



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET NO: H-13	BOARD MEETING: December 4, 2018	PROJECT NO: 18-036	PROJECT COST:
FACILITY NAME: Hinsdale Surgical Center		CITY: Hinsdale	Original: \$0
TYPE OF PROJECT: Non-Substantive			HSA: VII

PROJECT DESCRIPTION: The Applicant (Hinsdale Surgical Center, LLC) proposes to add gastroenterology, neurosurgery and vascular surgery services to its current multi-specialty ambulatory surgical treatment center located in Hinsdale, Illinois. There is no cost to this project. The expected completion date is February 28, 2019.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The Applicant (Hinsdale Surgical Center, LLC) proposes to add gastroenterology, neurosurgery and vascular surgery services to its current multi-specialty ambulatory surgical treatment center located in Hinsdale, Illinois. There is no cost to this project. The expected completion date is February 28, 2019.

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 Hinsdale and surrounding areas.”*

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:

- 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 Applicants do not believe there will be any adverse impact on other providers in the GSA. 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 Applicant has addressed a total 15 criteria and have successfully addressed them all.

STATE BOARD STAFF REPORT

Project #18-036

Hinsdale Surgical Center

APPLICATION/SUMMARY CHRONOLOGY	
Applicants(s)	Hinsdale Surgical Center, LLC
Facility Name	Hinsdale Surgical Center
Location	10 Salt Creek Lane, Hinsdale, Illinois
Permit Holder	Hinsdale Surgical Center, LLC
Operating Entity/Licensee	Hinsdale Surgical Center, LLC
Owner of Site	Salt Creek Campus, LLC
Gross Square Feet	16,588 GSF
Application Received	October 1, 2018
Application Deemed Complete	October 3, 2018
Financial Commitment Date	February 28, 2019
Anticipated Completion Date	February 28, 2019
Review Period Ends	December 2, 2018
Review Period Extended by the State Board Staff?	No
Can the Applicants request a deferral?	Yes

I. Project Description

The Applicant (Hinsdale Surgical Center, LLC) proposes to add gastroenterology, neurosurgery and vascular surgery services to its current multi-specialty ambulatory surgical treatment center located at 10 Salt Creek Lane, Hinsdale, Illinois. The existing ASTC includes four operating rooms (ORs), two procedure rooms, eight Stage 1 recovery stations and twelve Stage 2 recovery stations. There is no cost to this project. The expected completion date is February 28, 2019.

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. Part 1120 (77 ILAC 1120) is not applicable to this project.

III. General Information

The Applicant proposes to add gastroenterology, neurosurgery and vascular surgery services to its current multi-specialty ambulatory surgical treatment center located at 10 Salt Creek Lane, Hinsdale, Illinois. The existing ASTC includes four operating rooms (ORs), two procedure rooms, eight Stage 1 recovery stations and twelve Stage 2 recovery stations. There is no cost to this project. The expected completion date is February 28, 2019.

Hinsdale Surgical Center, LLC membership interest includes Adventist Midwest/USP - 46.6% Pain Specialists of Greater Chicago, SC - 9.1%. The facility is located in the HSA VII Health Service Area which includes Suburban Cook and DuPage County. Should the

State Board approve this project the following services will be provided at the facility: Gastroenterology, General/Other, Neurology, Vascular, Obstetrics/Gynecology, Ophthalmology, Oral/Maxillofacial, Orthopedic, Plastic, Pain Management, Podiatry, Thoracic, Otolaryngology and Urology.

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. Project Uses and Sources of Funds

The Applicant is adding three surgical specialties. There are no capital costs associated with this project.

V. Background of the Applicants

A) Criterion 1110.110(a) – 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 listing of adverse action taken against facilities the Applicants own.

1. The Applicants have attested that there has been no adverse action taken against Hinsdale Surgical Center during the three (3) years prior to filing the application. [Application for Permit page 92]
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 establish a nine station ESRD facility. 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 92]
3. The site is owned by Salt Creek Campus, LLC and evidence of this can be found at pages 28-82 of the application for permit.
4. Compliance with Executive Order #2006-05 and the Illinois State Agency Historic Resources Preservation Act is not required for projects with no construction.
5. A Certificate of Good Standing from the State of Illinois has been provided at page 84 of the Application for Permit. License and Accreditation are provided at page 93 and 94 of the Application for Permit.

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)

VI. Purpose of Project, Safety Net Impact Statement and Alternatives

The following three (3) criteria are informational; no conclusion on the adequacy of the information submitted is being made.

A) **Criterion 1110.110 (b) Purpose of the Project**

To demonstrate compliance with this criterion the Applicants 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 stated the purpose of this project is to expand the scope of ASTC services available to residents of Hinsdale and surrounding areas. The Applicants service area is 10 miles in all direction as mandated by 77 ILAC 1100.510 (d). The goals of the project is to meet the demand for lower cost ambulatory surgery services in the defined service area and to increase utilization of Hinsdale Surgical Center. 2016 patient origin information was provided at pages 115-122 of the Application for Permit.

B) **Criterion 1110.110 (c) - Safety Net Impact Statement**

This project is a non-substantive project and a safety net impact statement is not required for non-substantive projects. Charity care information was provided as required.

TABLE ONE			
Charity Care Information			
Hinsdale Surgical Center			
Charity Care	2015	2016	2017
Net Patient Revenue	\$9,649,395	\$10,654,087	\$12,053,285
Amount of Charity Care (charges)	\$265,841	\$17,544	\$0
Cost of Charity Care	\$77,167	\$4,180	\$0
% of Cost of Charity Care/Net Patient Revenue	0.80%	0.04%	0.00%

C) **Criterion 1110.110 (d) - Alternatives to the Project**

To demonstrate compliance with this criterion the Applicants must document all alternatives to the proposed project that were considered.

Only one other alternative was considered and that was the do nothing alternative. The Applicant stated that this *“this alternative would maintain the status quo, which is to have patients undergo procedures in the hospital setting. It would not improve access to high-quality, lower cost ASTC care as described throughout this application. Furthermore, doing nothing would not increase utilization at Hinsdale Surgical Center. For these reasons, this alternative was rejected.”*

VIII. Project Scope and Size, Utilization and Assurances

A) Criterion 1110.120 (a) - Size of Project

To demonstrate compliance with this criterion the Applicants must document that the proposed size of the project is in compliance with the State Board Standard in Part 1110 Appendix B.

The Applicant is not adding any additional operating/procedure rooms or additional gross square footage to the proposed facility. The Applicant has successfully addressed this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SIZE OF PROJECT (77 ILAC 1110.120 (a))

B) Criterion 1110.120(b) – Projected Utilization

To demonstrate compliance with this criterion the Applicants must document that the facility will be at target occupancy as specified in Part 1100.

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. The Applicant has successfully addressed this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT 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 ASSURANCE (77 ILAC 1110.120(e))

VIII. 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 in Hinsdale, Illinois is 10 miles in all directions per 77 ILAC 1100.510 (d). According to the Applicant there is an estimated 2,226,050 individuals within this 10 mile radius. The Applicant states that 75% of the cases in 2016 at Hinsdale Surgical Center came from within this 10-mile GSA. [See Application for Permit pages 113-122]

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) & (B) - 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.

Doctor Atif Baqai, MD (Vascular Surgery), Rockford Yapp, MD (Gastroenterology), and John Song, MD (Neurosurgery) provided referral letters. The three letters provided patient origin by zip code of residence, name and specialty of referring physician, name and location of the health care facility the patient was referred, and the number of referrals for the period 8/01/2017-7/31/2018. The Applicant have successfully addressed this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SERVICE TO GEOGRAPHIC SERVICE AREA RESIDENTS (77 ILAC 1110.235(c)(3)(A) & (B))

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 Applicant currently has four operating rooms and two procedure rooms and no new operating or procedure rooms are being proposed. Under current State Board rules an ASTC can add operating/procedure rooms without Board approval if the cost is below the capital expenditure minimum of \$3,515,982. From the survey information reported to the State Board the Applicant has added two procedure rooms during the period 2012 to 2014. The Applicant reported no procedure rooms in 2012, one procedure room in 2013 and two procedure rooms in 2014.

The table below shows the historical utilization at the facility for the period 2013-2016. Based upon the historical utilization the Applicant can justify the four operating rooms and one procedure room.

TABLE TWO						
Hinsdale Surgical Center						
Historical Utilization ⁽¹⁾						
Operating Rooms						
Year	2013	2014	2015	2016	Average	CAGR
Cases	5,095	5,076	5,389	5,619	5,295	3.32%
Hours	5,284	4,761	5,316	5,374	5,184	0.56%
Procedure Rooms						
Cases	445	437	452	426	440	-1.44%
Hours	181	207	372	339	275	23.18%
1. Source ASTC Profile Information						

The three referring physicians are projecting to refer 152 cases to the Surgery Center. Current utilization justifies the four operating rooms and one procedure room and the additional procedures will increase the utilization at the facility which is necessary to meet the target occupancy of 1,500 hours per operating/procedure room.

While the current and projected utilization does not justify the current number of operating/procedure rooms at the facility the Applicant by the addition of the three specialties are improving service capability and efficient operation at the facility in

accordance with 77 ILAC 1100.370. The Applicant has successfully address this criterion.

TABLE THREE
Referral Information

Physician	Specialty	Proposed Referral Cases	Minutes ⁽¹⁾	Hours
Atif Baqai, MD	Vasc. Surgery	60	79.2 minutes	60
Rockford Yapp, MD	Gastro	72	45 minutes	54
John Song, MD	Neurosurgery	20	88.2 minutes	30
Total		152		144 hours

1. Minutes per case from 2016 ASTC State of Illinois Summary

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION TREATMENT ROOM NEED ASSESSMENT (77 ILAC 1110.235(c) (3) (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.

The Applicant argues “*this project would expand access to care in the ASTC setting for residents of the GSA. By adding surgical specialties at its existing ASTC, the Applicant will be able to shift procedures appropriate for an ASTC setting away from hospital outpatient departments (HOPDs). Doing so is important since HOPDs are more costly, less efficient and less convenient than ASTCs.*”

1. There are 20 ASTCs in the GSA (10-mile radius). Of the 20 ASTCs one is Hinsdale Surgical Center the subject of this application for permit. [See Table at the end of this report]
2. There are 18 hospitals and 19 ASTCs (Hinsdale Surgical Center not included) within the GSA. Of the 18 hospitals six were not considered in this evaluation because they are either comprehensive rehabilitation hospitals, LTACH hospitals or psychiatric hospital (i.e. specialty hospitals). Of these 11 hospitals eight are not at target occupancy. Of the 19 ASTCs 11 are not at target occupancy.
3. The services proposed to be added (gastroenterology, neurosurgery and vascular surgery are not all currently available at ASTCs in the GSA. The Board's Staff review of the most current ASTC profile information notes that neurosurgery specialty was not available at any of the 19 ASTCs in the GSA. Vascular surgery is not currently listed as a surgical specialty at 77 ILAC 1110 Appendix A – ASTC Services and is not included as a specialty on the Annual ASTC Questionnaire.
4. The proposed project is for the addition of surgical specialties at an existing ASTC and the existing ASTC is not a cooperative venture.

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 Hinsdale Surgical Center to the target occupancy of 1,500 hours per room it will improve service capability and operation efficiency. 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 2,226,055 (2016 Estimated Population). Population in the State of Illinois is 12,802,023 (2016 Estimated Population/US Census Bureau).

- i) There are 266 operating/procedure rooms in the GSA. The ratio of operating/procedure room to population is 1 room per every 8,369 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) There are 18 hospitals and 19 ASTCs (Hinsdale Surgical Center is not included) within the GSA. Of the 18 hospitals six were not considered in this evaluation because they are either comprehensive rehabilitation hospitals, LTACH hospitals or psychiatric hospitals (i.e. specialty hospitals). Of the remaining of the 11 hospitals eight are not at target occupancy. Of the 19 ASTCs 11 are not at target occupancy.
- 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.

The Applicants are proposing to add three surgical specialties to a currently underutilized facility. The proposed addition of specialties will increase utilization at the underutilized facility without adding additional operating/procedure capacity to the GSA. It does not appear that the proposed addition of specialties at one facility will impact other hospitals and ASTCs in the GSA. The Applicant has successfully addressed this criterion.

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.

Hinsdale Surgical Center is currently staffed in accordance with IDPH and Joint Commission accreditation² staffing requirements. The Applicants anticipate all staff from the existing ASTC will continue to practice there when additional specialties are added. The Applicant does not anticipate issues with hiring additional nurses and Certified Surgical Technologists (CSTs) as needed. Hinsdale Surgical Center routinely recruits at various RN and Certified Surgical Tech colleges, and offers sign-on and referral bonuses for newly hired RNs. The Applicant anticipates that Hinsdale Surgical Center's current Medical Director, Dr. Craig Gardner, will continue to function as Medical Director and will commit additional administrative time as needed as a result of the additional specialties. Dr. Gardner's CV can be found at Application for Permit pages 134-135.

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 maximum charge has been provided as required (Application for Permit page 134). 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)(9))

I) Criterion 1110.235(c)(10)(A) & (B) - 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,

² The **Joint Commission** is a United States-based nonprofit tax-exempt 501(c) organization that accredits more than 21,000 US health care organizations and programs. The international branch accredits medical services from around the world. A majority of US state governments recognize Joint Commission accreditation as a condition of licensure for the receipt of Medicaid and Medicare reimbursements.

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.

Hinsdale Surgical Center 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 Hinsdale Surgical Center will, by the addition of the anticipated cases, be optimized to exceed its current utilization.

The Applicant is 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.”*

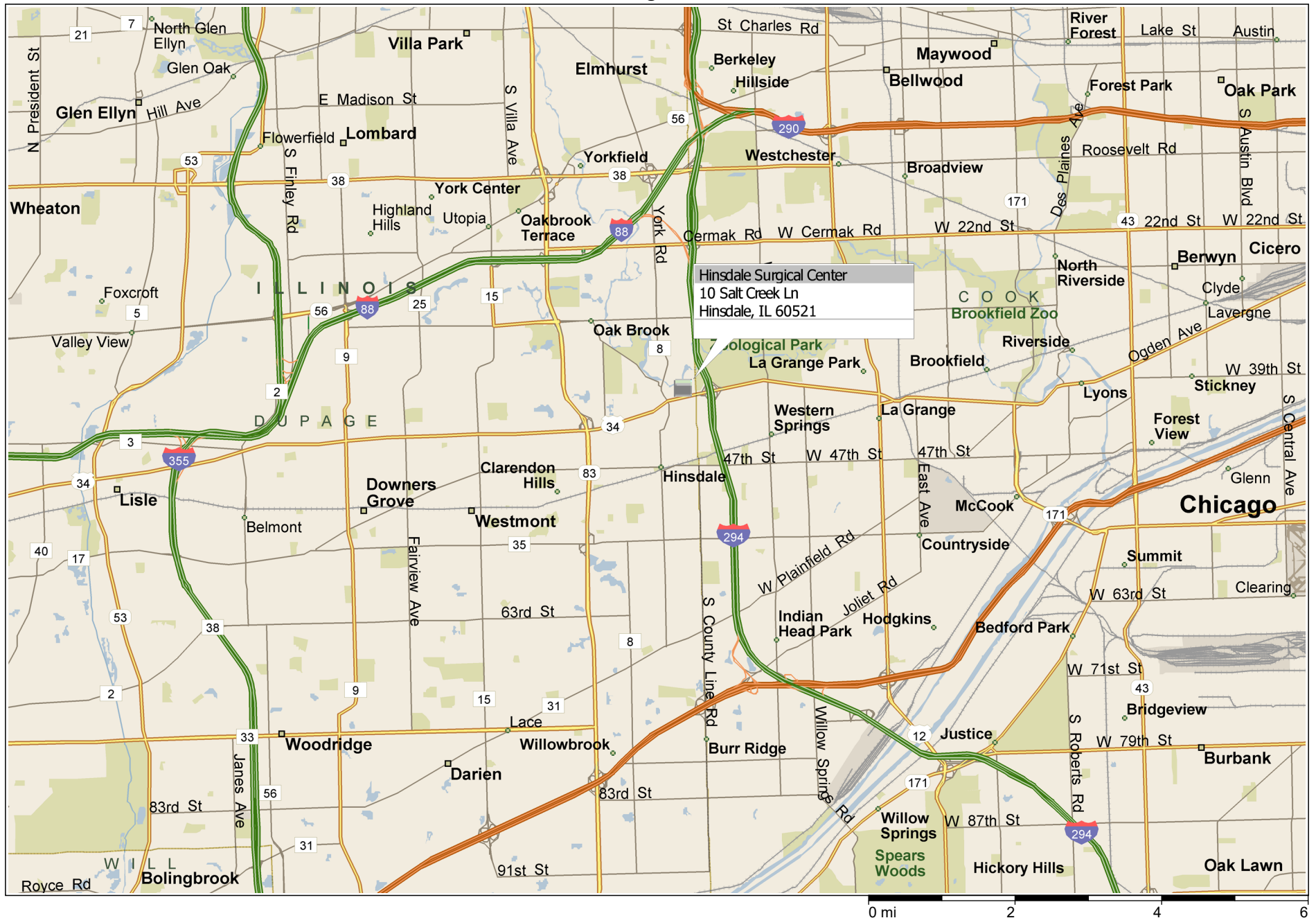
STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1110.235(c)(10) (A) & (B))

TABLE FOUR
Existing Facilities within the GSA

ASTC	City	Miles	Operating/ Procedure Rooms	Hours	# Rooms Justified	Met Standard?
Ambulatory Surgicenter of Downers Grove	Downers Grove	4.8	3	1,065	1	No
Chicago Prostate Cancer Surgery Center	Westmont	1.7	2	581	1	No
Elmhurst Outpatient Surgery Center	Elmhurst	3.1	8	7,774	6	No
Elmwood Park Same Day Surgery Center	Elmwood Park	8.6	3	335	1	No
Eye Surgery Center of Hinsdale	Hinsdale	0.4	4	2,850	2	No
Forest Medical-Surgical Center	Justice	6.6	4	795	1	No
Loyola Ambulatory Surgery Center	Maywood	5.4	8	9,897	7	No
Magna Surgical Center	Bedford Park	9.7	3	2,487	2	No
Midwest Center for Day Surgery	Downers Grove	4.7	5	3,589	3	No
Novamed Surgery Center of River Forest	River Forest	7.3	2	751	1	No
Oak Brook Surgical Centre	Oak Brook	3.4	6	2,514	2	No
Salt Creek Surgery Center	Westmont	2.9	4	3,031	3	No
Advantage Health Care	Wood Dale	9.2	2	1,635	2	Yes
DuPage Medical Group Surgery Center	Lombard	4.1	11	17,731	12	Yes
Elmhurst Foot & Ankle	Elmhurst	3.4	1	252	1	Yes
Loyola Ambulatory Surgery Center at Oakbrook	Villa Park	5.1	3	4,488	3	Yes
Palos Hills Surgery Center	Palos Hills	9.6	2	2,055	2	Yes
United Urology Center LaGrange	LaGrange	2.6	1	2,258	2	Yes
Total			78	64,088	52	

Hospital	City	Miles	Operating/ Procedure Rooms	Hours	# Justified	Met Standard?
Adventist Hinsdale Hospital	Hinsdale	1.1	18	23,290	16	No
Adventist Glen Oaks	Glendale Heights	9.6	8	3,637	3	No
Adventist LaGrange Memorial Hospital	LaGrange	2.6	15	15,849	11	No
Advocate Good Samaritan Hospital	Downers Grove	4.6	23	27,871	19	No
Elmhurst Memorial Hospital	Elmhurst	2.9	21	34,750	24	Yes
Loretto Hospital	Chicago	8.9	7	827	1	No
Loyola Health System at Gottlieb	Melrose Park	7.2	11	14,471	10	No
Loyola University Medical Center	Maywood	5.3	33	75,340	51	Yes
MacNeal Memorial Hospital	Berwyn	6.7	18	25,916	18	Yes
Rush Oak Park Hospital	Oak Park	7.3	12	8,948	6	No
VHS West Suburban Medical Center	Oak Park	8.9	12	15,825	11	No
VHS Westlake Hospital	Melrose Park	6.2	10	3,173	3	No
Total			188	249,897	173	

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