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September 12, 2022

VIA E-MAIL

John P. Kniery
Board Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

**Re: Alteration Request Project #18-0236, Rush University Medical Center
Ambulatory Care Building, Project #18-023**

Dear Mr. Kniery:

I am writing on behalf of Rush University Medical Center ("RUMC" and "Permit Holder") in regard to Project #18-023, Ambulatory Care Building. The purpose of this letter is to request approval of an allowable alteration to the approved permit pursuant to 77 Ill. Admin. Code Section 1130.750. We have previously communicated with Board staff regarding this issue and thank them for their assistance and guidance.

Significant progress has been made regarding the construction of the Ambulatory Care Building and as proposed and approved by the Board, the building continues to be focused primarily on cancer care. The building will contain physician offices, an infusion department, and spaces in the building to support the care of cancer patients. Those additional services will include a pharmacy, diagnostic imaging, radiation oncology and breast imaging.

The Permit Holder has developed a plan to further enhance the functionality and utilization of all building space and proposes to relocate their outpatient procedures currently performed in an eight (8) suite endoscopy unit within RUMC to the Ambulatory Care Building. Inpatient and pediatric procedures will continue to be performed within the existing unit at RUMC. The inclusion of the endoscopy program to the new building will allow RUMC to both modernize the unit in a state-of-the-art medical office space while meeting the demand across the system and supporting the advanced interventional program being developed by the newly recruited Chief of Digestive Diseases and Nutrition.

The proposed endoscopy unit will be located on the 8th floor and will replace space in the building that was previously allocated for physician office space, and therefore will not result in any significant change from the previously approved application. Neither the approved total costs nor total GSF for the project will change as a result of this relocation. The proposed plan is for the unit to be a fully built-out clinical program with a total of eight (8) endoscopy suites: 6 standard

suites and 2 with fluoroscopy. In addition, there will also be 24 preparation and recovery rooms, 3 of which will include isolation anterooms, and 2 with extended recovery options. The unit will also have ancillary support for staff, high level disinfection and sterilization, medication distribution, and supply management. A proposed floor plan drawing has been attached.

As discussed with Board Staff and the Illinois Department of Public Health ("IDPH"), the new building is attached to RUMC via a pedestrian bridge allowing for the proposed replacement endoscopy unit to operate as an extension of the hospital and outpatient department. The proposed replacement unit is expected to allow for the performance of more complicated outpatient procedures, and to provide ample space for newly recruited physicians to not only maintain but grow its existing utilization. Currently at RUMC the endoscopy unit is operating at target utilization for an 8-unit suite. Below you will find a summary of procedures and utilization of the existing endoscopy suites and proposed utilization for the replacement unit in 2023.

OP Procedures	FY19	FY20	FY21	FY22 Annualized	FY23B
Colonoscopy	7,035	5,748	6,645	6,008	6,188
Upper Gastrointestinal Endoscopy (EGD)	3,168	2,758	3,060	2,368	2,846
Endoscopic Retrograde Cholangiopancreatography (ERCP)	328	466	522	468	555
Upper Gastric Examination (UEUS)	291	334	397	364	408
Flex Sigmoidoscopy	286	281	231	180	159
Enteroscopy (ENTR)	31	34	19	28	27
Endo Capsule	48	62	57	68	79
Endoscopy Ultrasound	5	2	3	0	0
Endoscopy Ultrasound	64	31	24	12	27
Ileoscopies	19	15	12	12	14
Esophagoscopy (ESO)	1	2	3	8	4
Other	1	2	0	0	4
Feeding Tubes	1	0	0	0	6
Lower Gastric Examination (LEUS)	0	3	4	0	2
Total	11,278	9,738	10,977	9,516	10,319

The approved project costs for the Ambulatory Care Building are \$473,326,372, and the proposed alteration will not increase the total overall costs of the underlying project. The Permit Holder expects that the final costs for the endoscopy unit will be approximately \$23,596,000. This will result in an increase of \$12,091,000 to the reviewable projects costs, making the new total reviewable project cost \$110,622,825. There will also be a decrease to the non-reviewable project costs in the amount of \$11,505,000, which would make the new total \$362,703,547. Through July 31, 2022, of this year the total project costs expended on the project are approximately \$315,300,000. As discussed above, there will be no change in the total overall project costs, and at this time it is expected that the project will be completed on budget.

Finally, concurrent with this alteration request, the Permit Holders will be filing a permit renewal request to extend their project completion date to allow for completion of the proposed endoscopy unit.

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If you have any questions or need any additional information regarding the project, please feel free to contact me via phone at 312-212-4967 or via email at JMorado@beneschlaw.com.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

A handwritten signature in black ink, appearing to read "Juan Morado Jr.", with a stylized flourish at the end.

Juan Morado Jr.