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**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

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October 10, 2019

**VIA EMAIL AND FED EX**

Mr. Mike Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

**Re: Response Staff Agency Report for the Modernization of Provident Hospital-  
Project No. 19-037**

Dear Mike:

As you know, we represent Cook County, through Cook County Health and Hospitals System ("Applicants") on **Project 19-037**, the modernization of Provident Hospital. We are in receipt of the Illinois Health Facilities Planning and Services Review Board's state agency report for this project ("SAR"). We thank you and your staff for their efforts in developing the SAR. Per Section 6(c-5) of the Illinois Health Facilities Planning Act, we respectfully submit the following comments/general corrections to the SAR:

**A. VIII. Medical Surgical Intensive Care Modernization**

**B) Criterion 1110.200 (f) - Performance Requirements – Bed Capacity Minimum**

The SAR states that the project is not in conformance with this Criterion 1110.200(f) with regards to the medical-surgical category of service. Specifically, the SAR states that because the Applicants propose to *decrease* its authorized medical-surgical beds from 79 to 42, [it] "does not meet the Board's requirement of 100 medical surgical beds for a hospital in an MSA" (see page 17 of SAR). While we agree that Provident Hospital is within an MSA, we do not believe the 100-bed capacity minimum applies to projects for modernization. The pertinent administrative code section states the following:

- "f) Performance Requirements – Bed Capacity Minimum  
1) Medical-Surgical

The minimum bed capacity for a [new] medical-surgical category of service within a Metropolitan Statistical Area (MSA), as defined by the U.S. Census Bureau, is 100 beds.” 77 Ill. Adm. Code §1110.200. Subpart (f)(1) (“Bed Capacity Rule”)

The Bed Capacity Rule explicitly and plainly states that this standard applies to a “new” medical-surgical category of service. Simply put and as the SAR confirms on page 3, this project meets the definition of a “modernization” pursuant to 77 Ill. Adm. Code §1110.200 and therefore the Bed Capacity Rule is inapplicable.

**B. IX. Clinical Service Areas Other Than Categories of Service  
Criterion 1110.270 (c) (1) (2) (3) - Service Modernization**

The SAR cites 77 Ill. Adm. Code §1110.270 Subparts (c)(1)(2) and (3) as follows:

*“The applicant shall document that the proposed project meets [one] of the following:*

***1) Deteriorated Equipment or Facilities***

*The proposed project will result in the replacement of equipment or facilities that have deteriorated and need replacement. Documentation shall consist of, but is not limited to: historical utilization data, downtime or time spent out of service due to operational failures, upkeep and annual maintenance costs, and licensure or fire code deficiency citations involving the proposed project.*

***2) Necessary Expansion***

*The proposed project is necessary to provide expansion for diagnostic treatment, ancillary training or other support services to meet the requirements of patient service demand. Documentation shall consist of, but is not limited to: historical utilization data, evidence of changes in industry standards, changes in the scope of services offered, and licensure or fire code deficiency citations involving the proposed project*

***3) Utilization***

***A) Major Medical Equipment***

*Proposed projects for the acquisition of major medical equipment shall document that the equipment will achieve or exceed any applicable target utilization levels specified in Appendix B within 12 months after acquisition.*

***B) Service or Facility***

*Projects involving the modernization of a service or facility shall meet or exceed the utilization standards for the service, as specified in Appendix B. The number of key rooms being modernized shall not exceed the number justified by historical utilization rates for each of the latest 2 years, unless additional key rooms can be justified per subsection (c)(2) (Necessary Expansion).*

*C) If no utilization standards exist, the applicant shall document in detail its anticipated utilization in terms of incidence of disease or conditions, or population use rates.”*

We believe we have met this criterion as the rule requires satisfaction of one element contained in Subpart (c). The Applicants have met 77 Ill. Adm. Code §1110.270 Subpart (c)(1) Deteriorated Equipment or Facilities by documenting that the negative effects of upkeep and

annual maintenance costs are outweighed by modernizing and creating a replacement facility. Furthermore, the details of functional obsolescence of Provident Hospital have been documented in the CON application and in this SAR.


**C. XI. Economic Feasibility**

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

The Applicants provide its operating cost per equivalent patient days. The SAR cites that there is no standard for this criterion. However, in the bolded summary findings for this section, the SAR states that the proposed project is not in conformance with the criterion projected operating costs pursuant to 77 Ill.Adm. Code § 1120.140. Subpart (d). Comparatively, the SAR finds that the project is in compliance with the next section **E. Criterion 1120.140(e)-Total Effect of the Project on Capital Costs** as there is no standard for this criterion. In light of not having a rule or statutory standard and the finding in **E. Criterion 1120.140(e)-Total Effect of the Project on Capital Costs**, we believe the bolded summary finding in this section should state that the project *is* in compliance.

Finally, we recognize that the SAR has determined other standards regarding utilization have not been met. We look forward to discussing those items at the October 22<sup>nd</sup> Board meeting.

Respectfully submitted,



Amee Patel, Esq.

cc: Ms. Courtney Avery

