



STATE OF ILLINOIS  
**HEALTH FACILITIES AND SERVICES REVIEW BOARD**

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<b>DOCKET ITEM:</b> C-06	<b>BOARD MEETING:</b> October 30, 2018	<b>EXEMPTION NUMBER:</b> E-048-18
<b>EXEMPTION APPLICANT(S):</b> RSC Illinois, LLC and Covenant Surgical Partners, Inc.		
<b>FACILITY NAME and LOCATION:</b> Quad City Endoscopy Surgery Center, Moline, Illinois		

## **STATE BOARD STAFF REPORT** **CHANGE OF OWNERSHIP**

### **I. The Exemption Application**

The Applicants (RSC Illinois, LLC and Covenant Surgical Partners, Inc.) propose a change of ownership of a health care facility Quad City Endoscopy Surgery Center a single-specialty ASTC located at 4340 7<sup>th</sup> Street, Moline, Illinois (#E-048-18).

Covenant Surgical Partners, Inc. is purchasing 51% of Quad City Endoscopy, LLC which owns and operates Quad City Endoscopy Surgery Center. Upon completion of the change of ownership Quad City Endoscopy, LLC will be merged into RSC Illinois, LLC. Quad City Endoscopy, LLC will cease to exist at the conclusion of the transaction. The operating entity/licensee will be RSC Illinois, LLC and the owners of the site is GIC Real Estate Investment, LLC. This transaction is considered a purchase resulting in a change in the licensee. The fair market value of the transaction is approximately \$3.6 million. The anticipated completion date is October 31, 2018

### **II. Applicable Rules**

The Illinois Health Facilities Planning Act (20 ILCS 3960/6) states the State Board shall establish by regulation the procedures and requirements regarding issuance of exemptions. An exemption shall be approved when information required by the Board by rule is submitted. Projects eligible for an exemption, rather than a permit, include, but are not limited to, change of ownership of a health care facility, discontinuation of a category of service, and discontinuation of a health care facility, other than a health care facility maintained by the State or any agency or department thereof or a nursing home maintained by a county.

The State Board's rule (77 IAC 1130.500 & 77 ILAC 1130.520) specifies the requirements necessary for a change of ownership exemption application to be filed with the State Board. The State Board may, by rule, delegate authority to the Chairman to grant permits or exemptions when applications meet all of the State Board's review criteria and are unopposed [20 ILCS 3960/5].

**The State Board Staff Notes:** No support or opposition letters were submitted and there was no request for a public hearing. All of the requirements of the State Board have been met.

**STATE BOARD STAFF FINDS THE EXEMPTION FOR A CHANGE OF OWNERSHIP IN CONFORMANCE WITH CRITERIA (77 ILAC 1130.500 & 77 ILAC 1130.520)**

# E-048-18 Quad City Endoscopy Center

