



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO: H-05	BOARD MEETING: August 6, 2019	PROJECT NO: 19-020	PROJECT COST:
FACILITY NAME: Center for Ambulatory Treatment II		CITY: Peoria	Original: \$0
TYPE OF PROJECT: Substantive			HSA: II

PROJECT DESCRIPTION: The Applicant (Center for Health Ambulatory Surgery Center, LLC) proposes to add eight surgical services to its current single-specialty ambulatory surgical treatment center (ASTC) located at 303 North William Kumpf Boulevard (2nd Floor), Peoria, Illinois, and reclassify the facility as multi-specialty. The expected completion date is June 17, 2021, and there are no project-related costs.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The Applicant (Center for Health Ambulatory Surgery Center, LLC) proposes to add eight surgical services to its existing single-specialty ambulatory surgical treatment center located at 303 North William Kumpf Boulevard, Peoria. The proposed project will change the facility's classification from single specialty to multi-specialty. There are no costs associated with the proposed project. The expected completion date is June 17, 2021.

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 Applicant states the purpose of the proposed project is to provide surgical services identical to those currently provided at its sister facility, The Center for Health Ambulatory Surgery Center, 8800 North State Route 91, Peoria. This multi-specialty ASTC currently provides 9 surgical services, and the intent is to add 8 of these surgical services to the Kumpf Boulevard facility to increase overall operational efficiency by relieving over-utilization at the 8800 North State Route facility, and improving utilization at the Kumpf Boulevard facility.

The Kumpf Boulevard facility currently has two operating rooms and provides the following surgical service:

Orthopedics

The 8800 North State Route facility currently has six operating rooms and provides the following surgical services:

Orthopedics	General Surgery
OB/Gynecology	Ophthalmology
Otolaryngology	Plastic Surgery
Pain Management	Podiatry
Urology	

PUBLIC HEARING/COMMENT:

- A public hearing was offered but was not requested. The project file contains no letters of support and no letters of opposition.

SUMMARY:

- The Applicant is asking the State Board to add eight surgical specialties to an existing ASTC to increase utilization at the underutilized facility. No additional capacity (operating/procedure rooms) is being added to this service area and there is no cost to this project. As illustrated in the Table below based upon 2017 information the two ASTCs can justify nine operating rooms.

Utilization of ASTCs			
	A	B	C ⁽¹⁾
	8800 North State Route ASC Facility	Kumpf Boulevard ASC Facility	Total
Type	Multi	Single	
OR Rooms	6	2	8
Surgeries	8,082	451	8,533
Hours	11,416	844	12,260
Rooms Justified ⁽³⁾	8	1	9

1. Column A + B = C
2. Target occupancy is 1,500 hours per operating room or 80%.
3. Rooms Justified Hours/1500 Hours = Rooms Justified

- The Applicant has addressed a total 15 criteria and have successfully addressed them all.

STATE BOARD STAFF REPORT
Project #19-020
Center for Health Ambulatory Surgery Center

APPLICATION/SUMMARY CHRONOLOGY	
Applicant(s)	Center for Health Ambulatory Surgery Center, LLC
Facility Name	Center for Health Ambulatory Surgery Center
Location	303 North William Kumpf Boulevard, Peoria, Illinois
Permit Holder	Center for Health Ambulatory Surgery Center, LLC
Operating Entity/Licensee	Center for Health Ambulatory Surgery Center, LLC
Owner of Site	OSF Healthcare System
Gross Square Feet	N/A
Application Received	May 17, 2019
Application Deemed Complete	May 20, 2019
Financial Commitment Date	N/A
Anticipated Completion Date	June 17, 2021
Review Period Ends	September 17, 2019
Review Period Extended by the State Board Staff?	No
Can the Applicant request a deferral?	Yes
Expedited Review	Yes

I. Project Description

The Applicant (Center for Health Ambulatory Surgery Center, LLC) proposes to add eight surgical services to its current single-specialty ambulatory surgical treatment center located at 303 North William Kumpf Boulevard, Peoria, Illinois. No modernization/construction will occur, no operating rooms will be added, and there are no reported project costs. The expected completion date is June 17, 2021.

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. State Board Staff finds that all relevant provisions of Part 1120 (77 ILAC 1120) are not applicable to this project.

III. General Information

The Applicant proposes to add General Surgery, Plastic, OB/Gynecology, Ophthalmology, Otolaryngology, Pain Management, Podiatry, and Urologic surgery services to its current single-specialty ambulatory surgical treatment center located at 303 William Kumpf Boulevard, Peoria, Illinois. The existing ASTC includes two Operating rooms, three Stage 1 recovery stations and three Stage 2 recovery stations, and provides Orthopedic surgery services. The proposed project will not introduce additional rooms to the facility, there are no project-related costs, and the expected completion date is June 17, 2020.

Center for Health Ambulatory Surgery Center, LLC was organized as a Limited Liability Company (LLC) in August of 2006, and is self-governed through a management agreement with OSF Healthcare System d/b/a St. Francis Medical Center. The facility is in the HSA II Health Service Area which includes Bureau Fulton, Henderson, Knox, LaSalle, Marshall, McDonough, Peoria, Putnam, Stark, Tazewell, Warren, and Woodford Counties. Should the State Board approve this project, it will be reclassified as a multi-specialty ASTC, offering the following surgical services:

- General Surgery
- OB/Gynecology
- Ophthalmology
- Orthopedic
- Otolaryngology
- Pain Management
- Plastic Surgery
- Podiatry
- Urology

The proposed project is a substantive project subject to a Part 1110 review. Part 1120 review is not applicable due to the absence of project costs. 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 eight surgical specialties and will not deviate from the existing complement of 2 operating rooms, 3 Stage I recovery stations, and 3 Stage II recovery stations. There are no project-related costs.

V. Background of the Applicant

A) Criterion 1110.110(a) – Background of the Applicant

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 Applicant 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 Applicant have had no *adverse action*¹ taken against any facility they own or operate or a listing of adverse action taken against facilities the Applicant own.

1. The Applicant has attested that there has been no adverse action taken against Center for Health Ambulatory Surgery Center, LLC during the three (3) years prior to filing the application. [Application for Permit page 34]
2. The Applicant has 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 connection to the Applicant's certificate of need to add two specialties. 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 34]
3. The site is owned by OSF Healthcare System and evidence of this can be found at pages 14-15 of the application for permit.
4. Compliance with Executive Order #2006-05 and the Illinois State Agency Historic Resources Preservation Act/Flood Plains Act is inapplicable to the application for permit, because no new construction will occur.
5. A Certificate of Good Standing from the State of Illinois has been provided at pages 13 and 32 of the Application for Permit. License and accreditation are provided at pages 30 through 33 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 Applicant 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 states the purpose of the proposed project is to provide surgical services identical to those currently provided at its sister facility, The Center for Health Ambulatory Surgery Center, 8800 North State Route 91, Peoria. This multi-specialty ASTC currently provides 9 surgical services, and the intent is to add 8 of these surgical services to the Kumpf Boulevard facility to increase overall operational efficiency by relieving over-utilization at the 8800 North State Route facility and improving utilization at the Kumpf Boulevard facility.

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

This project is a substantive project and a safety net impact statement and Charity care information is required. The Applicant supplied the required data for Center for Health Ambulatory Surgery Center, LLC (see Table One).

TABLE ONE			
Charity Care/Safety Net Information			
Center for Health Ambulatory Surgery Center, LLC			
Year	2016	2017	2018
Net Patient Revenue	\$26,600,447	\$23,384,863	\$23,958,534
Amount of Charity Care (charges)	\$217,495	\$97,775	\$57,705
Cost of Charity Care	\$27,620	\$24,396	\$13,571
Ratio (charity care to net patient revenue)	.1%	.1%	.05%
Charity Care # of Patients			
Inpatient	n/a	n/a	n/a
Outpatient	27,620	97,775	57,705
Total	27,620	97,775	57,705
Medicaid # of Patients			
Inpatient	n/a	n/a	n/a
Outpatient	81	239	131
Total	81	239	131
Medicaid Revenue			
Inpatient	n/a	n/a	n/a
Outpatient	\$176,208	\$396,133	\$122,841
Total	\$176,208	\$396,133	\$122,841

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

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

The Applicant considered one alternatives in regard to this project, which was the option chosen.

Increase Services at Underutilized ASTC

The alternative to add services to the Kumpf Boulevard facility was seen as the only viable option, based on the following:

- 1) Overutilization at the Route 91 facility (multi-specialty), would require additional surgery suites, and staff to accommodate their current operational need.
- 2) The Kumpf Boulevard facility (single specialty), is underutilized, contains two operating rooms, six recovery stations, and is fully staffed.
- 3) Adding surgical specialties identical to those already established at the Route 91 facility will address overutilization, while increasing patient/clinician access to quality outpatient surgical services, at no additional cost.

VIII. Project Scope and Size, Utilization and Assurances

A) Criterion 1110.120 (a) - Size of Project

To demonstrate compliance with this criterion the Applicant 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 proposing to add eight surgical specialties to an existing single specialty ASTC containing two Operating Rooms, and six recovery stations. No new construction will occur, and no space will be modernized. It appears this criterion is inapplicable to the proposed project.

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 Applicant must document that the facility will be at target occupancy as specified in Part 1100.

The proposed project seeks to alleviate overutilization at an existing multi-specialty ASTC, by adding 8 surgical specialties to an existing single-specialty ASTC also under the applicants ownership. The current utilization at the Route 91 facility (multi-specialty) is 11,416 hours for a 6-room ASTC. The Kumpf Boulevard facility (single-specialty) reports 844 surgery for an ASTC containing 2 ORs. While the Kumpf Boulevard facility is reporting substandard utilization data, it is anticipated that the addition of identical surgical specialties to this facility will level out utilization

between the two facilities (12,260 hours/8 ORs= 1,523 hrs./OR) which meets the State standard and successfully addresses 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) – Assurances

To demonstrate compliance with this criterion the Applicant 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. The Applicant attests to enough referral volume to support the eight surgical suites proposed. The Applicant has successfully addressed this criterion.

STATE BOARD STANDARD IS IN CONFORMANCE WITH CRITERION ASSURANCES (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 Applicant 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 Applicant 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 Applicant 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 combined 17-mile Geographic Service Areas for the two facilities encompass the greater Peoria/Pekin metropolitan area. The applicant supplied a primary and secondary patient/zip code list containing 311 zip codes and 8,128 patients. [See Application for Permit pages 64-68]. The applicants also supplied a zip code listing, identifying its primary service area which consists of 13 zip codes and 4,885 patients. A comparative analysis between the zip code listings shows that of the 8,128 patients served by the Endoscopy Center, 4,885 (60.1%) originate from within the prescribed service area. A positive finding results for this criterion.

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 Applicant 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.**

The Applicant provided utilization data for the two facilities for the calendar year 2012. Board Staff supplied the most recent data (2017), and compiled them in Table Two. The Applicant has successfully addressed this criterion.

Table Two Referring Physicians and Referral Sources FY 2017		
Facility/ Surgical Service/Hours	Center for Health ASTC I 8800 N. State Route 91, Peoria 6 ORs/24 Recovery Stations Multi-Specialty	Center for Health ASTC II 303 N. William Kumpf Blvd. 2 ORs/6 Recovery Stations Single-Specialty
General Surgery	780/2,302hrs	0/0
OB/Gynecology	142/283.5hrs	0/0
Ophthalmology	4,334/3,950.25hrs	0/0
Orthopedic	958/2,007.5hrs	451/844hrs
Otolaryngology	948/1,383.5hrs	0/0
Pain Management	24/75.25hrs	0/0
Plastic Surgery	493/821.25hrs	0/0
Podiatry	128/316.25hrs	0/0
Urology	275/275.5hrs	0/0
TOTAL	8,082/11,415.75hrs	451/844hrs*
*Does not meet State Standard for utilization		

The Applicant proposes to add the eight additional surgical services to the Kumpf Boulevard facility that are currently being provided at the State Route 91 facility, in a multi-faceted effort to increase utilization at the Kumpf Boulevard facility, while alleviating over-utilization at the State Route 91 facility. Both facilities will then be classified as multi-specialty, and the combined projected utilization of these multi-specialty ASTCs will justify the need for 9 ORs between the two facilities (See Table Three)

Table Three Projected Utilization			
	ASTC I: 8800 N. State Route 91	ASTC II: N. William Kumpf Blvd.	Combined Total
Total Surgeries	8,082	451	8,553
Surgery Hours	11,416	844	12,260
Justified ORs*	8	1	9
Available ORs	6	2	8
Excess/(Deficiency)	(2)	1	(1)
*State Standard for Utilization: 1,500 hrs. per room Data taken from 2017 IDPH ASTC Profiles			

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 Applicant 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 Applicant 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 eight Operating Rooms combined between the two facilities and has collective historical and projected utilization to justify 9 ORs. The proposal to add 8 surgical specialties to the Kumpf Boulevard facility will address under-utilization at that facility and alleviate overcrowding at the Route 91 facility. Because both facilities have been operational prior to the submittal of this application, there is an existing patient base that will ensure utilization in compliance with the State standard, with no unnecessary duplication/maldistribution.

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

G) Criterion 1110.235(c)(8)(A) & (B) - Staffing

A) Staffing Availability

To demonstrate compliance with this criterion the Applicant 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.

Both the Center for Ambulatory Surgery Center I and the Center for Ambulatory Surgery Center II are currently staffed in accordance with IDPH and Joint Commission accreditation² staffing requirements. The Applicant anticipates that some staff will rotate between the existing ASTCs to accommodate the additional patient volume when additional specialties are added.

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*

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.

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 pages 83-129) and includes a certified attestation that the charges for these procedures will not increase in the two years following project completion (application page 70). The Applicant 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))

D) Criterion 1110.235(c)(10)(A) & (B) - Assurances

To document compliance with this criterion

- A) The Applicant 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 Applicant 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, 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.

The Applicant notes both Center for Health Ambulatory Surgery Centers I and II will continue to implement their established quality improvement plans, will not change their charges for services except for changes the Medicare/Medicaid fee schedule, and that staffing will be sufficient between the two ASTCs.

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

IX. Financial Viability

A) Criterion 1120.120 – Availability of Funds

B) Criterion 1120.130 - Financial Viability

The Applicant notes the project seeks to add surgical specialties, precipitating a change in classification of one ASTC from single to multi-specialty. No new construction will occur, no new equipment will be purchased, and no funds outside of the Certificate of Need process will be expended. The above mentioned criteria is inapplicable to this project.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS INAPPLICABLE TO CRITERION AVAILABILITY OF FUNDS (77 IAC 1120.120) AND FINANCIAL VIABILITY (77 IAC 1120.130).

X. Economic Feasibility

A) Criterion 1120.140(a) –Reasonableness of Financing Arrangements

B) Criterion 1120.140(b) – Conditions of Debt Financing

C) Criterion 1120.140 (c) – Reasonableness of Project Costs

D) Criterion 1120.140(d) – Projected Direct Operating Costs

E) Criterion 1120.140(e) – Total Effect of the Project on Capital Costs

The Applicant is adding surgical specialties to an existing ASTC, with no construction/modernization or new equipment purchases. The Applicant identified no applicable project costs, therefore these criteria are inapplicable.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS INAPPLICABLE TO CRITERIA REASONABLENESS OF PROJECT COSTS (77 IAC 1120.140(a) TERMS OF DEBT FINANCING (77 IAC 1120.140(b), REASONABLENESS OF PROJECT COSTS (77 IAC 1120.140(c), PROJECTED DIRECT OPERATING COSTS (77 ILAC 1120.140(d), and PROJECTED TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS (77 ILAC 1120.140(e)).

19-020 Center for Ambulatory Surgery Treatment II - Peoria

