

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

#19-032

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION JUL 19 2019

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name:	Greater Chicago Center for Advanced Surgery		
Street Address:	999 East Touhy Avenue, 3 rd floor		
City and Zip Code:	Des Plaines, IL 60018		
County:	Cook	Health Service Area:	VII Health Planning Area: n/a

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	Greater Chicago Center for Advanced Surgery, LLC
Street Address:	999 East Touhy Avenue, Suite 450
City and Zip Code:	Des Plaines, IL 60018
Name of Registered Agent:	Thomas B. Shapira
Registered Agent Street Address:	333 West Wacker Drive, Suite 1700
Registered Agent City and Zip Code:	Chicago, IL 60608
Name of Chief Executive Officer:	Emily Solozano
CEO Street Address:	999 East Touhy Avenue, Suite 450
CEO City and Zip Code:	Des Plaines, IL 60018
CEO Telephone Number:	(833) 872-4477

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

☐ Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
☐ Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Jacob M. Axel
Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 210 Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	none
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

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Street Address:	999 East Touhy Avenue, 3 rd floor		
City and Zip Code:	Des Plaines, IL 60018		
County:	Cook	Health Service Area:	VII Health Planning Area: n/a

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	Solomon Holdings LLC
Street Address:	171 Franklin Road
City and Zip Code:	Glencoe, IL 60022
Name of Registered Agent:	The Corporation Trust Company
Registered Agent Street Address:	1209 Orange street
Registered Agent City and Zip Code:	Wilmington, DE 19801
Name of Chief Executive Officer:	Anna Dvinsky, Manager
CEO Street Address:	171 Franklin Road
CEO City and Zip Code:	Glencoe, IL 60022
CEO Telephone Number:	917/656-2585

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

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Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 210 Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	none
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]

Name:	Benjamin G. Domb, MD
Title:	Founder and Medical Director
Company Name:	American Hip Institute
Address:	999 East Touhy Avenue, Suite 450 Des Plaines, IL 60018
Telephone Number:	(833) 872-4477
E-mail Address:	benjamin.domb@americanhipinstitute.com
Fax Number:	

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	DPM7, LLC and ALM7, LLC
Address of Site Owner:	999 East Touhy Avenue, Suite 500 Des Plaines, IL 60018
Street Address or Legal Description of the Site:	999 East Touhy Avenue, 3 rd Fl. Des Plaines, IL 60018
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.	
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name:	Greater Chicago Center for Advanced Surgery, LLC		
Address:	999 East Touhy Avenue, Suite 450 Des Plaines, IL 60018		
<input type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
X	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 			
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS **ATTACHMENT 5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT 6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification:

☒ Substantive

☐ Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms, NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

The applicant proposes the establishment of an ambulatory surgical treatment center ("ASTC") to be located in renovated space within an office building in Des Plaines, Illinois. The ASTC will include two Class C operating rooms, one procedure room nine recovery stations, and all ancillary and support areas required by licensure and accreditation. Orthopedic surgery and pain management services will be provided in the ASTC.

The proposed project involves the establishment of a "licensed healthcare facility", and as such, is classified as being "substantive".

PROJECT COST AND SOURCES OF FUNDS

		Reviewable	Non-Reviewable	Total
Project Cost:				
Preplanning Costs	\$	65,000		\$ 65,000
Site Survey and Soil Investigation				
Site Preparation	\$	85,000		\$ 85,000
Off Site Work				
New Construction Contracts				
Modernization Contracts	\$	2,256,240		\$ 2,256,240
Contingencies	\$	176,960		\$ 176,960
Architectural/Engineering Fees	\$	243,300		\$ 243,300
Consulting and Other Fees	\$	225,000		\$ 225,000
Movable and Other Equipment (not in construction contracts)	\$	1,500,000		\$ 1,500,000
Net Interest Expense During Construction Period	\$	100,000		\$ 100,000
Fair Market Value of Leased Space or Equipment	\$	2,189,880		\$ 2,189,880
Other Costs to be Capitalized	\$	1,200,000		\$ 1,200,000
Acquisition of Building or Other Property				
TOTAL USES OF FUNDS	\$	8,041,380	\$ -	\$ 8,041,380
Sources of Funds:				
Cash and Securities	\$	583,650		\$ 583,650
Pledges				
Gifts and Bequests				
Bond Issues (project related)				
Mortgages	\$	5,267,850		\$ 5,267,850
Leases (fair market value)	\$	2,189,880		\$ 2,189,880
Governmental Appropriations				
Grants				
Other Funds and Sources				
TOTAL SOURCES OF FUNDS	\$	8,041,380	\$ -	\$ 8,041,380

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☐ Yes ☒ No
 Purchase Price: \$ _____
 Fair Market Value: \$ _____

The project involves the establishment of a new facility or a new category of service
☒ Yes ☐ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ 200,000.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☐ Preliminary
☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): March 31, 2012

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

- ☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☒ Financial Commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable:

not applicable

- ☐ Cancer Registry
☐ APORS
☐ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☐ All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization**not applicable**

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME:		CITY:			
REPORTING PERIOD DATES:					
		From:		to:	
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:					

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of **Greater Chicago Center for Advanced Surgery, LLC** in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

[Signature]
SIGNATURE

David D'Silva
PRINTED NAME

CFO
PRINTED TITLE

[Signature]
SIGNATURE

Emilia Solorzano
PRINTED NAME

Director of Operations
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 17th day of July, 2019

Notarization:

Subscribed and sworn to before me
this 17th day of July, 2019

[Signature]
Signature of Notary

Seal
MADELAINE ELFGREN
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires Mar 20, 2023

*Insert the EXACT legal name of the applicant

[Signature]
Signature of Notary

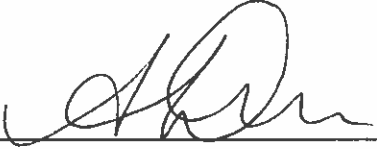
Seal
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- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Solomon Holdings, LLC *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

ANNA DOMB
PRINTED NAME

MEMBER
PRINTED TITLE


SIGNATURE

Benjamin Domb
PRINTED NAME

Member
PRINTED TITLE

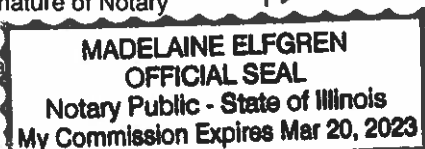
Notarization:

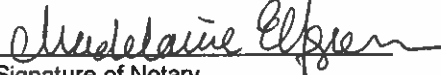
Subscribed and sworn to before me
this 17th day of July, 2019

Notarization:

Subscribed and sworn to before me
this 17th day of July, 2019


Signature of Notary

Seal 
MADELAINE ELFGREN
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires Mar 20, 2023


Signature of Notary

Seal 
MADELAINE ELFGREN
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires Mar 20, 2023

*Insert the EXACT legal name of the applicant

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. 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.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH 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 such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)**PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify ALL of the alternatives to the proposed project:

Alternative options must include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
 - 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. This must be a narrative and it shall include the basis used for determining the space and the methodology applied.
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:**not applicable**

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**ASSURANCES:**

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

G. Non-Hospital Based Ambulatory Surgery

Applicants proposing to establish, expand and/or modernize the Non-Hospital Based Ambulatory Surgery category of service must submit the following information.

ASTC Service
<input type="checkbox"/> Cardiovascular
<input type="checkbox"/> Colon and Rectal Surgery
<input type="checkbox"/> Dermatology
<input type="checkbox"/> General Dentistry
<input type="checkbox"/> General Surgery
<input type="checkbox"/> Gastroenterology
<input type="checkbox"/> Neurological Surgery
<input type="checkbox"/> Nuclear Medicine
<input type="checkbox"/> Obstetrics/Gynecology
<input type="checkbox"/> Ophthalmology
<input type="checkbox"/> Oral/Maxillofacial Surgery
<input checked="" type="checkbox"/> Orthopedic Surgery
<input type="checkbox"/> Otolaryngology
<input checked="" type="checkbox"/> Pain Management
<input type="checkbox"/> Physical Medicine and Rehabilitation
<input type="checkbox"/> Plastic Surgery
<input type="checkbox"/> Podiatric Surgery
<input type="checkbox"/> Radiology
<input type="checkbox"/> Thoracic Surgery
<input type="checkbox"/> Urology
<input type="checkbox"/> Other

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish New ASTC or Service	Expand Existing Service
1110.235(c)(2)(B) – Service to GSA Residents	X	X
1110.235(c)(3) – Service Demand – Establishment of an ASTC or Additional ASTC Service	X	
1110.235(c)(4) – Service Demand – Expansion of Existing ASTC Service		X
1110.235(c)(5) – Treatment Room Need Assessment	X	X
1110.235(c)(6) – Service Accessibility	X	
1110.235(c)(7)(A) – Unnecessary Duplication/Maldistribution	X	
1110.235(c)(7)(B) – Maldistribution	X	
1110.235(c)(7)(C) – Impact to Area Providers	X	
1110.235(c)(8) – Staffing	X	X

1110.235(c)(9) – Charge Commitment	X	X
1110.235(c)(10) – Assurances	X	X

APPEND DOCUMENTATION AS ATTACHMENT 24, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VI. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [Indicate the dollar amount to be provided from the following sources]:

<p><u>\$583,650</u></p>	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
<p>_____</p>	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
<p>_____</p>	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<p><u>\$5,267,850</u></p>	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
<p>_____</p>	<p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental</p>

	unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
\$2,189,880	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project. FMV of leased space
\$8,041,380	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT 33, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VII. 1120.130 - FINANCIAL VIABILITY

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				Year 2
Current Ratio				20.3
Net Margin Percentage				16.3
Percent Debt to Total Capitalization				51.2
Projected Debt Service Coverage				2.9
Days Cash on Hand				180
Cushion Ratio				3.1

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII.1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

Not applicable.....newly-formed entity

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 38.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

Not applicable.....newly-formed entity

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS **ATTACHMENT 38**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

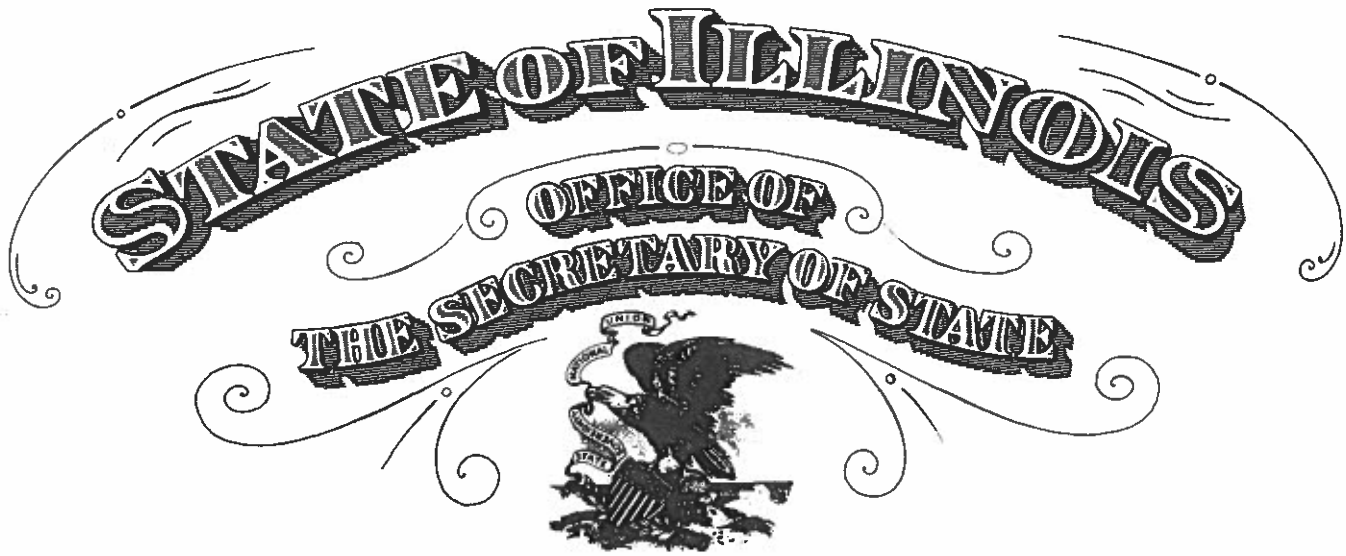
Anticipated Payor Mix:

BC/BS	52%
Commercial	25%
Medicare	10%
Workers Comp.	9%
Medicaid	2%
Charity Care*	1%
Self-Pay	1%

***no expectation of payment prior to provision of service**

File Number

0784035-7



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

GREATER CHICAGO CENTER FOR ADVANCED SURGERY LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON MAY 28, 2019, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 29TH
day of MAY A.D. 2019 .***

Jesse White

SECRETARY OF STATE ATTACHMENT 1

Authentication #: 1914901452 verifiable until 05/29/2020

Authenticate at: <http://www.cyberdriveillinois.com>

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "SOLOMON HOLDINGS LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SEVENTEENTH DAY OF DECEMBER, A.D. 2018.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "SOLOMON HOLDINGS LLC" WAS FORMED ON THE TWENTY-EIGHTH DAY OF JANUARY, A.D. 2013.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



5280309 8300

SR# 20188175068

You may verify this certificate online at corp.delaware.gov/authver.shtmlA handwritten signature in black ink, appearing to read "JB", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Jeffrey W. Bullock, Secretary of State

Authentication: 204110303

Date: 12-17-18

ATTACHMENT 1

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("First Amendment") is made as of June 30, 2019 (the "**Amendment Effective Date**"), by and between **DPM7 LLC** and **ALM7 LLC**, Illinois limited liability companies ("**Landlord**") and **AMERICAN HIP INSTITUTE, LLC**, an Illinois limited liability company ("**Tenant**").

WHEREAS, Tenant and Landlord are parties to that certain Office Lease dated September 12, 2019 (the "Original Lease"), pursuant to which Landlord leased to Tenant and Tenant leased from Landlord approximately 14,157 rentable square feet of office space commonly known as Suite 450 (the "Premises"), in the office building located at 999 E. Touhy Avenue, Des Plaines, Illinois (the "Building"), for a Term expiring One Hundred Thirty Two (132) months after commencement.

WHEREAS, Landlord and Tenant now desire to amend the Lease, all on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, Landlord and Tenant hereby agree as follows:

1. Amend the language in the first two sentences of Exhibit C – Additional Provisions: Right of First Offer and Refusal - Paragraph 2 to read as follows:

Landlord shall not lease that space as shown on Exhibit G attached hereto ("Option Space"), for a period of sixteen (16) months following the Commencement Date. At any time during the first sixteen (16) months following the Commencement Date, Tenant shall have the right to exercise the option to lease all or a portion (up to 8,850 rentable square feet) of the Option Space.
2. All of the terms and provisions of the Lease shall apply, except as is otherwise provided in this First Amendment.
3. Miscellaneous.
 - a. As of the date of this First Amendment, there exist no offsets, counterclaims or defense of Tenant under the Lease against Landlord, and there exists no event that would constitute a basis for such offsets, counterclaims or defense against Landlord upon the lapse of time or the giving of notice or both.
 - b. This First Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.
 - c. Except as herein modified or amended, the provisions, conditions and terms of the Lease will remain unchanged by this First Amendment and in full force and effect. In all other respects the Lease is ratified and approved by the parties hereto. This First Amendment shall bind the parties hereto and their respective successors and assigns. The capitalized terms used in this First Amendment will have the same definitions as set forth in the Lease to the extent that such capitalized terms are defined therein and not redefined in this First Amendment. The term "Lease" shall hereafter mean the Lease as amended by this First Amendment.
 - d. In the case of any conflict or inconsistency between the terms and conditions of the Lease and the terms and conditions of this First Amendment, the terms and conditions of this First Amendment will govern and control.
 - e. Submission of this First Amendment by Landlord is not an offer to enter into this First Amendment but rather is a solicitation for such an offer by Tenant. Landlord will not be bound by this First Amendment until Landlord has executed and delivered the same to Tenant. Execution and delivery of this First Amendment by Tenant to Landlord shall constitute an irrevocable offer by Tenant to lease the Premises

ATTACHMENT 2

on the terms and conditions set forth herein, which offer may not be revoked for fifteen (15) days after such delivery.

- f. This First Amendment may be executed and delivered in one or more counterparts, each of which when fully executed and delivered shall constitute an original, fully enforceable agreement. In addition, a signed counterpart of this First Amendment transmitted by facsimile or electronically by e-mail transmission shall have the same force and effect as an original counterpart thereof signed by, or on behalf of, such party.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first written above.

LANDLORD:

DPM7 LLC, an Illinois limited liability company

By: 

Name: Dante Monteverde

Title: Managing Partner

ALM7 LLC, an Illinois limited liability company

By: 

Name: Alicia Lopez-Monteverde

Title: Managing Partner

TENANT:

AMERICAN HIP INSTITUTE, LLC, an Illinois limited liability company

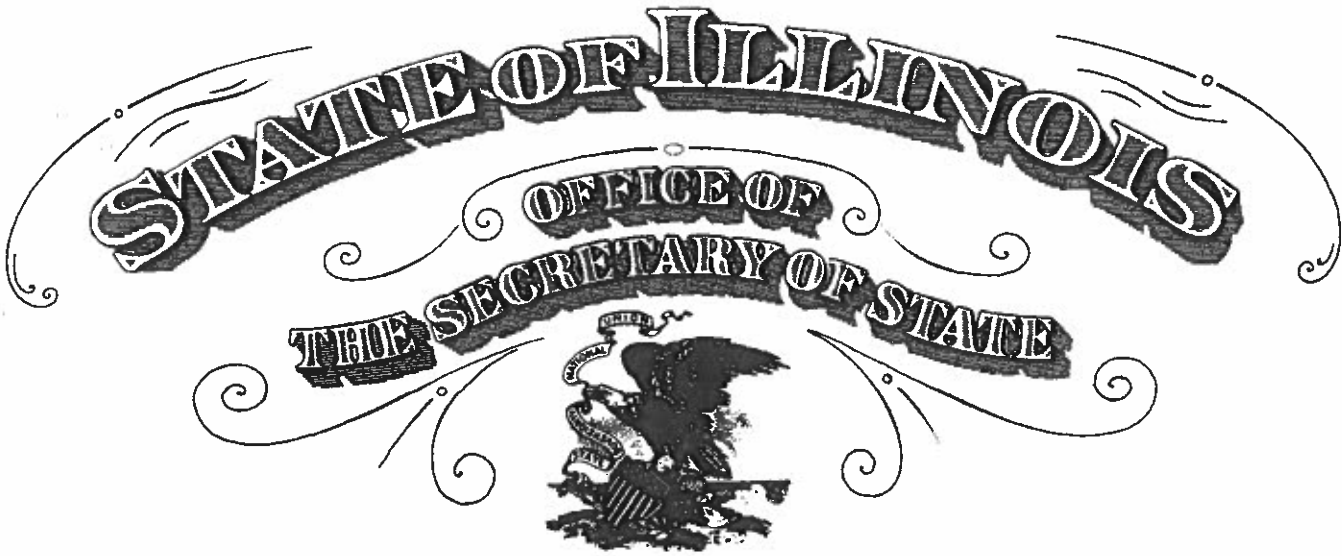
By: 

Name: Benjamin G. Domb, M.D.

Title: Manager

File Number

0784035-7



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

GREATER CHICAGO CENTER FOR ADVANCED SURGERY LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON MAY 28, 2019, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set
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the State of Illinois, this 29TH
day of MAY A.D. 2019 .

Jesse White

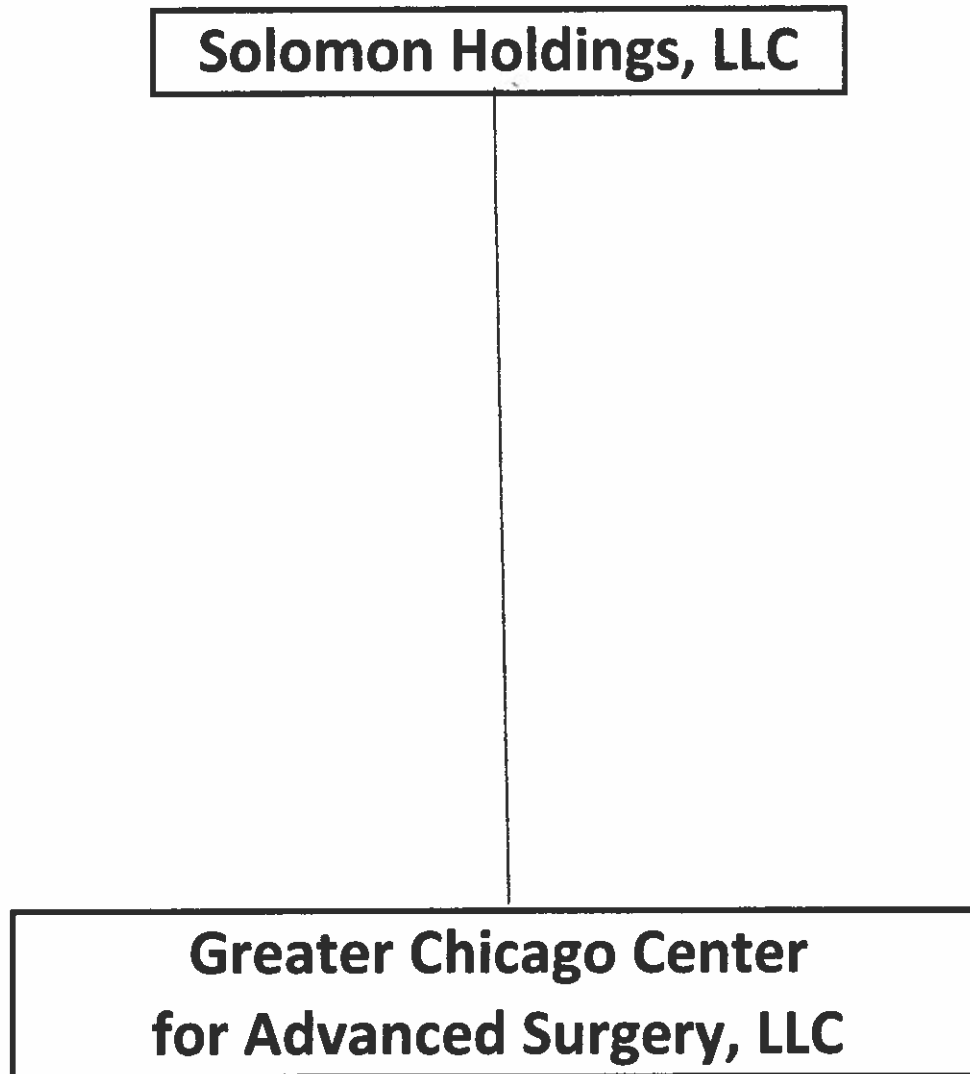
Authentication #: 1914901452 verifiable until 05/29/2020

Authenticate at: <http://www.cyberdriveillinois.com>

SECRETARY OF STATE ATTACHMENT 3

ORGANIZATIONAL RELATIONSHIPS

This application has two applicants: Greater Chicago Center for Advanced Surgery, LLC (“GCCAS”) and Solomon Holdings, LLC (“Solomon”). GCCAS, a recently-formed Illinois limited liability company, is owned, in its entirety, by Solomon, which is organized in Delaware. Solomon is owned equally by Anna Dvinsky and Benjamin Domb, MD. The potential exists for the sale of ownership interests in the GCCAS to other individuals or legal entities. There is currently no contemplation of Solomon’s diminishment of his ownership share to a level of less than 50%. Should such be desired, however, the applicants understand that approval from the Illinois Health Facilities and Services Review Board is needed.



Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

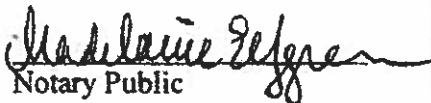
I hereby attest that 777 East Touhy Avenue in Des Plaines, Illinois, is not located in a flood plain, and that the hospital site is in compliance with the Flood Plain Rule under Illinois Executive Order #2006-5.

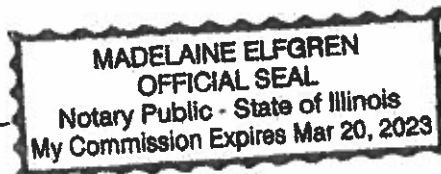


Benjamin Domb, MD

Subscribed and sworn to before me this

8th day of July, 2019

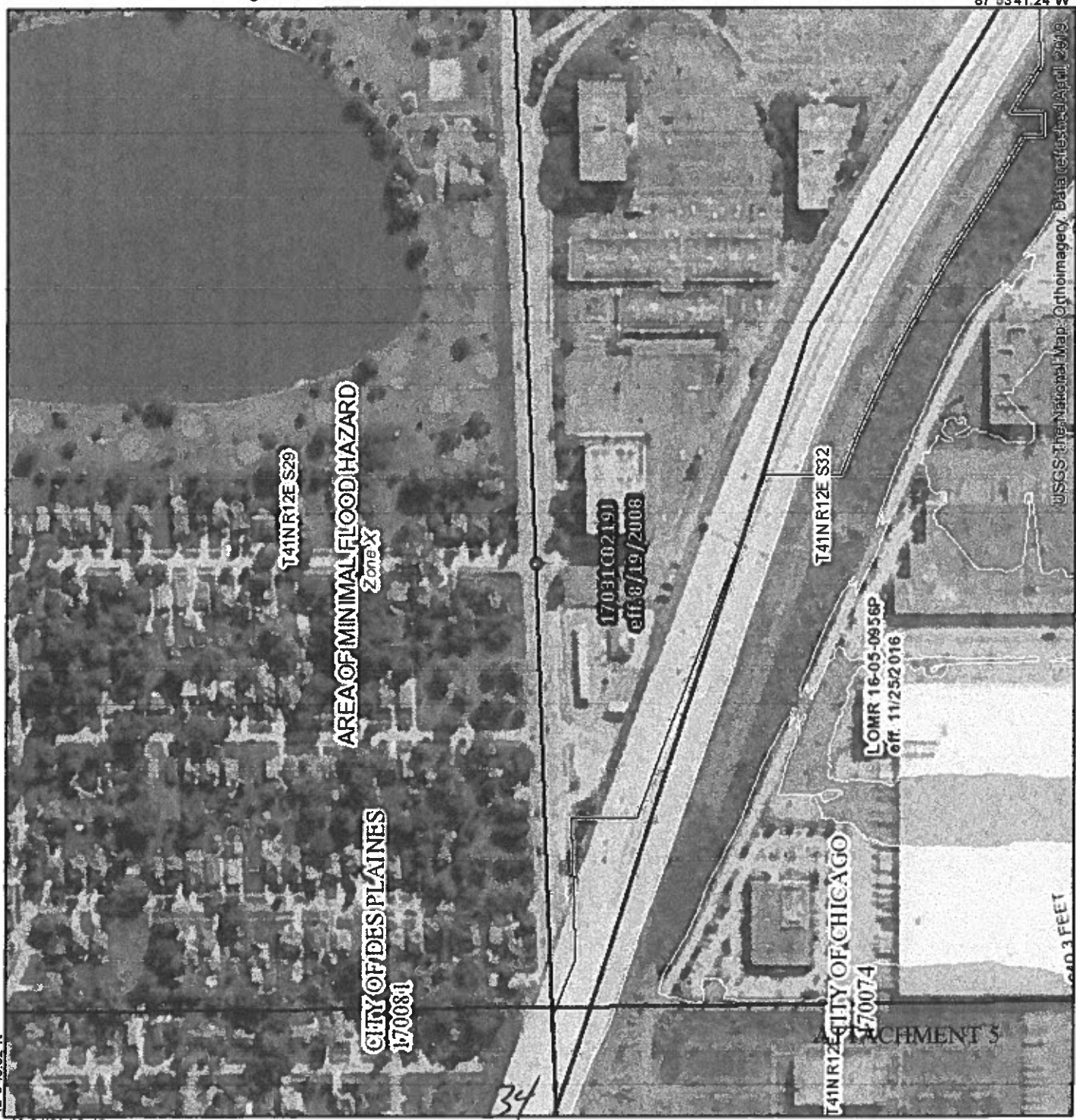

Notary Public



National Flood Hazard Layer FIRMette



42°04'46.32"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE)
Zone A, V, A33
- With BFE of Depth Zone AE, AO, AH, VE, AP
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee, See Notes, Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS

- Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone I

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

- Digital Data Available
- No Digital Data Available
- Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 6/11/2019 at 2:46:42 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

#19-032



Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271

www.dnr.illinois.gov

Mailing Address: 1 Old State Capitol Plaza, Springfield, IL 62701

JB Pritzker, Governor

Colleen Callahan, Director

FAX (217) 524-7525

Cook County

Des Plaines

CON - Rehabilitation to Establish an Ambulatory Surgical Treatment Center

999 E. Touhy Ave.

SHPO Log #018042219

June 12, 2019

Jacob Axel

Axel & Associates, Inc.

675 North Court, Suite 210

Palatine, IL 60067

Dear Mr. Axel:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please call 217/782-4836.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert F. Appleman".

Robert F. Appleman

Deputy State Historic
Preservation Officer

ATTACHMENT 6

PROJECT COSTS and
SOURCES OF FUNDS

#19-032

PROJECT COSTS

Preplanning Costs

Market Analyses/Feasibility Assessment	\$50,000
Site Selection	\$ 10,000
Misc./Other	\$5,000

\$65,000

Site Preparation

Exterior Signage	\$ 40,000
Ramps and Entrance	\$ 45,000

\$ 85,000

Modernization

build-out per ATTACHMENT 39C	\$2,256,240
------------------------------	-------------

\$2,256,240

Contingencies

per ATTACHMENT 39C	\$176,960
--------------------	-----------

\$176,960

Architectural and Engineering Fees

Design	\$190,000
Document Preparation	\$4,300
Interface with Agencies	\$4,000
Project Monitoring	\$5,000
Misc./Other	\$40,000

\$243,300

Consulting and Other Fees

CON-related	\$50,000
Legal & Accounting	\$55,000
Insurance, Fees and Permits	\$20,000
Commissioning	\$85,000
Misc./Other	\$15,000

\$225,000

Movable Equipment

Surgical Suite

to include OR tables, microscope, anesthesia equipment, monitors, and other equipment <\$5,000	\$1,282,500
------------------------------------------------------------------------------------------------	-------------

Recovery Room

to include beds, recliners, monitors, computer, and other equipment <\$5,000	\$105,000
------------------------------------------------------------------------------	-----------

Surgical Support

to include sterilizers, racks and other equipment <\$1,000	\$90,000
------------------------------------------------------------	----------

Staff areas

to include furniture, lockers, computer and other equipment <\$1,000	\$10,500
----------------------------------------------------------------------	----------

PROJECT COSTS and
SOURCES OF FUNDS

Family areas

to include furniture, refreshment station,
and other equipment <\$1,000

\$12,000

\$1,500,000

Net Interest Expense During Const.

\$ 100,000

Fair Market Value of Leased Space*

\$ 2,189,880

Other Costs to be Capitalized

Purchase of Robotic Surgical System

\$ 1,200,000

Total Project Cost

\$8,041,380

*The FMV of the leased space, for purposes of this CON application is based on the
lease payments during the initial term of the lease

SOURCES OF FUNDS

Mortgage/Bank Loan

\$5,267,850

Cash

\$583,650

FMV of Leased Space

\$ 2,189,880

Total Sources of Funds

\$8,041,380

Cost Space Requirements

Dept./Area	Cost	Gross Square Feet		Amount of Proposed Total Square Feet That is:				Vacated Space
		Existing	Proposed	New Const.	Modernized	As Is		
Reviewable								
ASTC	\$ 8,041,380		8,848		8,848			
Non-Reviewable								
none								
PROJECT TOTAL	\$ 8,041,380		8,848		8,848	-		

#19-032

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

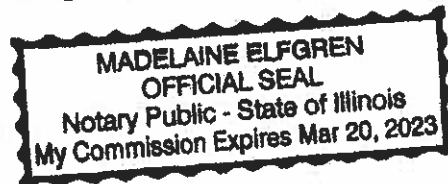
To Whom It May Concern:

The sole health care-related applicant entity for the proposed project to establish an ambulatory surgery treatment center in Des Plaines, Illinois is Greater Chicago Center for Advanced Surgery, LLC, a newly-formed entity. I hereby certify that no adverse action has been taken against it, directly or indirectly; and authorize HFSRB and IDPH to access any documentation which it finds necessary to verify any information submitted, including, but not limited to: official records of IDPH or other State agencies and the records of nationally recognized accreditation organizations.


Benjamin G. Domb, MD
Sole Member

Notarized:

 7/8/19



PURPOSE

The purpose of the project is to improve the health care and well-being of the market area population historically served by the physicians referring patients to the proposed ASTC.

Specifically, the four physicians that have provided letters contained in this CON Application for Permit, and documenting their intent to refer patients to the proposed ASTC, cumulatively referred 1,167 patients to hospitals and ASTCs for surgery in 2018.

The market area, consistent with Section 1110.510.d), consists of those portions of Cook County located within ten miles of the proposed ASTC's proposed Des Plaines site. As discussed in ATTACHMENT 24c2B, a growing number of patients residing in the GSA will benefit from the proposed ASTC in coming years.

This project directly addresses one central issue that will be satisfied upon the ASTC's opening. That issue is the inability of area patients to access the specific surgical procedures addressed in ATTACHMENT 24c6, that are not currently available in the area through a low-cost ASTC setting.

ALTERNATIVES

Due to the purpose of the project...to establish a low-cost alternative for the performance of a limited scope of procedures, accessible to the residents of the geographic service area...the alternatives to the proposed project are limited.

The primary alternatives investigated were an alternative location or the development of the ASTC through new construction.

The selected site is minutes from the intersection of I-294 a major north-south thoroughfare and I-90 a major thoroughfare from Chicago going northwest.. As such, alternative locations would not likely provide the level of patient accessibility afforded by the proposed site. In addition, the site is minutes from O'Hare airport, providing easy access for patients traveling significant distances.

The alternative of establishing an ASTC through new construction was dismissed primarily due to the associated cost of land acquisition and the cost of construction as an alternative to renovation. It is estimated that this alternative would add approximately \$700,000 in construction-related costs, in addition to the land acquisition cost to the overall project cost.

Regardless of the alternative selected, the quality of care provided would be identical. Accessibility could not be substantially improved with an alternative location, and operating costs (primarily staffing) were viewed to be similar for all options.

SIZE

The square footage identified in this CON application for the proposed project, which includes two operating rooms, one procedure room, six Stage 1 recovery stations and three Stage 2 recovery stations, is necessary, not excessive, and consistent with the standards identified in Appendix B to Section 1110, as documented in the table below.

DEPARTMENT/SERVICE	PROPOSED DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ORs & Procedure Room	6,616	7,700	-1,084	YES
Recovery	2,232	2,280	-48	YES

UTILIZATION

The applicant fully anticipates that the ASTC's target utilization level of 1,501+ hours of OR utilization, consistent with HFSRB practices, will be reached for the during the second year of operation, and that utilization will reach that annualized rate in the ASTC's second quarter of operation, following a "ramp-up" period.

Letters, consistent with HFSRB requirements have been secured from four physicians, and are provided in ATTACHMENT 24c3. Cumulatively, these physicians anticipate referring 1,385 patients to the ASTC during the second year of operation. Please refer to ATTACHMENT 24c3 for the calculation of anticipated OR time required. Of the 1,385 anticipated referrals, 450 will be pain management patients, with the remainder being orthopedic surgery patients. As a result, and assuming the addition of no other physicians to the ASTC's medical staff, 1,730 hours of OR time and 225 hours of procedure room time are anticipated during the second year of operation.

	Historical Utilization (hours)	PROJECTED UTILIZATION		STATE STANDARD	MET STANDARD?
		YEAR 1	YEAR 2		
ORs	N/A	1,200	1,730	1,501	YES
Procedure Room	N/A	150	225	N/A	YES

GEOGRAPHIC SERVICE AREA NEED

The proposed ambulatory surgical treatment center ("ASTC") is necessary to meet the needs of the residents of the service area.

The HFSRB-designated geographic service area ("GSA") for the proposed ASTC extends ten miles in all directions from the proposed site, and generally includes those portions of Cook County and northeastern DuPage County located south of the Cook County-Lake County line, north of I-290/I-88, west of Western Avenue in Chicago, and east of Schaumburg. That area includes 68 ZIP Codes, with those ZIP Codes and the associated communities identified in the table on the following page.

ZIP Codes Located in HFSRB-Designated GSA
of Greater Chicago Center for Advanced Surgery

60004	ARLINGTON HEIGHTS	60159	SCHAUMBURG
60005	ARLINGTON HEIGHTS	60160	MELROSE PARK
60006	ARLINGTON HEIGHTS	60161	MELROSE PARK
60007	ELK GROVE VILLAGE	60162	HILLSIDE
60008	ROLLING MEADOWS	60163	BERKELEY
60009	ELK GROVE VILLAGE	60164	MELROSE PARK
60016	DES PLAINES	60165	STONE PARK
60017	DES PLAINES	60168	SCHAUMBURG
60018	DES PLAINES	60171	RIVER GROVE
60019	DES PLAINES	60173	SCHAUMBURG
60025	GLENVIEW	60176	SCHILLER PARK
60026	GLENVIEW	60179	HOFFMAN ESTATES
60029	GOLF	60181	VILLA PARK
60053	MORTON GROVE	60191	WOOD DALE
60056	MOUNT PROSPECT	60193	SCHAUMBURG
60062	NORTHBROOK	60196	SCHAUMBURG
60065	NORTHBROOK	60203	EVANSTON
60068	PARK RIDGE	60301	OAK PARK
60070	PROSPECT HEIGHTS	60302	OAK PARK
60076	SKOKIE	60303	OAK PARK
60077	SKOKIE	60305	RIVER FOREST
60082	TECHNY	60399	WOOD DALE
60090	WHEELING	60630	CHICAGO
60101	ADDISON	60631	CHICAGO
60104	BELLWOOD	60634	CHICAGO
60105	BENSENVILLE	60639	CHICAGO
60106	BENSENVILLE	60641	CHICAGO
60117	BLOOMINGDALE	60646	CHICAGO
60126	ELMHURST	60656	CHICAGO
60130	FOREST PARK	60666	CHICAGO
60131	FRANKLIN PARK	60706	HARWOOD HEIGHTS
60143	ITASCA	60707	ELMWOOD PARK
60153	MAYWOOD	60712	LINCOLNWOOD
60157	MEDINAH	60714	NILES

Because of the specialty-nature of many of the procedures to be performed by the most active surgeons at the proposed ASTC, Drs. Benjamin Domb and Ajay Lall, it is not and should not be anticipated that a majority of the ASTC's patients will reside within the above-identified HFSRB-defined GSA.

The expectation that patients will come from a wider area than that experienced by most ASTCs, is viewed as a positive by the applicant, rather than a negative, because residents of a wider geographic area will be able to take advantage of the surgical procedures heretofore not provided in the HFSRB-defined GSA, and as identified in ATTACHMENT 24c6. In addition, until recently Drs. Domb and Lall based their practice in DuPage County (outside of this project's GSA), and as such, their historic patient base, including that of more commonplace orthopedic procedures, is not centered in Des Plaines, the site of the proposed ASTC. However, as their practice continues to grow in Des Plaines, it is fully anticipated that a higher percentage of their future patients will be GSA residents.

As evidence of the broad geographic area from which Drs. Domb and Lall attract patients, during 2018, Dr. Domb performed outpatient surgical procedures on 622 patients. Those patients resided in 276 different ZIP Code areas, with only four of those ZIP Code areas accounting for 10+ patients, and 150 of those ZIP Code areas accounting for only one patient, each. The distribution of Dr. Lall's patients in 2018 was similar to that of Dr. Domb. Together, 60 of Drs. Domb and Lall's 855 surgical outpatients in 2018 resided in the HFSRB-defined GSA of the proposed surgery center. While this percentage is anticipated to increase over time, it is not anticipated to approach 50% during the proposed ASTC's first two years of operation.

SERVICE DEMAND

Following an anticipated “ramp-up” period of approximately three months, it is anticipated that the proposed ASTC will operate at the HFSRB-adopted utilization target of 1,500 annual hours per operating or procedure room.

Letters, consistent with the requirements of Section 1110.235(c)(3), have been secured from four physicians, and are attached. Three of the physicians are orthopedic surgeons, cumulatively, estimating that during the proposed ASTC’s second year of operation, they will refer 935 patients to the ASTC. A referral letter is also provided from a pain management specialist, projecting 450 annual referrals to the ASTC. It should be noted that, during 2018, the pain management physician, Dr. Michael Rock, performed 1,008 procedures, 916 of which were performed in his office. With Blue Cross/Blue Shield and Medicare recently eliminating reimbursement/mandating licensure for office-based procedures (and the anticipation that Worker’s Compensation will soon do the same), previously-performed office-based procedures are gravitating to the ASTC setting. As a result, Dr. Rock is proposing to perform 450 cases a year at the proposed ASTC, with a majority of the patients being referred to the proposed ASTC being patients that previously would have received an office-based procedure.

The projections of 935 orthopedic surgery cases and 450 pain management cases are viewed by the applicant as a conservative estimates of utilization because it is anticipated that, during the proposed ASTC’s first year of operation, additional physicians will seek surgical privileges and, in turn, refer patients.

In addition, and as noted in ATTACHMENT 12, a number of orthopedic procedures not performed in other ASTCs in the GSA are currently being performed by physicians providing letters, and will be performed at the proposed ASTC. Those procedures include: labral reconstruction, ligamentum teres reconstruction, osteoarticular allograft, peri-acetabular osteotomy, Birmingham hip resurfacing through anterior approach, and robotic hip arthroplasty. Based on the experience of surgeons, it is estimated that these procedures, which are projected to constitute approximately 35% of the caseload, require approximately two and a half hours of operating room time (including room turn-over) as opposed to more commonly-performed orthopedic surgery procedures, which for purposes of projecting the demand for operating rooms, require approximately ninety minutes, consistent with the experience during 2017 at ASTCs located in suburban Cook and DuPage Counties. Accordingly, the calculation below projects the demand of ORs at the proposed ASTC:

327 cases @ 2.5 hours, each:	818 hours
608 cases @ 1.5 hours, each:	<u>912</u> hours
	1,730 hours

The caseload identified above, and supported by the attached letters, “justifies” the proposed two operating rooms, based on the HFSRB’s standard of 1,500 annual hours per operating room. It is further estimated that, on average, 30 minutes of procedure room time will be required for each pain management procedure. As such, 225 hours of procedure room time (assuming no other pain management specialists join the medical staff) will be required to accommodate the pain management caseload; and therein “supporting” the provision of a single procedure room.

Name (print): Benjamin Domb M.D. _____

Specialty: OrthopaedicsTO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the establishment of the proposed surgery center on East Touhy Road in Des Plaines.

During 2017 and 2018 I performed outpatient procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	<u>2017</u> _____ patients	<u>2018</u> _____ patients
Good Samaritan Outpatient	<u>29</u> patients	<u>30</u> patients
	_____ patients	_____ patients
Hinsdale Hospital Outpatient	<u>225</u> patients	<u>163</u> patients
Munster Specialty Surgical Ctr.	<u>338</u> patients	<u>185</u> patients
Northshore Surgical Suites	<u>4</u> patients	<u>41</u> patients
Salt Creek Surgery Center	<u>141</u> patients	<u>203</u> patients
Weiss Memorial Hospital outpatient	<u>8</u> patients 745	<u>0</u> patients 622

I estimate that I will refer 622 patients to the proposed surgery center during its second year following the receipt of the requested Certificate of Need Permit.


Attached is a patient origin analysis of my 2018 outpatients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,



Notarized:


 MADELAINE ELFGREN
 OFFICIAL STAMP 24c3
 Notary Public - State of Illinois
 My Commission Expires Mar 20, 2023

American Hip Institute - Dr. Domb Sx Patient Zip Codes

Doctor	Dr. Domb
Zip	Count
60521	14
60516	12
60517	10
60565	10
60544	9
60525	9
60431	9
60410	8
60490	8
60586	8
60558	7
60543	7
60527	7
60148	7
60441	7
60515	7
60526	7
60126	7
60564	6
60423	6
46307	6
60540	6
60015	6
60435	6
60638	6
60450	5
60446	5
60048	5
60559	5
60514	5
60451	5
60629	4
60187	4
60462	4
60440	4
60585	4
60137	4
60134	4
60004	4
60178	4
60532	4
60067	4

ATTACHMENT 24c3

Zip	Count
60534	4
60108	4
60175	4
60047	4
60655	4
60453	4
60448	4
60046	3
60172	3
60654	3
60404	3
60561	3
46373	3
60614	3
46385	3
60538	3
60102	3
60545	3
60458	3
60185	3
60467	3
60188	3
60487	3
60618	3
60504	3
60193	3
60510	3
60403	3
60181	2
60062	2
60605	2
60465	2
60447	2
60421	2
60090	2
60477	2
60622	2
60482	2
61065	2
60436	2
60555	2
60106	2
61704	2
60491	2
46342	2
60438	2

ATTACHMENT 24c3

Zip	Count
60455 ⁷²⁰	2
60505	2
60192	2
60068	2
60656	2
46303	2
61373	2
60115	2
60554	2
60118	2
60045	2
60123	2
60560	2
60124	2
60563	2
61401	2
60101	2
60007	2
60189	2
60133	2
60611	2
60013	2
60457	2
60014	2
60191	2
46311	2
60640	2
60084	2
60103	2
60089	2
60657	2
60542	2
61342	2
60174	2
60463	2
60035	2
60523	2
60439	2
61760	1
32255	1
60606	1
60408	1
60304	1
33411	1
85048	1
60415	1

ATTACHMENT 24c3

Zip	Count
60625	1
60420	1
60202	1
34203	1
60005	1
34211	1
62711	1
60016	1
52803	1
60020	1
60617	1
60030	1
60630	1
60031	1
60647	1
03301	1
60801	1
60033	1
61341	1
41640	1
61611	1
60443	1
62301	1
43221	1
77024	1
45036	1
98033	1
45249	1
60601	1
60449	1
53818	1
06489	1
54313	1
60051	1
60628	1
60452	1
60632	1
60060	1
60643	1
60061	1
60194	1
21769	1
60707	1
28056	1
60827	1
46319	1

ATTACHMENT 24c3

Zip	Count
61115	1
60072	1
61350	1
60074	1
61548	1
60076	1
33131	1
60472	1
61778	1
60475	1
62450	1
60077	1
72012	1
60480	1
77494	1
60481	1
92592	1
60083	1
N3A0C2	1
46320	1
53143	1
60087	1
60184	1
46323	1
60609	1
60501	1
53949	1
46327	1
54026	1
28465	1
60623	1
60506	1
60626	1
46350	1
54956	1
60511	1
60631	1
60513	1
55049	1
46356	1
60642	1
30107	1
60646	1
46375	1
60652	1
60109	1

ATTACHMENT 24c3

Zip	Count
60201	1
46383	1
60301	1
32162	1
60712	1
60119	1
60803	1
46540	1
60964	1
46614	1
61071	1
47304	1
61329	1
60130	1
60305	1
60131	1
60402	1
48855	1
61517	1
60541	1
61554	1
49085	1
61615	1
49424	1
61727	1
60139	1
61761	1
60140	1
61920	1
60548	1
62353	1
60142	1
62526	1
60143	1
66502	1
60556	1
77018	1
49453	1
77379	1
60156	1
80487	1
60163	1
92078	1
49464	1
95060	1
60173	1

ATTACHMENT 24c3

Zip	Count
98075	1
49506	1
60406	1
52353	1
Grand Total	622

Name (print): Ajay Lall M.D. _____

Specialty: OrthopaedicsTO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the establishment of the proposed surgery center on East Touhy Road in Des Plaines.

During 2017 and 2018 I performed outpatient procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	<u>2017</u> _____ patients	<u>2018</u> _____ patients
Good Samaritan Outpatient	_____ patients	<u>11</u> patients
	_____ patients	_____ patients
Hinsdale Hospital Outpatient	_____ patients	<u>60</u> patients
Munster Specialty Surgical Ctr.	_____ patients	<u>63</u> patients
Northshore Surgical Suites	_____ patients	<u>15</u> patients
Salt Creek Surgery Center	_____ patients	<u>87</u> patients
Weiss Memorial Hospital outpatient	_____ patients	_____ patients

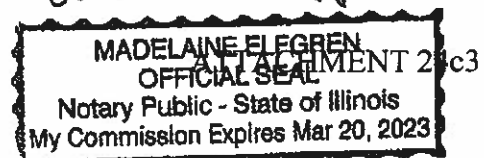
I estimate that I will refer 233 patients to the proposed surgery center during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a patient origin analysis of my 2018 outpatients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely, _____

Notarized:

Madeline Elfgren

American Hip Institute - Dr. Lall Sx Patient Zip Codes

Doctor	Dr. Lall
Zip	Count
60515	8
60491	6
60516	5
60014	4
60543	4
60439	4
60431	4
60544	3
60514	3
60056	3
60067	3
60525	3
60126	3
60559	3
60565	3
60440	3
60074	2
60181	2
60552	2
60189	2
49424	2
60416	2
60048	2
60657	2
60175	2
60803	2
60010	2
60005	2
60521	2
60101	2
60527	2
60115	2
60148	2
60450	2
60554	2
60480	2
60563	2
60007	2
60124	2
60442	2
61525	2
60435	2

ATTACHMENT 24c3

Zip	Count
60448	2
60538	1
60914	1
60586	1
53217	1
62558	1
60134	1
60555	1
60140	1
60641	1
60143	1
61455	1
56283	1
60060	1
60155	1
48854	1
60160	1
60561	1
60162	1
60611	1
60169	1
60656	1
60172	1
61350	1
58072	1
61604	1
60176	1
93065	1
60178	1
60061	1
60002	1
60541	1
60185	1
60068	1
60187	1
60084	1
60004	1
49456	1
60193	1
60608	1
60194	1
60617	1
60202	1
60646	1
60203	1
52748	1

ATTACHMENT 24c3

Zip	Count
60304	1
61071	1
60404	1
61360	1
60409	1
61546	1
33928	1
61740	1
60421	1
85234	1
60423	1
53097	1
40023	1
60526	1
46060	1
60532	1
60438	1
60540	1
60013	1
60062	1
46311	1
60551	1
60441	1
32065	1
60015	1
60558	1
60447	1
60560	1
06473	1
60093	1
60018	1
60585	1
60451	1
60607	1
60459	1
60609	1
60464	1
60613	1
60467	1
60633	1
60469	1
60642	1
60471	1
60647	1
60477	1
60104	1

Zip	Count
60030	1
60805	1
60481	1
61065	1
60490	1
61341	1
60033	1
61356	1
60502	1
61373	1
60506	1
60123	1
60510	1
61564	1
60511	1
61615	1
60047	1
62520	1
46565	1
76244	1
60051	1
89052	1
60517	1
97013	1
48301	1
60523	1
Grand Total	233

Name (print): Kevin TuSpecialty: Orthopaedic SurgeryTO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the establishment of the proposed surgery center on East Touhy Road in Des Plaines.

During 2017 and 2018 I performed outpatient procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	<u>2017</u>	<u>2018</u>
<u>Elmhurst Memorial Hospital</u>	<u>80</u> patients	<u>90</u> patients
<u>Loyola Ambulatory Center</u>	<u>120</u> patients	<u>130</u> patients
_____	_____ patients	_____ patients

I estimate that I will refer 80 patients to the proposed surgery center during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a patient origin analysis of my 2018 outpatients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

[Signature]

Notarized:



STATE OF Illinois
COUNTY OF COOK

Sworn to (or affirmed) and subscribed before me
this 12th day of May, 2019, by Kevin Tu

[Signature] Madelaine Elfgren
Notary Public's Signature Notary Name
Personally Known _____ OR
Type of Identification Produced _____

ATTACHMENT 24c3

Dr. Kevin Tu
2018 Patient Origin

ZIP Code	Patients
60007	12
60088	8
60018	10
60101	13
60104	7
60106	7
60126	16
60143	4
60148	18
60164	8
60173	4
60181	10
60191	5
60193	13
60402	22
60523	3
60623	31
60804	<u>29</u>
	220

Name: Michael Rock, MD
Specialty: Anesthesiology and Pain Medicine

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the establishment of the proposed surgery center on East Touhy Road in Des Plaines.

During 2017 and 2018 I performed outpatient procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

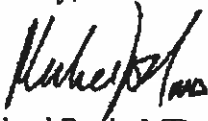
	<u>2017</u>	<u>2018</u>
Hyde Park Surgical Center, LLC	91 patients	76 patients
Presence Saint Mary and Elizabeth Medical Center	22 patients	15 patients
Community First Medical Center	patients	1 patients
Office Procedures	960 patients	916 patients

I estimate that I will refer 450 patients to the proposed surgery center during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a patient origin analysis of my 2018 outpatients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

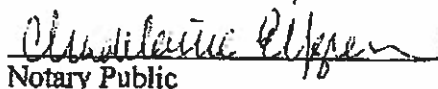
Sincerely,

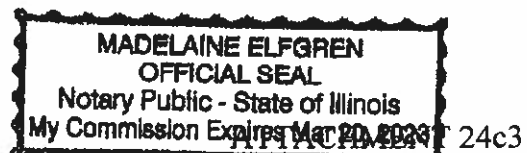


Michael Rock, MD
Anesthesiology and Pain Medicine

Notarized:
Subscribed and Sworn to before
me this

29th day of May


Notary Public



Office	Zip Code	Count of DOS
CFMC		
	48079	1
CFMC Total		1
Hyde Park ASC		
	60016	1
	60031	1
	60035	1
	60053	2
	60056	1
	60068	2
	60069	1
	60101	1
	60112	2
	60119	1
	60133	1
	60139	1
	60154	1
	60171	1
	60193	1
	60402	1
	60407	1
	60450	1
	60458	2
	60480	1
	60487	1
	60516	1
	60523	1
	60525	1
	60527	1
	60532	1
	60534	1
	60546	1
	60560	1
	60564	1
	60615	2
	60618	1
	60619	1
	60629	1
	60630	1
	60634	5
	60638	1
	60639	3
	60641	4
	60647	2

Office	Zip Code	Count of DOS
	60651	4
	60655	1
	60656	1
	60706	2
	60714	1
	60804	2
	60970	1
	61364	1
	61938	2
	60016-2309	1
	60302-2582	1
	60634-2656	1
	60639-1416	1
	60641-5021	1
	60656-3608	1
Hyde Park ASC Total		76
PSMEMC		
	60016	2
	60025	1
	60068	1
	60118	1
	60139	1
	60154	1
	60420	1
	60431	1
	60516	1
	60639	1
	60706	2
	60914	1
	61350	1
PSMEMC Total		15
Office		
	34145	1
	46349	3
	46405	2
	60004	3
	60007	7
	60014	10
	60015	12
	60016	16
	60018	1
	60025	1
	60031	1
	60035	11

Office	Zip Code	Count of DOS
	60045	4
	60047	2
	60048	1
	60051	1
	60053	3
	60056	2
	60062	1
	60064	1
	60068	20
	60069	1
	60073	3
	60076	2
	60077	3
	60085	1
	60087	2
	60093	4
	60101	5
	60104	4
	60107	1
	60112	3
	60118	2
	60119	1
	60120	2
	60123	1
	60130	1
	60131	5
	60133	2
	60139	6
	60147	4
	60148	4
	60152	2
	60153	2
	60154	2
	60155	1
	60160	1
	60169	2
	60171	7
	60176	2
	60181	5
	60189	1
	60191	4
	60193	6
	60202	4
	60302	11

Office	Zip Code	Count of DOS
	60402	14
	60411	1
	60420	1
	60446	3
	60451	4
	60453	4
	60458	8
	60459	1
	60465	3
	60480	1
	60501	1
	60503	5
	60515	4
	60516	2
	60517	1
	60523	1
	60525	1
	60526	1
	60532	1
	60534	3
	60545	1
	60546	2
	60560	2
	60563	2
	60564	1
	60607	2
	60608	2
	60610	1
	60611	3
	60613	14
	60614	8
	60615	3
	60617	1
	60618	27
	60619	1
	60620	1
	60621	5
	60622	8
	60625	22
	60626	2
	60629	3
	60630	37
	60631	28
	60632	6

Dr. Michael Rock- 2018 procedure date by Office and Zip Code

Office	Zip Code	Count of DOS
	60634	76
	60637	1
	60638	3
	60639	35
	60640	12
	60641	59
	60645	8
	60646	17
	60647	11
	60651	13
	60652	3
	60653	3
	60654	2
	60655	1
	60656	28
	60657	12
	60659	15
	60660	10
	60706	30
	60707	22
	60712	1
	60714	10
	60804	6
	60914	9
	60928	1
	60970	1
	61348	1
	61364	1
	61938	4
	60016-2309	1
	60056-2692	1
	60087-3901	3
	60191-1952	1
	60302-2582	4
	60585-2782	2
	60612-1031	7
	60630-3341	1
	60631-1323	4
	60631-1811	1
	60631-2925	1
	60631-3812	5
	60634-2656	4
	60634-2953	2
	60634-3134	2

ATTACHMENT 24c3

Dr. Michael Rock- 2018 procedure date by Office and Zip Code

Office	Zip Code	Count of DOS
	60634-3478	3
	60639-1208	3
	60639-1416	3
	60639-1825	1
	60639-2520	1
	60641-3250	2
	60641-3585	3
	60641-5021	2
	60644-1646	2
	60651-1435	1
	60655-4333	1
	60656-1616	1
	60656-3608	4
	60706-3523	1
	60706-3528	2
Office Total		916
Grand Total		1008

Office	Zip Code	Count
Hyde Park ASC	60016	1
	60031	4
	60051	2
	60053	2
	60056	1
	60068	2
	60073	1
	60090	1
	60123	1
	60137	1
	60152	1
	60174	1
	60193	2
	60302	1
	60402	2
	60407	1
	60416	1
	60440	1
	60450	2
	60455	5
	60458	2
	60480	1
	60516	1
	60521	1
	60523	1
	60525	1
	60526	1
	60532	1
	60534	2
	60554	1
	60558	1
	60561	1
	60564	1
	60565	1
	60613	2
	60614	1
	60618	3
	60619	1
	60630	3
	60634	3
	60638	1
	60639	6
	60641	4

Office	Zip Code	Count
	60651	2
	60655	1
	60656	1
	60706	4
	60707	1
	60714	1
	60804	2
	60970	1
	61350	1
	61364	2
	61938	2
Hyde Park ASC Total		91
PSMEMC		
	60016	1
	60025	1
	60068	1
	60090	1
	60154	1
	60420	1
	60431	1
	60516	1
	60525	1
	60618	3
	60634	3
	60639	1
	60706	3
	60707	2
	60914	1
PSMEMC Total		22
Office		
	46405	3
	60004	3
	60005	4
	60007	1
	60014	4
	60015	6
	60016	9
	60018	8
	60025	7
	60029	1
	60030	3
	60034	2
	60035	5
	60045	3

Office	Zip Code	Count
	60046	1
	60047	2
	60048	1
	60050	4
	60051	2
	60053	2
	60056	6
	60061	6
	60062	1
	60067	1
	60068	24
	60073	2
	60074	1
	60077	5
	60087	2
	60093	3
	60099	2
	60101	3
	60106	2
	60119	2
	60120	4
	60130	3
	60131	2
	60133	3
	60137	4
	60147	4
	60148	1
	60153	5
	60155	1
	60156	2
	60169	4
	60171	7
	60176	5
	60181	2
	60191	2
	60193	10
	60202	2
	60301	1
	60302	9
	60305	2
	60402	36
	60411	4
	60431	1
	60432	1

Office	Zip Code	Count
	60438	2
	60440	2
	60446	1
	60451	2
	60452	1
	60454	2
	60458	4
	60459	1
	60462	3
	60465	5
	60478	3
	60491	4
	60501	5
	60503	4
	60513	2
	60515	2
	60517	2
	60521	1
	60525	1
	60527	2
	60538	1
	60540	2
	60543	3
	60545	1
	60546	7
	60555	1
	60561	2
	60563	4
	60565	2
	60585	2
	60604	1
	60607	3
	60608	3
	60609	2
	60610	4
	60612	8
	60613	9
	60614	8
	60616	1
	60617	1
	60618	26
	60619	4
	60620	1
	60621	1

Dr. Michael Rock- 2017 procedure date by Office and Zip Code

Office	Zip Code	Count
	60622	4
	60623	2
	60624	3
	60625	15
	60630	38
	60631	13
	60632	10
	60633	1
	60634	126
	60636	2
	60637	1
	60638	9
	60639	53
	60640	10
	60641	48
	60643	1
	60644	7
	60645	6
	60646	23
	60647	8
	60651	6
	60652	1
	60653	3
	60655	1
	60656	23
	60657	10
	60659	2
	60660	3
	60693	1
	60706	46
	60707	37
	60712	3
	60714	7
	60804	25
	60914	8
	60928	2
	60940	1
	60970	1
	61065	1
	61103	5
	61348	1
	61938	1
Office Total		960
Grand Total		1073

ATTACHMENT 24c3

Dr. Michael Rock- 2017 procedure date by Office and Zip Code

Office	Zip Code	Count
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TREATMENT ROOM NEED ASSESSMENT

The proposed ASTC will have two Class C operating rooms and one procedure room, and the two operating rooms and one procedure room are necessary to service the projected patient volume as documented in the letters from surgeons included in ATTACHMENT 24c3. Those letters, which are from three orthopedic surgeons and one pain management specialist, project the referral of 935 orthopedic surgery and 450 pain management patients, annually.

A number of orthopedic procedures not performed in other ASTCs in the GSA are currently being performed by physicians providing letters, and will be performed at the proposed ASTC. Those procedures include: labral reconstruction, ligamentum teres reconstruction, osteoarticular allograft, peri-acetabular osteotomy, Birmingham hip resurfacing through anterior approach, and robotic hip arthroplasty. Based on the experience of surgeons, it is estimated that these procedures, which are projected to constitute approximately 35% of the caseload, require approximately two and a half hours of operating room time (including room turn-over). More commonly-performed orthopedic surgery procedures, and constituting approximately 65% of the orthopedic surgery cases to be performed in the ASTC, are projected to require approximately ninety minutes, consistent with the experience during 2017 at ASTCs located in suburban Cook and DuPage Counties. As a result, it is estimated that, on average, 1.85 hours of OR time per case will be needed for the orthopedic surgery cases. Additionally, and also consistent with area norms, it is estimated that thirty minutes will be required for each pain management procedure to be performed in the single procedure room. As a result, the two proposed ORs and one procedure room are consistent with the HFSRB's standards.

SERVICE ACCESSIBILITY

The establishment of the proposed ASTC will improve area residents' access to certain innovative—and at minimum innovative in an ASTC setting---surgical procedures not currently available, and as referenced in 1110.235(c)6.C), which refers to “specific types of procedures or operations that are components of an ASTC service (that) are not currently available in the GSA...”. Among those procedures, not believed to be provided in other area ASTCs that will be provided are: labral reconstruction, ligamentum teres reconstruction, osteoarticular allograft, peri-acetabular osteotomy, Birmingham hip resurfacing through anterior approach, and robotic hip arthroplasty. The ability to provide these procedures is a direct result of specialized training received by orthopedic surgeons intending to perform cases at the proposed ASTC.

UNNECESSARY DUPLICATION/MAL-DISTRIBUTION

The proposed project will not result in an unnecessary duplication or a mal-distribution of services.

The geographic service area ("GSA"), per IDPH rule, consists of those communities and ZIP Code areas located within ten miles of the proposed site. This area generally covers the communities from the Lake-Cook County line on the north, I-290 on the south, Western Avenue on the east and Schaumburg on the west. This area consists of 68 ZIP Code areas, having a 2018 population of 1,369,313, per ESRI.

Five hospitals and ten ASTCs are located in the GSA. However, four of the ASTCs do not provide either of the specialties to be provided in the proposed ASTC, and two of the other area ASTCs provide only one of the specialties proposed to be provided. The five hospitals and ten ASTCs provide 103 operating rooms and 46 procedure rooms, per 2017 IDPH facility *Profiles*.

The GSA population and the number of ORs and procedure rooms in the GSA, as identified above, results in 0.10 ORs and procedure rooms per 1,000 population in the GSA. The 2020 state-wide population projection provided on the HFSRB website is 13,129,223. The hospital and data summaries, also provided on the HFSRB's website, identify 2,904 ORs and procedure rooms, state-wide. The resultant state-wide rate of ORs and procedure rooms per, 1,000 population is therefore 0.22 per 1,000 population. Based on the HFSRB's definition of "mal-distribution", that being 1.5 times the state-wide average, the distribution of ORs and

procedure rooms in the GSA does not meet the definition of a “mal-distribution” and the two operating rooms and one procedure room in the proposed project will increase the GSA’s distribution to only .11 operating/procedure rooms per 1,000; not causing or resulting in a “mal-distribution”.

Hospitals and ASTCs Located in the Geographic Service Area

<u>Hospitals</u>	<u>ORs</u>	<u>Procedure Rooms</u>
Advocate Lutheran General Hospital, Park Ridge	26	9
Alexian Brothers Medical Center, Elk Grove	15	10
Northwest Community Hospital, Arlington Heights	14	9
Presence Holy Family Hospital, Des Plaines	5	5
Presence Resurrection Medical Center, Chicago	<u>13</u>	<u>5</u>
	73	38
<u>ASTCs</u>	<u>ORs</u>	<u>Procedure Rooms</u>
Advantage Health Center, Wood Dale	2	
Illinois Hand & Upper Extremity Center, Arlington Hts.	1	
Golf Surgery Center, Des Plaines	5	2
NW Community Day Surgery Center, Arlington Hts.	10	
Northwest Surgicare, Arlington Heights	4	2
Northwest Endoscopy Center, Arlington Heights		2
Uropartners, Des Plaines	3	
Regenerative Surgery Center, Des Plaines	3	
North Suburban Pain & Spine Institute, Des Plaines	2	
Presence Lakeshore Gastroenterology, Des Plaines		<u>2</u>
	<u>30</u>	8

Source: 2017 IDPH *Profiles*

STAFFING

The staffing of the proposed ASTC will be addressed by the applicants approximately six months prior to the ASTC's opening.

The applicants do not envision any unusual difficulties in staffing the proposed ASTC with qualified nurses, technicians, and other support personnel; due to the attractiveness of working in an ASTC setting for allied medical professionals.

Staffing will be consistent with or exceed applicable licensure and accreditation standards.

Staff will be recruited through a combination of word-of-mouth, newspaper advertisements, and if necessary, professional publications.

The Medical Director of the proposed ASTC will be Ajay C. Lall, MD, MS, and a copy of his CV is attached.

PROFESSIONAL EXPERIENCE

American Hip Institute, Chicago, IL 2018-Present

Attending Surgeon and Director of Education | American Hip Institute
Co-Director, Hip Preservation Fellowship | American Hip Institute Research Foundation
 Board Eligible (BE) in Orthopaedic Surgery, *American Board of Orthopaedic Surgeons (ABOS)*

Assistant Team Physician, Birmingham, AL 2016-2017

- Birmingham Barons (Chicago White Sox MLB AA-affiliate)
- 2017 NCAA-Div I Southeastern Conference (SEC) Baseball Tournament
- WWE Professional Wrestling
- USA Cheer
- Samford University Football, NCAA Div-I (FCS)
- Bessemer Academy HS Varsity Football, Bessemer, AL
 - *AISA Class AAA '16 State Champions*
- Lehman College, NCAA Div-III Varsity Soccer, Bronx, NY

2013-2016

Sports Medicine Staff, Orchard Park, NY

2006, 2008

- Jim Kelly, NFL Hall of Fame - Football Camp

EDUCATION AND TRAINING

American Hip Institute, Chicago, IL 2017-2018

- Fellowship in Hip Preservation and Joint Reconstruction
 - Complex Hip Arthroscopy
 - MAKOpasty (Robotic-Arm Assisted Direct Anterior Total Hip Arthroplasty)
 - Hip Resurfacing Arthroplasty (BHR)
 - Stem-Cell & Regenerative Medicine
- Fellowship Director - Benjamin G. Domb, M.D.

American Sports Medicine Institute (ASMI) /

Dr. James Andrews Sports Medicine & Orthopaedic Center, Birmingham, AL 2016-2017

- Fellowship in Sports Medicine & Arthroscopic Surgery of the Shoulder, Knee, and Elbow
- Fellow Class Representative - Graduate Medical Education Counsel
- Fellowship Director - Jeffrey R. Dugas, M.D.

Montefiore Medical Center, Albert Einstein College of Medicine, Bronx, NY 2011-2016

- Orthopaedic Surgery Residency

Northeast Ohio Medical University, Rootstown, OH 2007-2011

Case Western Reserve University, Cleveland, OH 2004-2007

- Master of Science- Surgical Anatomy

Case Western Reserve University, Cleveland, OH 2000-2004

- Bachelor of Arts - Chemistry), Minor - Psychology
- NCAA Div-III Varsity Football
- NCAA Div-III Varsity Track & Field- Javelin Throw

DISTINCTIONS AND AWARDS

- American Association of Hip and Knee Surgeons (AAHKS) Best Poster Award – Non-Arthroplasty, 2018. *Effect of the Trendelenburg Position on Perineal Pressure during Hip Arthroscopy: A Prospective Single Institution Study of 50 Consecutive Patients.*
- International Association of Orthopedic Surgeons (IAO) “Top Doctors in Birmingham, AL,” 2017.
- Scoliosis Research Society Annual Meeting Russell A. Hibbs Award Nominee in Best Paper – Basic Science, 2015. *Pedicle Screw Safety: How Much Anterior Breach is Safe? A Cadaveric and CT Based Study.*
- Radiological Society of North America Annual Meeting Physician’s Recognition Award, 2014. *Ankle Arthrodesis – What the Radiologist Needs to Know.*
- Univ. of South Florida College of Medicine 1st Place National Medical Student Poetry Contest, 2010. *For Whom I Lived.*
- Gold Humanism Honor Society, 2008.
- Cleveland Clinic Foundation Medical Student Summer Research Internship Best Poster, 2003. *Clinical Study of Fixation Techniques in Distal Radius Fractures.*

SOCIETIES

- American Academy of Orthopaedic Surgeons (AAOS)
- American Orthopaedic Society for Sports Medicine (AOSSM)
- Arthroscopy Association of North America (AANA)
 - Master Instructor – Orthopaedic Learning Center (OLC), Rosemont, IL
- International Society for Hip Arthroscopy (ISHA)
- Journal Reviewer
 - American Journal of Sports Medicine (AJSM)
 - Arthroscopy: The Journal of Arthroscopic and Related Surgery (ARTH)
 - Journal of Hip Preservation Surgery (JHPS)

Greater Chicago Center
for Advanced Surgery
Pro Forma Charge Schedule

#19-032

CPT	Charge
63650	\$ 16,277
63650	\$ 16,277
63663	\$ 15,400
64490	\$ 1,280
64633	\$ 5,750
64493	\$ 1,280
64635	\$ 5,750
62321	\$ 9,500
62323	\$ 1,342
64483	\$ 1,342
22869	\$ 37,800
64640	\$ 1,406
64510	\$ 1,562
64520	\$ 1,562
27096	\$ 1,010
64635	\$ 5,750
64640	\$ 1,406
29880	\$ 6,040
29881	\$ 6,040
29888	\$ 9,821
29827	\$ 9,821
29806	\$ 9,821
29807	\$ 9,821
29882	\$ 6,040
29823	\$ 6,040
27130	\$ 28,260
29914	\$ 9,821
27130	\$ 28,260
27228	\$ 18,478

ATTACHMENT 24c9



999 E. Touhy Ave. Suite 450
Des Plaines, IL 60018

Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

RE: Review Criteria 1110.25c9 and 1110.25c10

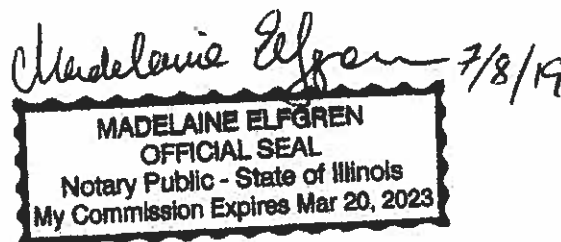
With this letter, I hereby attest that the charge structure provided in this Certificate of Need application will not increase for, at minimum, two years following the opening of the proposed ambulatory surgical treatment center ("ASTC").

Further, I herein attest that a peer review program will be implemented at the proposed ASTC that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for ASTC services, and if outcomes do not meet or exceed those standards, that a quality improvement plan will be initiated.

Last, the applicants anticipate that in the second year of operation, the annual utilization of the operating rooms will meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100. This anticipation is based on the applicant's knowledge of the practices of the physicians anticipated to refer patients to the proposed ASTC.

Sincerely,

Benjamin G. Domb, MD
Sole Member



ATTACHMENTS 24c9 & 24c10

GCCAS
Financial Viability Ratios
As of Year 2

1) Current Ratio:	Current Assets / 2,741,857 /	Current Liabilities 135,000	=	20.3
2) Net Margin %:	(Net Income / 970,813 /	Net Revenues) x 5,949,000 x	100 100 =	16.3
3) LT Debt to Cap:	(Long-Term Debt / 4,413,434 /	LT Debt + Net Assets) x 8,617,289 x	100 100 =	51.2
4) Debt Service:	Net Income + 970,813 +	(Depr + Int + Amort) / 995,255 /	Total Debt Payment 670,485	2.9
5) Days Cash on Hand:	Cash / 2,089,911 /	((Operating Exp - Depr) / 365) 4,236,865 / 365)	=	180
6) Cushion Ratio:	Cash / 2,089,911 /	Total Debt Payment 670,485	=	3.1

GCCAS
Balance Sheet
As of Start Up through Year 2

	Start-up	End of Year 1	End of Year 2
Current Assets			
Cash & Cash Equivalents	581,350	917,507	2,089,911
Net Accounts Receivable		550,079	651,945
Total Current Assets	581,350	1,467,585	2,741,857
 Equipment	 2,700,000	 2,700,000	 2,700,000
Build Out	2,256,240	2,256,240	2,256,240
Start Up/Other	730,260	730,260	730,260
AD	-	(741,322)	(1,482,645)
Net Fixed Assets	5,686,500	4,945,178	4,203,855
 Total Assets	 6,267,850	 6,412,763	 6,945,712
 Current Liabilities			
Accounts Payable		75,000	75,000
Other Liabilities		60,000	60,000
Total Current Liabilities	-	135,000	135,000
 Long-Term Debt	 5,267,850	 4,851,298	 4,413,434
Total Long-Term Debt	5,267,850	4,851,298	4,413,434
 Equity			
Total Members' Equity	1,000,000	1,000,000	1,000,000
Retained Earnings		-	426,465
Net Income	-	426,465	970,813
Total Equity	1,000,000	1,426,465	2,397,278
 Total Liabilities & Equity	 6,267,850	 6,412,763	 6,945,712

GCCAS
Income Statement
For the First 2 Years since Inception

Revenue	Year 1	Year 2
Total cases	1,039	1,385
Ortho	701	935
Pain	338	450
Net Revenue	4,461,750	5,949,000
per Ortho	5,400	5,400
per Pain	2,000	2,000
Staffing/Payroll	675,200	927,300
labor per case	650	670
Other Expenses	2,364,830	3,076,944
Direct supply	1,543,713	2,074,950
Non-direct supply	26,600	27,400
Administration	356,940	475,920
Fixed expenses	437,578	498,674
Total Expenses	<u>\$ 3,040,030</u>	<u>\$ 4,004,244</u>
Interest Expense	253,933	232,621
Depreciation	741,322	741,322
	<u>\$ 995,255</u>	<u>\$ 973,943</u>
Total Operating Expenses	<u>\$ 4,035,285</u>	<u>\$ 4,978,187</u>
Net Profit	<u><u>\$ 426,465</u></u>	<u><u>\$ 970,813</u></u>



999 E. Touhy Ave. Suite 450
Des Plaines, IL 60018

Illinois Health Facilities and
Services Review Board
Springfield, IL

To Whom It May Concern:

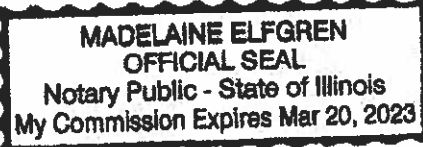
It is my belief that the terms and conditions of the proposed debt financing associated with the establishment of Chicago Center for Advanced Surgery are reasonable, and at the present time, represent the lowest net cost available to the applicant. The applicant/licensee is a newly-formed entity, without liquid assets that could be used to fund the project. Further, it is my belief that the leasing of space for the ASTC is less costly than the construction of a freestanding building. Last, it is not currently anticipated that equipment will be leased in conjunction with the proposed project.

Sincerely,


Benjamin G. Domb, MD
Sole Member

Notarized:

Madelaine Elfgren 7/8/19





PRIVATE BANKING &
INVESTMENT GROUP

Ronald J. Hughes, Jr.
Managing Director - Private Wealth Management
Private Wealth Advisor


July 11, 2019

Greater Chicago Center for Advanced Surgery, LLC
171 Franklin Rd
Glencoe, IL 60022

Dear Dr. Domb,

This letter serves to confirm that you have an excellent and comprehensive relationship with Hughes Partners and the Merrill Lynch Private Banking and Investment Group. Further, you maintain sufficient portfolio assets to support a securities based loan in the amount of \$5.5 million. The loan is approved and the facility is in place and you can access the capital at any time upon request.

At your service,


Ronald J. Hughes
Managing Director

Please be advised, our cash management account programs permit account holders to access the assets in the account by Visa card and checks, which are drawn and processed against a Merrill Lynch account maintained for the customer at Bank of America, N.A. However, the account holder does not maintain a depository balance at that bank. The information provided above may change daily due to activity in the account and/or changes in market value of assets held in the account. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit request. If you have any questions, please contact the person whose signature appears above at the phone number provided. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

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3455 Peachtree Rd. NE suite 1100 Atlanta, GA 30326 T 404.231.2558 F 404.890.7819 T 877.613.6384

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Investment products:

Are Not FDIC Insured	Are Not Bank Guaranteed	ATTACHMENT 36B May Lose Value
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COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

	Cost/Sq. Ft.	DGSF		DGSF		New Const. \$	Modernization \$	Costs
	New	Mod.	New	Circ.	Mod.	(A x C)	(B x E)	(G + H)
ASTC-Surgery	\$ 255.00		6,616			\$ 1,687,080		\$ 1,687,080
ASTC-Recovery	\$ 255.00		2,232			\$ 569,160		\$ 569,160
Contingency	\$ 20.00					\$ 176,960		\$ 176,960
Total	\$ 275.00		8,848			\$ 2,433,200		\$ 2,433,200

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PROJECTED OPERATING COSTS
and
TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS

#19-032

**Greater Chicago Center for Advanced Surgery
YEAR 2 OPERATING COST per CASE**

Projected Cases: 1,385

Salaries and Benefits	\$927,300
Medical Supplies	<u>\$2,074,950</u>
	\$3,002,250
per Case:	\$ 2,167.69

YEAR 2 CAPITAL COST per CASE

Projected Cases: 1,385

Interest Expense	\$ 232,621
Depreciation & Amort.	<u>\$ 741,322</u>
	\$ 973,943
per Case:	\$ 703.21

SAFETY NET IMPACT STATEMENT

Due to the nature of an ASTC, such facilities are not providers of safety net services, with all procedures scheduled on an elective basis. The applicant, however, intends that the proposed ASTC becomes a valued member of the community, and to the extent reasonable, anticipated participation in community-based events, such as health fairs is anticipated.

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

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