



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET ITEM: C-02	BOARD MEETING: January 15, 2019	EXEMPTION NUMBER: E-062-18
EXEMPTION APPLICANT(S): Soderstrom Dermatology Center, S.C., Dermatologists of Central States, LLC, MedPro Advantage, LLC. Michael P. Conroy, M.D. and John C. Moad, M.D		
FACILITY NAME and LOCATION: Peoria Ambulatory Surgery Center, Peoria, Illinois		

STATE BOARD STAFF REPORT
CHANGE OF OWNERSHIP EXEMPTION REQUEST

I. The Exemption Application

The Applicants (Soderstrom Dermatology Center, S.C., Dermatologists of Central States, LLC, MedPro Advantage, LLC. Michael P. Conroy, M.D. and John C. Moad, M.D) propose a change of ownership of a health care facility Peoria Ambulatory Surgery Center, 4909 N. Glen Park, Peoria, Illinois (#E-062-18). The licensee/operating entity is Peoria Ambulatory Surgery Center and the owner of the site is Store Master Funding XII, LLC. This transaction is considered a purchase resulting in no change in the licensee/operating entity. The cost of this transaction is \$2,000,000. The anticipated project completion date is May 31, 2019.

John C. Moad, M.D. (33%) and Michael P. Conroy, M.D. (33%) will collectively purchase a majority ownership interest of Soderstrom Dermatology Center, S.C. and thereby an interest in the ownership of Peoria Ambulatory Surgery Center (a division of Soderstrom Dermatology Center, S.C.) Carl W. Soderstrom, M.D. will retain a minority ownership interest in the ASTC. Dermatologists of Central States, LLC will own 100% of MedPro Advantage, LLC, but will not have an ownership interest in the facility.

II. Applicable Rules

The Illinois Health Facilities Planning Act defines a change of ownership as

“ . . . a change in the person who has ownership or control of a health care facility’s physical plant and capital assets. A change in ownership is indicated by the following transactions: sale, transfer, acquisition, lease, change of sponsorship or other means of transferring control.”

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].

An exemption shall be approved when information required by the Board by rule is submitted [20 ILCS 3960/6].

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 CHANGE OF OWNERSHIP IN CONFORMANCE WITH CRITERIA (77 ILAC 1130.500 & 77 ILAC 1130.520)

Table One

	Charity Care		
	2015	2016	2017
Net Patient Revenue	\$3,493,638	\$4,353,434	\$4,423,996
Amount of Charity Care (Charges)	\$0	\$0	\$0
Cost of Charity Care	\$0	\$0	\$0

Applicants Note: Charitable care has been routinely provided as part of the physician's practice but, as such charitable care does not meet the Board's definition of Charity Care for the purposes of the COE application, it is not reflected herein as charity care.