

Palos Hills Surgery Center, LLC

May 17, 2019

Courtney Avery
Illinois Health Facilities and Service Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: 18-049 Surgery Center of Illinois, Oak Lawn
Subject: Letter of Opposition

RECEIVED

JUL 11 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Dear Ms. Avery,

This letter is being sent on the behalf of Palos Hills Surgery Center (PHSC), opposing the establishment of a licensed ambulatory surgical facility at the Surgery Center of Illinois, Oak Lawn.

A review of the application reveals that there are material inaccurate statements contained within the application provided to support the claim of a “need” for a center of “Spine and Total Joint Excellence” in the community. To the contrary, a thorough analysis will support the conclusion that the services requested are already established in the GSA.

We quote p.48 of the application:

“The GSA does not have a viable option for Advanced Orthopaedics to provide their surgical patients with a modern local ASTC option.

Of the 6 clinics which perform orthopaedic surgery none currently possesses the space or equipment necessary to perform the complex spine and total joint surgeries provided by the applicant. The applicant notes that Palos Hills Surgery Center is currently undergoing an expansion and modernization to enable its facility to provide some of these complex services. However, their facility is already operating on State standards on volume and the applicants have provided HCSRБ with evidence that the facility will be at capacity within their own practice volumes. Palos Hills is also designed as a Center of Excellence for the Hand and upper Extremities, while the applicant is seeking to design and operate a Center for Spine and Total Joint Replacements”

We suggest the above statements from the application are simply inaccurate. First, PHSC itself provides services in all aspects of orthopaedic surgery and is not limited to the Hand and Upper Extremity specifically. Furthermore, in 2018 PHSC appeared before the Board and obtained approval for an expansion of its existing facility for the addition of 2 Ambulatory Surgical Operating Rooms. At that meeting we established that the purpose of the expansion was not only because we had reached capacity within the existing facility, but in addition, to develop larger operating rooms to accommodate Total Joint and Spine Surgical Procedures in accordance with the expected shift of many of these procedures to an Outpatient facility and the benefits to be expected.

Palos Hills Surgery Center, LLC

Furthermore, the addition was designed with private recovery beds to accommodate overnight stays. The equipment claimed not to exist within the GSA has already been purchased and used at PHSC, including spine instrumentation, Jackson Tables, etc... We also brought our total joint and spine surgeons to the Board meeting to testify on behalf of the addition to PHSC and its proposed expanded utilization.

The PHSC project will be completed by August 31, 2019 and is expected to open for patient care shortly thereafter pending completion of all required surveys. Thus the capacity for Total Joint and Spine which the Surgery Center of Illinois claims does not currently exist, will be online in a short period of time. That capacity could accommodate all of the 1286 cases which Dr. Troy projects he will refer to his own ASTC.

Rather than devoting costly resources to a new project which we have shown does not have a need within the scope of the proposed GSA, we would welcome Dr. Troy and the other physicians at Advanced Orthopaedics to come on staff at PHSC and utilize the existing facilities. We are located only 2.8 miles from the proposed location of Surgery Center of Illinois, Oak Lawn and have the capacity to deliver high quality outpatient orthopaedic care, including total joint and spine, all within the proposed GSA.

Additionally, looking that the statistics provided in its analysis, the application states that 95% of the patients will come from within the GSA. However of the 1286 proposed referrals to the new center, only 68% of the patients to which they refer actually reside within the GSA, with the remaining 32% from outside the GSA (which are currently performed at an existing ASTC, that being CMIS).

Furthermore, given the financial analysis provided the center is profitable to the extent all 1286 patients are referred to the Surgery Center of Illinois. This suggests that every case performed by the physicians of Advanced Orthopaedics must be done at their new ASTC to be financially viable. Their statistics show that 1286 was utilized in their analysis to demonstrate financial viability. This is unlikely to occur as a significant number of these patients will likely require surgery at the hospital (Christ/Palos) due to a number of factors such as medical conditions, admissions due to severe trauma requiring an inpatient stay, insurance regulations such that patients insured with Advocate Physician Partners or Advocate Medical Group will require their covered procedures to be done at an Advocate Facility. It is hard to conceive how this number of cases can be referred to their center as they claim. This also suggests that 767 surgical cases determined from their statistical submissions would need to be diverted from an existing hospital, Palos or Christ, to their ASTC as part of the 1286 total cases which they state are required to effect financial viability.

While the application states that the intent is to establish the ASTC as a "Center of Excellence for Total Joint and Spine" there appears to be no statistics to support the percentage of the cases which they estimate will be referred for outpatient surgical services that are actually Total Joint and Spine cases.

Palos Hills Surgery Center, LLC

We understand that Dr. Troy currently performs Spine and Joint cases at the Center for Minimally Invasive Surgery (CMIS) as do other spine and joint surgeons. The facility also has an overnight addition to the facility which is run by Franciscan Health where patient who require an overnight stay are admitted after a Total Joint or Spine procedure.

We also question the office based procedures which is part of the 1286 number suggested. We have found clinic addresses for Dr. Troy and Advanced Orthopaedic and Spine in Oak Lawn and Tinley Park Illinois. There is no clinic address listed for the location of CMIS which is the Center for Minimally Invasive Surgery. We read this to mean that these 357 procedures are currently being performed at the ASTC.

In summation, PHSC opposes the establishment of a CON approved licensed facility at 6700 W. 95th Street Oak Lawn, IL 60453 (Surgery Center of Illinois, Oak Lawn). The application suggests a purported need for this ASTC be able to provide within the GSA described, when in effect a center already exists which can provide, or will provide within the next 5 months, all of the orthopaedic care requested, including any proposed case volume from Advanced Orthopaedic and Spine Care.

Furthermore, the statistics provided regarding the percentage of their patients which reside within the GSA and what percentage of procedures are currently performed within the GSA appear inaccurate. To establish a Center of Excellence in Total Joint and Spine Surgery not only are we to believe that every current total joint and spine case performed could be shifted to an outpatient center, but there appears to be no statistics showing what percentage of their total cases are even total joint or spine surgeries. This proposal also requires a shift of 767 patients from hospital systems to their ASTC.

Finally utilizing their statistical methodology and the fact that there is no support to establish that every patient for which that applicant performs surgery could be shifted to an outpatient ASTC for the reasons cited above the project itself is not financially viable.

Accordingly, PHSC strongly urges the HCSR to deny the application of Surgery Center Illinois, Oak Lawn for a Certificate of Need within their requested GSA.

Sincerely,

By: 
Gary Kronen, Director

Palos Hills Surgery Center
10330 South Roberts Rd.
Palos Hills, IL 60456