



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET ITEM: A-05	BOARD MEETING: December 10, 2019	PROJECT NUMBER: 18-044
PERMIT HOLDERS(S): Specialty Surgicare, Ltd.		
FACILITY NAME and LOCATION: Illinois Spine Institute, Schaumburg		

STATE BOARD STAFF REPORT
PERMIT RENEWAL REQUEST

I. Background

On March 15, 2019, the State Board approved Project #18-044. The permit authorized the establishment of a limited-specialty Ambulatory Surgery Treatment Center (ASTC), in Schaumburg, Illinois. The State Agency notes the project is obligated through the execution of a lease, and the current project completion date is December 31, 2019. Project cost: \$434,791.

State Board Staff notes the permit holders submitted the permit renewal request on November 19, 2019. This submittal was **not** in accordance with 77 IAC 1130.740(d), which states that the State Board must receive renewal requests at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee, and a \$500.00 late fee accompanied the renewal request.

II. Findings

State Board Staff notes this is the first renewal request for this project and the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal.

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of December 31, 2020. This would extend the project's completion date by approximately 12 months, from December 15, 2019 to December 31, 2020.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is progressing in accordance with the approved schedule and budget. However, deficiencies discovered during the IDPH Life Safety inspection required additional work from the contractors, delaying the project completion. The Applicants are requesting an additional 12 months to accommodate the correction of deficiencies and IDPH inspections, surveys, and licensure.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the project has proceeded with due diligence, but was cited for deficiencies during the IDPH Life Safety inspection process. The additional time is required to correct these deficiencies, and complete the inspection/certification process.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate approximately \$26,912.00 (6.2% of the total project cost), has been expended to date and can attest to the existence of sufficient financial resources to complete the project.
- E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the altered permit amount of \$434,791.

IV. Project Description & Other Background Information

The permit authorized the establishment of a limited-specialty ASTC in Schaumburg, Illinois. Project cost: \$434,791.

Permit Issuance Date: March 15, 2019

Project Obligation Date: November 19, 2019

Original Project Completion Date: December 31, 2019

Proposed Project Completion Date: December 31, 2020
(12-month renewal request)

V. Applicable Rules for Permit Renewal Requests

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.230(h)(5) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(b) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(c) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(d) states the State Board staff will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFSRB criteria, and if this is the first request for this project, then the request, staff's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFSRB, will approve, deny or refer the request to the HFSRB for action. If staff finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFSRB for action, then HFSRB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). Denial of a permit renewal request constitutes HFSRB's Notice of Intent to revoke a permit and the permit holders will be afforded an opportunity for an administrative hearing.

VI. Other Information

Appended to this report are the following: the permit holders' documents for a permit renewal.



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November 19, 2019

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

VIA FEDEX AND EMAIL

Ms. Courtney Avery, Board Administrator
Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Permit Renewal Request - Illinois Spine Institute, Chicago Project #18-044

Dear Ms. Avery:

On March 5, 2019 the Illinois Health Facilities and Services Review Board (HFSRB) approved Project # 18-044 to establish a limited specialty Ambulatory Surgical Treatment Center (ASTC) at 500 West Golf Road, Schaumburg, Illinois, 60195. Enclosed with this permit renewal request is a check for the permit renewal processing fee. This is our first permit renewal request.

Requested Project Completion Date

The permit holder requests that the HFSRB grant a permit renewal that would establish December 31, 2020 as the project completion date for this project.

Status of the Project

The remaining project components include a survey and licensure of the facility by the Illinois Department of Public Health (IDPH). During the review process by the IDPH Division of Life Safety and Construction identified issues that requires work to be completed by the site owner prior to occupancy by the permit holder. We were informed by the site owner that the work addressing those issues would be completed by July 2020.

Given the existing project completion date of December 31, 2019, we are filing this permit renewal request to allow for occupancy and licensure of the facility. No project funds have been expended to date as the project's cost consist of rent for the leased space. Upon completion of the work by the site owner, the permit holder will move forward with expending funds in accordance with the permit letter issued for this project. The project was financially committed through the execution of a sub-lease between a Illinois Spine Institute, LTD. and the permit holder on November 19, 2019.

Statement Regarding Project Completion

This project involves the establishment of an ASTC that will be dedicated to performing procedures that fall under the orthopedic and pain management categories of service. These

procedures are necessary for a patient population that suffers from various spinal conditions and other debilitating chronic pain conditions. At this time we have been able to continue serving our patient population in variety of settings including in our office based practices or in hospital surgical suites. However, as we explained in our presentation seeking approval for this project each of those venues has challenges which affect our patient's ability to obtain prompt care and relief from pain. Completing this project would allow us to meet our commitment to the Board and importantly ensure that our patients are able to have procedures performed in a timely fashion and a cost efficient environment.

This project calls for the permit holder to lease space in an existing structure and for the space to be modernized consistent with IDPH ASTC building standards. Additionally, the permit holder will be required to pass a IDPH survey in order for the facility to be licensed. The site owner has submitted a IDPH Project Submission form to apply for a survey of the facility. The IDPH Division of Life Safety and Construction has identified issues that require work to be performed at the site in order for the facility to be licensed. The site owner has already procured the requisite permits from local authorizes to complete the work. The work will commence shortly and will bring the facility into compliance with IDPH ASTC building standards for licensure.

This permit renewal request is being sought to allow for enough time for IDPH to schedule and complete their survey and issue the facility an ASTC license. The project size and cost will be in accordance with the permit letter issued by the HFSRB and we do not anticipate the need to alter the project in anyway.

Confirmatory Evidence of Permit Compliance

Attached is an verified statement from Babak Lami, M.D. that confirms the permit holders are complying with the scope and costs of the project approved by the HFSRB pursuant to the permit letter issued for this project. Additionally, the aforementioned verified statement confirms that there are sufficient financial resources available to complete this project.

If you have any questions or need any additional information regarding the project or this permit renewal request, please feel free to contact me at 312-212-4967.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP



Juan Morado, Jr.

Enclosures

JM:

**State of Illinois
County of Cook**

Verification

I, Babak Lami, M.D., being first duly sworn, on oath, depose and state as follows:

1. I serve as the Chief Executive Officer for Specialty Surgicare, LTD.
2. The IDPH Project Submission form for Illinois Spine Institute ("ISI") located at 500 West Golf Road, Schaumburg, Illinois 60195, have been submitted to the Illinois Department of Public Health ("IDPH") by the site owner.
3. Upon submission of the IDPH Project Submission form and review by the Division of Life Safety and Construction, issues were identified that required attention before a life safety survey could be conducted. The issues identified during the plan review require the site owner to complete improvements to the site.
4. We understand IDPH has approved the site owner to move forward with the improvements.
5. The project was financially committed through the execution of a lease of the space where the facility will be located.
6. We have been informed by the site owner that work associated with the issues has not commenced to date but are slated to begin before the end of the year.
7. All funding expended for the ISI facility will be in accordance with the permit issued by the Health Facilities and Services Review Board as Project # 18-044.
8. ISI has sufficient financial resources available to complete Project #18-044.

Under penalties as provided by law pursuant to § 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.

Babak Lami MD (signature)
Babak Lami MD

11/18/2019 (date)