professional liability insurance claims processing and management services to the Foundation and eValiData, Inc. which provides physician credentialing services to the Foundation and external organizations. (Source: The Carle Foundation 2017 Audited Financial Statements)

The proposed project is a non-substantive project subject to a Part 1110 and Part 1120 review. Non-substantive projects are all projects not considered substantive projects. Substantive projects include no more than the following:

1. Projects to construct a new or replacement facility located on a new site; or a replacement facility located on the same site as the original facility and the costs of the replacement facility exceed the capital expenditure minimum.
2. Projects proposing a new service or discontinuation of a service, which shall be reviewed by the Board within 60 days.
3. Projects proposing a change in the bed capacity of a health care facility by an increase in the total number of beds or by a redistribution of beds among various categories of service or by a relocation of beds from one facility to another by more than 20 beds or more than 10% of total bed capacity, as defined by the State Board in the Inventory, whichever is less, over a 2-year period. [20 ILCS 3960/12]

IV. Outstanding Certificate of Need Permits

The Carle Foundation has three active permits:

CON 16-045: Champaign SurgiCenter

1. The CON permit was approved on January 24, 2017.
2. An annual progress report was filed in February 2018.
3. The project completion date of record is June 30, 2019. It is anticipated that the project will be completed on or before this date.

COE E-060-16: Champaign SurgiCenter Discontinuation

1. The COE permit was approved on January 24, 2017.
2. An annual progress report was filed in February 2018.
3. The project completion date of record is June 30, 2019. It is anticipated that the project will be completed on or before this date.

CON 17-011: Carle Staley Road Medical Office Development

1. The CON permit for project 17-011 was approved on June 20, 2017.
2. The first annual progress report is due June 20, 2018.
3. The project completion date of record is August 31, 2019. It is anticipated that the project will be completed on or before this date.

V. Project Details

The Applicants (The Carle Foundation and The Carle Foundation Hospital) propose to add colon and rectal surgery, plastic surgery, interventional radiology, and urology specialties to the Carle SurgiCenter – Danville, its current multi specialty ambulatory

surgical treatment center at a cost of \$1,540,000. The existing ASTC includes two operating rooms (ORs), one procedure room, four Stage 1 recovery stations and eight Stage 2 recovery stations. No construction or other alterations to the ASTC will be required; however, the ASTC will procure medical equipment to accommodate the requirements of these additional surgical specialties. The ASTC is currently approved for the following specialties:

TABLE ONE Carle SurgiCenter - Danville Surgery and Procedures 2016		
Surgery	Surgeries	Hours
Cardiovascular	0	0
General/Other	195	248
Obstetrics/Gynecology	122	136
Ophthalmology	0	0
Orthopedic	288	244
Pain Management	0	0
Podiatry	20	21
Otolaryngology	49	48
Total Surgeries	674	697
Procedures		
Gastroenterology	857	649
Total Procedures	857	649
Source: Application for Permit page 20 and 2016 ASTC Profile information		

VI. **Project Uses and Sources of Funds**

The Applicants are funding this project with cash in the amount of \$1,540,000.

TABLE TWO	
Project Uses and Sources of Funds	
Movable or Other Equipment (not in construction contracts)	\$1,425,000
Other Costs To Be Capitalized	\$115,000
Total Uses of Funds	\$1,540,000
Cash	\$1,540,000
Total Sources of Funds	\$1,540,000

VII. **Background of the Applicants, Purpose of the Project, Safety Net Impact, Alternatives to the Project** (Informational)

A) Criterion 1110.110(a)(1)&(3) – Background of the Applicants

An applicant must demonstrate that it is fit, willing and able, and has the qualifications, background and character to adequately provide a proper standard of health care service for the community. To demonstrate compliance with this criterion the Applicants must provide

- A) 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;
- B) A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility;
- C) Authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. Failure to provide the authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.
- D) An attestation that the Applicants have had no *adverse action*¹ taken against any facility they own or operate or a certified listing of any adverse action taken.

- 1. The Applicants have attested that there has been no adverse action taken against any of the facilities owned or operated by during the three (3) years prior to filing the application. [Application for Permit pages 40-42]
- 2. The Applicants have authorized the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health to have access to any documents necessary to verify information submitted in connections the Applicants' certificate of need to add five ESRD stations. The authorization includes, but is not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. [Application for Permit pages 40-42]

¹Adverse action is defined as a disciplinary action taken by IDPH, CMMS, or any other State or federal agency against a person or entity that owns or operates or owns and operates a licensed or Medicare or Medicaid certified healthcare facility in the State of Illinois. These actions include, but are not limited to, all Type "A" and Type "AA" violations." (77 IAC 1130.140)

3. Certificate of Good Standing for Carle Foundation and Carle Foundation Hospital has been provided as required. Both entities are in good standing with the State of Illinois. An Illinois Certificate of Good Standing is evidence that an Illinois business franchise (i.e. Illinois Corporation, Illinois Not For Profit Corporation, LLC or LP) is in existence, is authorized to transact business in the state of Illinois, and complies with all state of Illinois business requirements and therefore is in "Good Standing" in the State of Illinois. [Application for Permit page 32-33]
4. The site is owned by the Carle Foundation and evidence of this is provided at pages 30-31 of the Application for Permit with a copy of the parcel search for Vermillion County documenting ownership of the parcel at 2300 Vermillion Street, Danville, Illinois. [Verified by Board Staff - Property Tax Parcel Search – Vermillion County <http://vermilionil.devnetwedge.com/parcel/view/1829607001/2017>]
5. Compliance with the provision with Executive Order #2006-05 is not required because there is no construction being proposed. Executive Order #2006-05 that requires *all State Agencies responsible for regulating or permitting development within Special Flood Hazard Areas shall take all steps within their authority to ensure that such development meets the requirements of this Order. State Agencies engaged in planning programs or programs for the promotion of development shall inform participants in their programs of the existence and location of Special Flood Hazard Areas and of any State or local floodplain requirements in effect in such areas. Such State Agencies shall ensure that proposed development within Special Flood Hazard Areas would meet the requirements of this Order.* [Application for Permit page 37-39]
6. Compliance with the Illinois State Agency Historic Resources Preservation Act is not required because the Applicants are not proposing construction. The State Agency Historic Resources Preservation Act requires *all State Agencies in consultation with the Director of Historic Preservation, institute procedures to ensure that State projects consider the preservation and enhancement of both State owned and non-State owned historic resources* (20 ILCS 3420/1). [Application for Permit pages 40-59]
7. Licensure and Accreditations for all health care facilities under the jurisdiction of the State Board owned by The Carle Foundation has been provided at pages 43-50 of the Application for Permit.

B) Criterion 1110.110(b) – Purpose of the Project

To demonstrate compliance with this criterion the Applicant must document that the project will provide health services that improve the health care or well-being of the market area population to be served. The applicant shall define the planning area or market area, or other area, per the applicant's definition. The applicant shall address the purpose of the project, i.e., identify the issues or problems that the project is proposing to address or solve. Information to be provided shall include, but is not limited to, identification of existing problems or issues that need to be addressed, as applicable and appropriate for the project.

The Applicant stated

“The purpose of this project is to expand the scope of ASTC services available to residents of Danville and surrounding areas. Importantly, all of the historical volumes were associated with Danville area residents (zip codes 61832 and 61834) who traveled to Champaign-Urbana to undergo their surgical procedures. By offering

these same services in Danville, Carle would significantly reduce travel times for these patients and would eliminate transportation difficulties for elderly and low-income patients. This expansion will be consistent with Section 1100.400 of the HFSRB, which provides that "health care services should be appropriately located to meet the needs of the population." [Application for Permit pages 51-53]

C) Criterion 1110.110(c) Safety Net Impact

All health care facilities, with the exception of skilled and intermediate long term care facilities licensed under the Nursing Home Care Act, shall provide a safety net impact statement, which shall be filed with an application for a substantive project (see Section 1110.40). Safety net services are the services provided by health care providers or organizations that deliver health care services to persons with barriers to mainstream health care due to lack of insurance, inability to pay, special needs, ethnic or cultural characteristics, or geographic isolation. [20 ILCS 3960/5.4]

This is a non-substantive project. A non-substantive project does not require a Safety Net Impact Statement. However, information regarding the Safety Net Impact and Charity Care Information was provided by the Applicants and is included at the end of this report as Appendix I.

D) Criterion 1110.110(d) - Alternatives to the Proposed Project

To demonstrate compliance with this criterion the Applicant 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 Applicants considered one alternative to the proposed addition of surgical specialties to the existing ASTC and that was to Do Nothing. This Do Nothing alternative was rejected because it *"would not improve access to care or address transportation difficulties among elderly and low-income populations as described throughout this application. Furthermore, doing nothing would not increase utilization at Carle SurgiCenter - Danville. The Applicants believe the cost to patients in terms of time, travel and inconvenience outweighs the cost of purchasing the specialized equipment necessary to perform these procedures. For these reasons, this alternative was rejected."* [Application for Permit page 58]

VIII. Project Scope and Size, Utilization, Assurances

A) Criterion 1110. 120(a) - Size of Project

To demonstrate compliance with this criterion the Applicant must document that that the physical space proposed for the project is necessary and appropriate. The proposed square footage cannot deviate from the square footage range indicated in Appendix B, or exceed the square footage standard in Appendix B if the standard is a single number, unless square footage can be justified by documenting, as described in subsection (a)(2).

The Applicants propose to add additional surgical specialties at an existing multi-specialty ASTC with two operating rooms, one procedure room, four Stage I recovery stations and eight Stage II recovery stations. There is no construction associated with this planned expansion of surgical specialties.

The existing ASTC has a total of 11,667 GSF.

The State Standard is 2,075 GSF - 2,750 GSF per operating/procedure room, 180 GSF per Phase I recovery station, 400 GSF per Phase II recovery station.

2 Operating Rooms * 2,750 GSF	= 5,500 GSF
1 Procedure Room * 2,750 GSF	= 2,750 GSF
4 Recovery Stations * 180 GSF	= 720 GSF
8 Recovery Stations * 400 GSF	= <u>3,200 GSF</u>
Total	<u>12,170 GSF</u>

The gross square footage of the existing facility is 11,677 GSF. Accordingly, the size of the ASTC meets the State standard.

STATE BOARD STANDARD IS IN CONFORMANCE WITH CRITERION SIZE OF THE PROJECT (77 ILAC 1110.120(a))

B) Criterion 1110.120(b) – Projected Utilization

To demonstrate compliance with this the Applicants must document that the by the end of the second year of operation, the annual utilization of the clinical service areas or equipment shall meet or exceed the utilization standards specified in Appendix B. The number of years projected shall not exceed the number of historical years documented. If the applicant does not meet the utilization standards in Appendix B, or if service areas do not have utilization standards in 77 Ill. Adm. Code 1100, the applicant shall justify its own utilization standard by providing published data or studies, as applicable and available from a recognized source, that minimally include the following:

The State Board does not have a specific utilization standard to add a specialty to an existing ASTC. The utilization standard for an ASTC is 1,500 hours per operating/procedure room. The Applicants are not proposing to add an operating/procedure room (i.e. capacity); the available capacity is being utilized to accommodate the additional specialties being proposed. **Note:** If an Applicant believes a criterion is not applicable to a specific project the instructions in the Application for Permit requires that the Applicants provide an explanation why the criterion is not applicable. The Applicants have provided the necessary information.

STATE BOARD STANDARD IS IN CONFORMANCE WITH CRITERION PROJECTED UTILIZATION (77 ILAC 1110.120(b))

C) Criterion 1110.120(e) – Assurance

To demonstrate compliance with this criterion the Applicants must document that the proposed project will be that by the end of the second year of operation after project completion, the applicant will meet or exceed the utilization standards specified in Appendix B.

As documented above the State Board does not have utilization standards for the addition of surgical specialties to an existing ASTC. No operating/procedure rooms are being added. The Applicants have successfully addressed this criterion.

STATE BOARD STANDARD IS IN CONFORMANCE WITH CRITERION PROJECTED UTILIZATION (77 ILAC 1110.120(e))

IX. Non-Hospital Based Ambulatory Surgical Treatment Center Services

A) Criterion 1110.235(a) - 77 Ill. Adm. Code 1100 (Formula Calculation)

As stated in 77 Ill. Adm. Code 1100, no formula need determination for the number of ASTCs and the number of surgical/treatment rooms in a geographic service area has been established. Need shall be established pursuant to the applicable review criteria of this Part.

B) Criterion 1110.235(c)(2)(B)(i) & (ii) - Service to Geographic Service Area Residents

To demonstrate compliance with this criterion the Applicants must document that the primary purpose of the project will be to provide necessary health care to the residents of the geographic service area (GSA) in which the proposed project will be physically located.

- i) The Applicants must provide a list of zip code areas (in total or in part) that comprise the GSA. The GSA is the area consisting of all zip code areas that are located within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) of the project's site.
- ii) The Applicants must provide patient origin information by zip code for all admissions for the last 12-month period, verifying that at least 50% of admissions were residents of the GSA. Patient origin information shall be based upon the patient's legal residence (other than a health care facility) for the last 6 months immediately prior to admission.

The geographic service area for a facility located at 2300 Vermillion Street, Danville, Illinois in Vermillion County is 21 miles in all directions per 77 ILAC 1100.510 (d). Based upon the information provided at pages 66-67 of the Application for Permit the Applicants have stated that approximately 91% of the 2017 volume at Carle-SurgiCenter – Danville resided within the GSA.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SERVICE TO GEOGRAPHIC SERVICE AREA RESIDENTS (77 ILAC 1110.235(c)(2)(B)(i) & (ii))

C) Criterion 1110.235(c)(3)(A) - (C) - Service Demand – Establishment of an ASTC Facility or Additional ASTC Service

To demonstrate compliance with this criterion the Applicants must document that the proposed project is necessary to accommodate the service demand experienced annually by the applicant, over the latest 2-year period, as evidenced by historical and projected referrals. The applicant shall document the information required by subsection (c)(3) and either subsection (c)(3)(B) or (C):

A) Historical Referrals

The applicant shall provide physician referral letters that attest to the physician's total number of treatments for each ASTC service that has been referred to existing IDPH-licensed ASTCs or hospitals located in the GSA during the 12-month period prior to submission of the application. The documentation of physician referrals shall include the following information:

- i) patient origin by zip code of residence;
- ii) name and specialty of referring physician;
- iii) name and location of the recipient hospital or ASTC; and
- iv) number of referrals to other facilities for each proposed ASTC service for each of the latest 2 years.

The table below outlines the number of historical referrals by physician as well as the projected number of referrals to Carle SurgiCenter – Danville. (Referral Letter provided at pages 131-164 of the Application for Permit and is in compliance with State Board requirements) Based upon the information provided by the referral letter the Applicants have successfully addressed this criterion.

TABLE THREE
Historical Physician Referrals

Physician Name	Physician Specialty	Historical Cases At Carle Foundation Hospital (Outpatient Procedures 3/1/17-2/28/18)	Historical Cases At Champaign SurgiCenter (3/1/17- 2/28/18)	Annual Projected Carle Physician Group Cases At Carle SurgiCenter: Danville After Expansion ⁽¹⁾	Total Cases to be Referred (Estimated)
Tender, Paul M	Colon & Rectal Surgery	555		20	
Tangen, Lyn E	Colon & Rectal Surgery	659		30	
Olson, Michelle M	Colon & Rectal Surgery	207		18	
Dodson, Robert W	Colon & Rectal Surgery	489		20	88
Li, Paul Kw	Plastic Surgery	110	75	20	
Luckey, Natasha	Plastic Surgery	114	112	21	
Browne, Timothy	Plastic Surgery	63	58	13	54
Konchanin, Ronald	Urology	212		23	
Maurer, Gregory	Urology	206	65	23	
Wolf, Richard M	Urology	214		20	
Yang, Glen	Urology	114	92	22	
Matz, Scott T	Urology	173	35	19	
Regan, John S	Urology	0	56	2	
Helfer, Eric P	Urology	9	148	6	115
Hong, Steve C	Interventional Radiology	270		38	
Santeler, Scott	Interventional Radiology	298		32	
Babcock, Gregory	Interventional Radiology	258		25	
Hogg, Jeremy	Interventional Radiology	277		37	132
Total		4,228	641	389	389

1. All referrals from Danville Zip Codes see page 51 of the Application for Permit.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SERVICE DEMAND – ADDITIONAL ASTC SERVICE (77 ILAC 1110.235(c)(3)(A) - (C))

D) Criterion 1110.235(c)(5)(A) & (B) - Treatment Room Need Assessment

A) To demonstrate compliance with this criterion the Applicants must document that the proposed number of surgical/treatment rooms for each ASTC service is necessary to service the projected patient volume. The number of rooms shall be justified based upon an annual minimum utilization of 1,500 hours of use per room, as established in 77 Ill. Adm. Code 1100.

B) For each ASTC service, the Applicants must provide the number of patient treatments/sessions, the average time (including setup and cleanup time) per patient treatment/session, and the methodology used to establish the average time per patient treatment/session (e.g., experienced historical caseload data, industry norms or special studies).

The Applicants currently have 2 operating rooms and one procedure room at Carle SurgiCenter – Danville. No additional operating rooms/procedure rooms are being added.

The estimated time per procedure including clean-up and set-up time has been provided as required at page 68 of the Application for Permit. Based upon this information the average case time for

Colon & Rectal Surgery – 62 minutes
 Plastic Surgery – 159 minutes
 Urology – 77 minutes
 Interventional Radiology – 120 minutes

These figures are based on experienced historical data as documented in the table below.

TABLE FOUR						
Average Case Time						
Physician Name	Specialty	Carle Foundation Hospital Average Minutes Per Case (3/1/2017-2/28/2018)⁽²⁾	Champaign SurgiCenter Average Minutes Per Case (3/1/2017-2/28/2018)	Digestive Health Institute⁽¹⁾ Average Minutes Per Case (3/1/2017-2/28/2018)	Average Minutes by Individual Physician	Average by Specialty minutes
Tender, Paul M	Colon & Rectal Surgery	83		43	63	
Tangen, Lyne	Colon & Rectal Surgery	79		53	66	
Olson, Michelle M	Colon & Rectal Surgery	86		55	71	
Dodson, Robert W	Colon & Rectal Surgery	58		40	49	62
Li, Paul Kw	Plastic Surgery	189	199		194	
Luckey, Natasha N	Plastic Surgery	169	164		167	
Browne, Timothy L	Plastic Surgery	123	111		117	159
Konchanin, Ronald	Urology	76			76	
Maurer, Gregory	Urology	81	68		75	
W Olf, Richard M	Urology	74			74	
Yang, Glen	Urology	76	69		73	
Matz; Scott T	Urology	82	86		84	
Regan, John S	Urology	0	73		37	
Helfer, Eric P	Urology	181	56		119	77
Hong, Steve C	Interventional Radiology	95	352		224	
Santeler, Scott R	Interventional Radiology	87			87	
Babcock, Gregory	Interventional Radiology	102			102	
Hogg, Jeremy	Interventional Radiology	89			89	
					98	120
^{1.} Digestive Health Institute is a division of Carle Foundation Hospital. ^{2.} Carle Foundation Hospital are outpatient cases						

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION TREATMENT ROOM NEED ASSESSMENT (77 ILAC 1110.235(c)(5)(A) & (B))

E) Criterion 1110.235(c)(6) - Service Accessibility

To demonstrate compliance with this criterion the proposed ASTC services being established or added are necessary to improve access for residents of the GSA. The applicant shall document that at least one of the following conditions exists in the GSA:

- A) There are no other IDPH-licensed ASTCs within the identified GSA of the proposed project;
- B) The other IDPH-licensed ASTC and hospital surgical/treatment rooms used for those ASTC services proposed by the project within the identified GSA are utilized at or above the utilization level specified in 77 Ill. Adm. Code 1100;
- C) The ASTC services or specific types of procedures or operations that are components of an ASTC service are not currently available in the GSA or that existing underutilized services in the GSA have restrictive admission policies;
- D) The proposed project is a cooperative venture sponsored by 2 or more persons, at least one of which operates an existing hospital. Documentation shall provide evidence that:
 - i) The existing hospital is currently providing outpatient services to the population of the subject GSA;
 - ii) The existing hospital has sufficient historical workload to justify the number of surgical/treatment rooms at the existing hospital and at the proposed ASTC, based upon the treatment room utilization standard specified in 77 Ill. Adm. Code 1100;
 - iii) The existing hospital agrees not to increase its surgical/treatment room capacity until the proposed project's surgical/treatment rooms are operating at or above the utilization rate specified in 77 Ill. Adm. Code 1100 for a period of at least 12 consecutive months; and
 - iv) The proposed charges for comparable procedures at the ASTC will be lower than those of the existing hospital.

- A) Danville Polyclinic ASTC is the only other IDPH- Licensed ASTC in the proposed GSA.
- B) Danville Polyclinic ASTC is at target occupancy of 1,500 hours per operating/procedure room in 2016.

2016 operating rooms hours	3,264.50
$3,264.50 \div 1,500$ hours	3 rooms justified

OSF Sacred Heart Hospital is not at the State Board's target occupancy for the six operating and two procedure rooms at the hospital.

2016 operating room hours	2,650
2016 procedure room hours	<u>289</u>
2016 total hours	2,939
$2,939 \div 1,500$ hours	2 rooms justified

- C) The proposed four surgical specialties (colon rectal surgery, plastic surgery, urology, and interventional radiology) are not all currently being provided by Danville Polyclinic ASTC the other ASTC within the GSA. Based upon the 2016 Annual ASTC Profile Danville Polyclinic ASTC provided gastroenterology, general surgery, OB/Gynecology, orthopedic, otolaryngology and urology surgical services.

The only hospital located within the GSA is OSF Sacred Heart Hospital with six operating rooms and 2 procedure rooms. Based upon the 2016 Annual Hospital Profile

OSF Sacred Heart Hospital-Danville provided cardiovascular, general, gastroenterology, OB/Gynecology, orthopedic, otolaryngology, urology surgical services.

Based upon the 2016 information it does not appear that plastic surgery or interventional radiology surgical services are currently being provided in the proposed GSA. In addition, the physicians proposing to provide these surgical specialties are part of the Carle Physician Group, a multi-specialty medical group with over 400 physicians representing more than 80 specialties in 14 communities across central Illinois. Carle Physician Group is affiliated with Carle SurgiCenter-Danville through common ownership by The Carle Foundation.

The purpose of the project as stated above is to improve access for residents of the defined geographical service area. While the proposed additional surgical specialties will not increase utilization at the Carle SurgiCenter-Danville to the target occupancy of 1,500 hours per room it will improve service capability and efficient operation.

Based upon the information reviewed by the State Board Staff and summarized above it appears the proposed addition of the surgical specialties is reasonable and meets the requirements of this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SERVICE ACCESSIBILITY (77 ILAC 1110.235(c)(6))

- F) Criterion 1110.235(c)(7)(A) through (C) - Unnecessary Duplication Mal-distribution**
- A) To demonstrate compliance with this criterion the Applicants must document that the project will not result in an unnecessary duplication. The applicant shall provide the following information for the proposed GSA zip code areas identified in subsection (c)(2)(B)(i):**
- i) the total population of the GSA (based upon the most recent population numbers available for the State of Illinois); and**
 - ii) the names and locations of all existing or approved health care facilities located within the GSA that provide the ASTC services that are proposed by the project.**
- B) The Applicants must document that the project will not result in mal-distribution of services. Mal-distribution exists when the GSA has an excess supply of facilities and ASTC services characterized by such factors as, but not limited to:**
- i) a ratio of surgical/treatment rooms to population that exceeds one and one-half times the State average;**
 - ii) historical utilization (for the latest 12-month period prior to submission of the application) for existing surgical/treatment rooms for the ASTC services proposed by the project that are below the utilization standard specified in 77 Ill. Adm. Code 1100; or**
 - iii) insufficient population to provide the volume or caseload necessary to utilize the surgical/treatment rooms proposed by the project at or above utilization standards specified in 77 Ill. Adm. Code 1100.**
- C) The Applicants must document that, within 24 months after project completion, the proposed project:**
- i) will not lower the utilization of other area providers below the utilization standards specified in 77 Ill. Adm. Code 1100; and**
 - ii) will not lower, to a further extent, the utilization of other GSA facilities that are currently (during the latest 12-month period) operating below the utilization standards.**

The total population within the GSA is 119,884 (2016 Estimated Population). Population in the State of Illinois is 12,835,723 (2016 Estimated Population/US Census Bureau). There are two ASTC

within the GSA; Danville Polyclinic – ASTC (2 operating rooms) and Carle SurgiCenter – Danville (2 operating rooms 1 procedure room), and one Hospital OSF Sacred Health Hospital with 6 operating rooms and 2 procedure rooms.

- i) There are 13 operating/procedure rooms in the GSA. The ratio of operating/procedure room to population is 1 room per every 9,222 residents within the GSA. The number of operating/procedures is 4,026 in the State of Illinois (2016 Annual Hospital and ASTC Profile). The ratio of operating/treatment room to population is 1 room per every 3,189 residents in the State of Illinois. The ratio of surgical/treatment rooms to population in the GSA is not one and one-half times the State of Illinois ratio.
- ii) Only one of the three facilities within the GSA is at the target occupancy of 1,500 hours per operating/treatment room (Danville Polyclinic ASTC).
- iii) The proposed project is not adding additional capacity (operating/procedure rooms) to the GSA but is proposing additional surgical services not currently being provided within the GSA.

Based upon the information reviewed by the State Board Staff and summarized above it appears that while there is existing underutilized capacity in the GSA, the addition of the proposed specialties not currently being provided the GSA is warranted and would improve utilization at one of the existing ASTC in the GSA (Carle SurgiCenter – Danville).

The Applicants are proposing to add four surgical specialties to a currently underutilized ASTC. The proposed addition of specialties will increase utilization without adding additional capacity to the GSA. It does not appear that the proposed addition of specialties at one facility will impact other facilities in the GSA.

TABLE FIVE
Facilities within the GSA

Facilities	Operating Rooms	Hours	Treatment Rooms	Hours	Met Standard? (1)
OSF Sacred Heart Hospital	6	2,650	2	289	No
Carle SurgiCenter – Danville (multi ASTC)	2	697	1	649	No
Danville Polyclinic ASTC (multi ASTC)	2	3,265	0	0	Yes

- 1. State Board Standard is 1,500 hours per operating/procedure room
- 2. Information (rooms and hours) from 2016 Hospital and ASTC Profile

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION UNNECESSARY DUPLICATION/MALDISTRIBUTION (77 ILAC 1110.235(c)(7)(A) through (C))

G) Criterion 1110.235(c)(8)(A) & (B) - Staffing

A) Staffing Availability

To demonstrate compliance with this criterion the Applicants must document that relevant clinical and professional staffing needs for the proposed project were considered and that the staffing requirements of licensure and The Joint Commission or other nationally recognized accrediting bodies can be met. In addition, the applicant shall document that necessary staffing is available by providing letters of interest from prospective staff members, completed applications for employment, or a narrative explanation of how the proposed staffing will be achieved.

B) Medical Director

It is recommended that the procedures to be performed for each ASTC service are under the direction of a physician who is board certified or board eligible by the appropriate professional standards organization or entity that credentials or certifies the health care worker for competency in that category of service.

Carle SurgiCenter-Danville is currently staffed in accordance with IDPH and DNV accreditation² staffing requirements. The Applicants anticipate all staff from the existing ASTC will continue to practice there when additional specialties are added. Carle recruits at various RN and Certified Surgical Tech colleges, and offers sign-on and referral bonuses for newly hired RNs. The Applicants anticipate that Carle SurgiCenter-Danville's current Associate Medical Director, Dr. Ryan Porter, will continue to function as Associate Medical Director and will commit additional administrative time as needed as a result of the additional specialties. (Application for Permit page 71) Dr. Porter CV has been provided as required at pages 79-91.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION STAFFING (77 ILAC 1110.235(c)(8)(A) & (B))

H) Criterion 1110.235(c)(9)-Charge Commitment

In order to meet the objectives of the Act, which are *to improve the financial ability of the public to obtain necessary health services; and to establish an orderly and comprehensive health care delivery system that will guarantee the availability of quality health care to the general public; and cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process* [20 ILCS 3960/2], the Applicant must submit the following:

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

A listing of procedures by primary CPT code for the proposed new specialties with the average charge has been provided as required (Application for Permit pages 72-74). The Applicants have met the requirements of this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION CHARGE COMMITMENT (77 ILAC 1110.235(c)(7)(A) through (C))

² The requirements of the DNV GL - International Healthcare Accreditation are based upon those in our NIAHO® standards that have been approved by the US Government's Centers for Medicare and Medicaid (CMS), and have been accredited by ISQua. NIAHO - National Integrated Accreditation for Healthcare Organizations (NIAHO®) and ISO 9001:2015. ISQua – International Society for Quality in Healthcare.

I) Criterion 1110.235(c)(10) - Assurances

To document compliance with this criterion

- A) The Applicants must attest that a peer review program exists or will be implemented that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for the ASTC services, and if outcomes do not meet or exceed those standards, that a quality improvement plan will be initiated.**
- B) The Applicants shall document that, in the second year of operation after the project completion date, the annual utilization of the surgical/treatment rooms will meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100. Documentation shall include, but not be limited to, historical utilization trends, population growth, expansion of professional staff or programs (demonstrated by signed contracts with additional physicians) and the provision of new procedures that would increase utilization.**

Carle SurgiCenter - Danville will continue its existing peer review program that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for surgical services. If outcomes do not meet or exceed those standards, a quality improvement plan will be initiated. By the second year of operation after the project completion date, the annual utilization of the surgical/treatment rooms at Carle SurgiCenter - Danville will, by the addition of the anticipated cases, be optimized to exceed its current utilization.

The Applicants are not adding capacity but are adding surgical specialties at a current underutilized facility to improve service access for residents of the geographical service area. It appears that this proposed project meets the intent of Part 1100 Health Care Facilities Plan that states *“The standards presented herein are designed to promote development of needed facilities and services, avoid duplication of services and prevent unnecessary construction.”*

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1110.235(c)(10))

X. Financial Viability

A) Criterion 1120.120 – Availability of Funds

To demonstrate compliance with this criterion the Applicants must document that resources are available to fund the proposed project.

The proposed project is being funded with cash in the amount of \$1,540,000. The Carle Foundation has received an A+ Bond Rating from Standard & Poor's Rating Services dated July 24, 2017. Based upon the bond rating and a review of The Carle Foundation Hospital audited financial statements the Applicants have sufficient resources to fund this project.

TABLE SIX		
The Carle Foundation		
December 31st		
(in thousands)		
(audited)		
	2017	2016
Cash	\$227,179	\$159,342
Current Assets	\$1,249,388	\$1,205,843
Total Assets	\$3,540,026	\$3,098,545
Current Liabilities	\$676,884	\$584,901
Total Liabilities	\$1,629,605	\$1,527,246
Net Assets	\$1,910,421	\$1,571,299
Net Patient Service Revenue	\$1,053,444	\$784,610
Total Revenue	\$2,530,682	\$2,630,920
Operating Expenses	\$2,369,708	\$2,533,983
Income from Operations	\$160,974	\$96,937
Non Operating Income	\$262,093	\$70,565
Excess of Revenues over Expenses	\$406,610	\$146,814

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

B) Criterion 1120.130 – Financial Viability

To demonstrate compliance with this criterion the Applicants must document that they have an “A” or better bond rating or are in compliance with the all of the State Board’s financial ratio standards for the past three years.

The proposed project is being funded with cash in the amount of \$1,540,000. The Carle Foundation has received an A+ Bond Rating from Standard & Poor's Rating Services dated July 24, 2017. Based upon the bond rating and a review of The Carle Foundation Hospital audited financial statements the Applicants have sufficient resources to fund this project. Based upon the above the Applicants are financially viable and have the met requirements of this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION FINANCIAL VIABILITY (77 ILAC 1120.130)

XI. Economic Feasibility

A) Criterion 1120.140(a) - Reasonableness of Project Financing

To demonstrate compliance with these criteria the Applicants must document that they have an “A” or better bond rating or the project will be that the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or that the total estimated project costs and related costs will be funded in total or in part by borrowing because:

- A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

There is no debt financing being use to fund this project. The total cost of the project is \$1,540,000 and will be funded by cash.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION REASONABLENESS OF FINANCING ARRANGEMENT (77 ILAC 1120.140(a))

B) Criterion 1120.140(b) –Terms of Debt Financing

To demonstrate compliance with this criterion the Applicants must document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment is less costly than constructing a new facility or purchasing new equipment.

There is no debt financing being use to fund this project. The total cost of the project is \$1,540,000 and will be funded by cash.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION TERMS OF DEBT FINANCING (77 ILAC 1120.140(b))

C) Criterion 1120.140(c) - Reasonableness of Project Costs

To demonstrate compliance with these costs the Applicants must provide documentation that the costs are reasonable.

Movable Equipment Not in Construction Contracts - These costs total \$1,540,000 or \$475,000 per operating/procedure room. This appears reasonable when compared to the State Board Standard of \$489,755 per room or a total of \$1,469,265 [$\$489,755 \times 3 \text{ rooms} = \$1,469,265$].

Other Capital Costs – These costs total \$115,000. The State Board does not have a standard for these costs.

TABLE SEVEN	
Itemization of Project Costs	
Movable or Other Equipment (not in construction contracts)	
Colon & Rectal Surgery	\$350,000
Interventional Radiology	\$700,000
Plastic Surgery	\$175,000
Urology	\$200,000
Total	\$1,425,000
Other Costs To Be Capitalized	
Shielding	\$50,000
Ultrasound	\$65,000
Total	\$115,000

STATE BOARD STAFF FINDS THE PROPOSE PROJECT IS IN CONFORMANCE WITH CRITERION REASONABLENESS OF PROJECT COSTS (77 ILAC 1120.140(c))

Note: The State Board does not have standards for these two criteria below; therefore if the Applicants' provide responses to these criteria the State Board Staff considers the criteria have been successfully addressed.

A) Criterion 1120.140(d) - Direct Operating Costs

To demonstrate compliance with this criterion the Applicants must provide the direct operating cost for the first year when the Applicants reach target occupancy but no more than two years after project completion.

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

To demonstrate compliance with this criterion the Applicants must provide the capital cost for the first year when the Applicants reach target occupancy but no more than two years after project completion.

The Applicants are estimating \$1,331.35 per unit of service in direct operating costs and capital costs of \$255.01 per unit of service.

TABLE EIGHT	
Direct Operating Costs	
&	
Capital Costs	
Units of Service	2,023
Total Capital Cost	\$515,885
Total Operating Cost	\$2,693,325
Operating Cost per Unit of Service	\$1,331.35
Capital Cost per Unit of Service	\$255.01

STATE BOARD STAFF FINDS THE PROPOSE PROJECT IS IN CONFORMANCE WITH CRITERIA DIRECT OPERATING COSTS AND TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS (77 ILAC 1120.140(d) & 77 ILAC 140(e))

Appendix I **Safety Net Impact Statement**

The Applicants seek to add surgical specialties at their existing ASTC. No services are being eliminated. The Project will enhance access to care at Carle SurgiCenter- Danville, and is not expected to have any adverse impact on safety net services in the community or on the ability of any other health care provider to deliver services.

This Safety Net Impact Statement addresses the following requirements:

- 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.**

Adding additional specialties at Carle SurgiCenter - Danville will improve safety net services in the community, as it was the only ASTC in the GSA that saw more than one charity care patient in 2016. Carle SurgiCenter - Danville is a division of Carle Foundation Hospital and, as such, operates under the Carle Foundation Hospital Medicaid and charity care financial assistance policies. As a result, in 2016, 22.3% of Carle SurgiCenter - Danville's patients' primary payor source was Medicaid (342 patients), while Charity Care accounted for another 7.3% of patients (112 patients). The additional ASTC specialties will be covered under the same Medicaid and charity care policies as the existing specialties.

- 2. 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 addition of specialties at Carle SurgiCenter - Danville will not adversely impact the ability of other providers or health care systems to serve patients seeking safety net services. The Applicants do not believe there will be any adverse impact on other providers or health care systems, as the Project is aimed at addressing the demand for services currently performed at Champaign SurgiCenter and Carle Foundation Hospital.

- 3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.**

The proposed project involves adding additional specialties. As a result, an analysis regarding how reduced services will impact the community is not applicable.

Safety Net Impact			
	2014	2015	2016
Net Patient Revenue	\$667,577,000	\$724,456,000	\$723,353,000
Charity Care(# of patients)			
Inpatient	3,433	2,259	2,788
Outpatient	74,474	102,911	136,455
Total	77,907	105,170	139,243
Charity Care (cost in dollars)			
Inpatient	\$9,470,253	\$6,633,540	\$5,450,626
Outpatient	\$14,208,401	\$13,546,624	\$12,425,561
Cost of Charity Care	\$23,678,654	\$20,180,164	\$17,876,187
Amount of Charity Care	\$118,978,293	\$103,634,938	\$96,109,671
Cost of Charity Care % of Net Revenue	3.55%	2.79%	2.47%
Medicaid(# of patients)			
Inpatient	3,314	5,206	5,330
Outpatient	182,284	272,509	305,324
Total	185,598	277,715	310,654
Medicaid (Revenue)			
Inpatient	\$73,650,000	\$85,428,000	\$77,560,000
Outpatient	\$13,775,000	\$30,934,000	\$26,145,000
	\$87,425,000	\$116,362,000	\$103,705,000
% of Medicaid Revenue to Net Revenue	13.10%	16.06%	14.34%

Source: Information on the Safety Net Impact, Financial Assistance, Community Benefits, provided at pages 102-129 of the Application for Permit.

Reference Numbers
 Facility Id 7002439
 Health Service Area 004 Planning Service Area 183
 Carle Surgicenter
 2300 North Vermilion
 Danville, IL 61832

Number of Operating Rooms 2
 Procedure Rooms 1
 Exam Rooms 0
 Number of Recovery Stations Stage 1 4
 Number of Recovery Stations Stage 2 8

Administrator
 Kerry Fox
Date Complete
 3/3/2017
Contact Person
 Collin Anderson
Telephone
 217-383-7503

Type of Ownership
 Other Not For Profit Ownership

Registered Agent

Property Owner

Legal Owner(s)

The Carle Foundation Hospital

HOSPITAL TRANSFER RELATIONSHIPS

HOSPITAL NAME	NUMBER OF PATIENTS
Presence United Samaritans Hospital (Danville)	1
Carle Foundation Hospital (Urbana)	4

STAFFING PATTERNS

PERSONNEL	FULL-TIME EQUIVALENTS
Administrator	0.00
Physicians	0.00
Nurse Anesthetists	1.00
Director of Nurses	1.00
Registered Nurses	7.00
Certified Aides	0.00
Other Health Profs.	1.00
Other Non-Health Profs	1.00
TOTAL	11.00

DAYS AND HOURS OF OPERATION

Monday	5
Tuesday	10
Wednesday	5
Thursday	10
Friday	10
Saturday	0
Sunday	0

NUMBER OF PATIENTS BY AGE GROUP

AGE	MALE	FEMALE	TOTAL
0-14 years	23	34	57
15-44 years	73	230	303
45-64 years	271	373	644
65-74 years	145	198	343
75+ years	69	115	184
TOTAL	581	950	1,531

NUMBER OF PATIENTS BY PRIMARY PAYMENT SOURCE

PAYMENT SOURCE	MALE	FEMALE	TOTAL
Medicaid	102	240	342
Medicare	197	322	519
Other Public	0	6	6
Insurance	239	311	550
Private Pay	2	0	2
Charity Care	41	71	112
TOTAL	581	950	1,531

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
24.0%	7.1%	0.2%	68.6%	0.0%	100.0%		
636,928	189,251	5,854	1,818,561	78	2,650,672	36,055	1%

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	195	208.00	40.00	248.00	1.27
Laser Eye Surgery	0	0.00	0.00	0.00	0.00
Neurological	0	0.00	0.00	0.00	0.00
OB/Gynecology	122	112.00	24.00	136.00	1.11
Ophthalmology	0	0.00	0.00	0.00	0.00
Oral/Maxillofacial	0	0.00	0.00	0.00	0.00
Orthopedic	288	186.00	58.00	244.00	0.85
Otolaryngology	49	38.00	10.00	48.00	0.98
Pain Management	0	0.00	0.00	0.00	0.00
Plastic	0	0.00	0.00	0.00	0.00
Podiatry	20	17.00	4.00	21.00	1.05
Thoracic	0	0.00	0.00	0.00	0.00
Urology	0	0.00	0.00	0.00	0.00
TOTAL	674	561.00	136.00	697.00	1.03

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	1	857	477	172	649	0.76
Laser Eye	0	0	0	0	0	0.00
Pain Management	0	0	0	0	0	0.00
TOTALS	1	857	477	172	649	0.76

Leading Locations of Patient Residence

<u>Zip Code</u>	<u>City</u>	<u>County</u>	<u>Patients</u>
61832	Danville		663
61834	Danville		144
61883	Westville		105
61846	Georgetown		93
61858	Oakwood		55
60942	Hoopeston		54
61833	Danville		49
47932			43
61817	Catlin		40
60963	Rossville		29
61814	Bismarck		27
61870	Ridge Farm		22
61841	Fairmount		20
61865	Potomac		13
47987			13
61876	Sidell		12
47974			11
47928			10
61924	Chrisman		9
47993			8
61844	Fithian		8
61811	Alvin		7
61850	Indianola		7
47982			5