

December 31, 2019

VIA FED EXPRESS AND E-MAIL

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

Re: First Permit Renewal Request for Project No. 18-020
Silver Cross Hospital Open Heart Surgery Program

Dear Mr. Constantino:

We are counsel to Silver Cross Hospital and Medical Centers ("Silver Cross Hospital") and Silver Cross Health System (collectively with Silver Cross Hospital, the "Permit Holders"). On July 19, 2018, the Permit Holders filed a Certificate of Need Application (the "CON Application") with the Illinois Health Facilities & Services Review Board (the "Board") to establish an open heart surgery category of service at Silver Cross Hospital and to expand the foot print at Silver Cross Hospital by 32,020 feet (the "Project"). On December 4, 2018, the Board approved the CON Application. The CON Application stated that the Project would cost \$22,146,300 and that the Project would be completed on June 30, 2020 (the "Original Project Completion Date"). Immediately prior to filing this permit renewal request (the "Permit Renewal Request"), the Permit Holders filed their First Annual Progress Report for the Project (the "First Annual Progress Report").

On behalf of the Permit Holders, pursuant to 77 Ill. Admin. Code § 1130.740, we hereby submit this Permit Renewal Request for the above referenced Project because of a typo in the CON Application concerning the Original Project Completion Date. The Permit Holders inadvertently listed June 30, 2020 as the Original Project Completion Date when, in fact, the Project Completion Date should have been listed as June 30, 2021. This is the Permit Holders first permit renewal request for this Project.

Elements Required by 77 Ill. Admin. Code § 1130.740

As you know, 77 Ill. Admin. Code § 1130.740(c) requires a party seeking a permit renewal to provide the following information to the Board: (1) the requested completion date; (2) a status report on the project detailing what percent has been completed and a summary of the 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) evidence that

Mr. Michael Constantino
Silver Cross Hospital Open Heart Surgery Program, Project No. 18-020
First Permit Renewal Request
December 31, 2019
Page 2

the project's costs and scope are still in line with the previously approved CON and that sufficient financial resources are available to complete the project.

Based upon this information, the Planning Board must ultimately conclude that the party seeking the permit renewal "proceeded with due diligence," as that phrase is defined at 77 Ill. Admin. Code § 1130.140. For the reasons set forth in this letter, the Permit Holders believe that they have established the necessary predicates for a permit renewal for the Project.

As set forth in the Permit Holders' First Annual Progress Report, the Permit Holders obligated the Project on October 24, 2019 and began construction on November 25, 2019. The Project should be completed by June 30, 2021. June 30, 2021 was always the completion date for the Project, but the Permit Holders inadvertently listed June 30, 2020 as the Original Project Completion Date in the CON Application. The Permit Holders are now seeking to correct that typo and are formally seeking a new project completion date of June 30, 2021.

To date, and as set forth in the First Annual Progress Report, the Permit Holders have spent \$2,674,802.60 on the Project (and have obligated a total of \$14,629,056.35). The Applicants are currently projecting that they will not exceed the total project cost of \$22,146,300 set forth in the CON Application.

No changes have been made to the scope or size of the Project.

The method of financing and sources of funds for the Project have not changed since the filing of the CON Application.

Accordingly, the Permit Holders believe that they are entitled to a permit renewal for the Project on the terms set forth in this letter. If you need any other information, please call. I am also enclosing a check in the sum of \$500 to cover the processing fee.

Sincerely,



Edward J. Green

cc: Ms. Ruth Colby, Silver Cross Hospital & Medical Centers
Ms. Mary Bakken, Silver Cross Hospital & Medical Centers
Mr. Geoffrey Tryon, Silver Cross Hospital & Medical Centers

FOLEY & LARDNER LLP

777 East Wisconsin Avenue
MILWAUKEE, WISCONSIN 53202

NO. 1525967

Date Jan 02, 2020

Void After 90 Days

79-1160/759

PAY FIVE HUNDRED AND 00/100 Dollars

AMOUNT

\$500.00

U.S. BANK WAUSAU, WISCONSIN

PAY TO
THE
ORDER
OF

ILLINOIS DEPARTMENT OF PUBLIC HEALTH

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
525 WEST JEFFERSON STREET, 2ND FLOOR
SPRINGFIELD, IL 62761FOR SILVER CROSS - PROJECT NO. 18-020

CHECKS OVER \$15,000 REQUIRE TWO SIGNATURES

⑈ 1525967⑈ ⑆075911603⑆ 755701992⑈

Page number	Check date	Check number	Check Amount		Paid to	
1	01/02/20	1525967	\$500.00		ILLINOIS DEPARTMENT OF PUBLIC HEALTH	
Invoice Number	Invoice Date	Matter #	GL Acct	Ofc.	Amount	Check Memo
01022020EG.1	01-02-20	026141-0153	20103	0100	\$500.00	CDST: CHIC (E. Green)