

ORIGINAL

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

APPLICATION FOR PERMIT- 10/2019 Edition

**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.****Facility/Project Identification**

Facility Name: Michigan Avenue Center for Health		
Street Address: 2415 South Michigan Avenue		
City and Zip Code: Chicago, Illinois 60616		
County: Cook	Health Service Area: 6	Health Planning Area: N/A

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

Exact Legal Name: Michigan Avenue Center for Health, Ltd.	
Street Address: 2415 South Michigan Avenue	
City and Zip Code: Chicago, Illinois 60616	
Name of Registered Agent: State Registry Ltd.	
Registered Agent Street Address: 3 Golf Center Road, Suite 356	
Registered Agent City and Zip Code: Hoffman Estates, Illinois 60169	
Name of Chief Executive Officer: Vera Schmidt	
CEO Street Address: 1640 N. Arlington Heights Road, Suite 110	
CEO City and Zip Code: Arlington Heights, Illinois 60004	
CEO Telephone Number: 847-255-7400	

Type of Ownership of Applicants

☐ Non-profit Corporation	☐ Partnership	
☒ For-profit Corporation	☐ Governmental	
☐ Limited Liability Company	☐ Sole Proprietorship	☐ 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: Vera Schmidt
Title: Chief of Operations
Company Name: Michigan Avenue Center for Health, Ltd.
Address: 1640 N. Arlington Heights Road, Suite 110, Arlington Heights, Illinois 60004
Telephone Number: 847-255-7400
E-mail Address: veras@officegci.com

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

Name:
Title:
Company Name:
Address:
Telephone Number:
E-mail Address:

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: Vera Schmidt
Title: Chief of Operations
Company Name: Michigan Avenue Center for Health, Ltd.
Address: 1640 N. Arlington Heights Road, Suite 110, Arlington Heights, Illinois 60004
Telephone Number: 847-255-7400
E-mail Address: veras@officegci.com
Fax Number:

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Southwest Pacific L.P.
Address of Site Owner: 3 Golf Center Road, Suite 356, Hoffman Estates, Illinois 60169
Street Address or Legal Description of the Site: 2415 South Michigan Avenue, Chicago, Illinois 60616
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: Michigan Avenue Center for Health, Ltd.			
Address: 2415 South Michigan Avenue, Chicago, Illinois 60616			
☐	Non-profit Corporation	☐	Partnership
☒	For-profit Corporation	☐	Governmental
☐	Limited Liability Company	☐	Sole Proprietorship
		☐	Other
- 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.

Michigan Avenue Center for Health, Ltd. ("Applicant") requests to establish a multi-specialty ambulatory surgical treatment center ("ASTC") with one operating room and four recovery stations. The proposed ASTC will be located at 2415 South Michigan Avenue, Chicago, Illinois 60616. The proposed ASTC will offer three categories of services, including interventional radiology, obstetrics/gynecology and pain management.

The project will not require the construction or modernization of existing space, but will rather include the purchase of certain medical equipment.

The Applicant proposes the establishment of a health care facility, and, therefore, this is a substantive project.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees	\$150,000		\$150,000
Movable or Other Equipment (not in construction contracts)	\$185,746		\$185,746
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$476,000		\$476,000
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$811,746		\$811,746
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$335,746		\$335,746
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$476,000		\$476,000
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$811,746		\$811,746
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

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 \$ <u>0</u>

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): <u>December 31, 2021</u>
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.

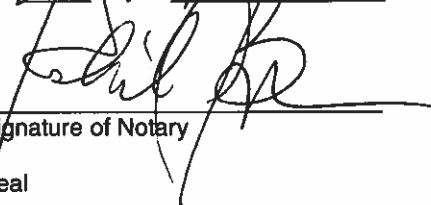
This Application is filed on the behalf of Michigan Avenue Center for Health, Ltd. in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant 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

Nikita Backman
PRINTED NAME

President
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 29th day of APRIL


Signature of Notary
Seal

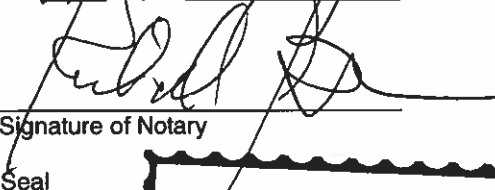
*Insert the EXACT legal name of the applicant

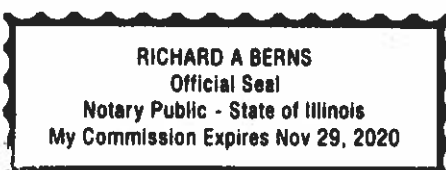
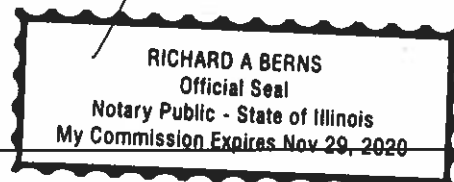

SIGNATURE

Kathleen Bustamante
PRINTED NAME

Vice President
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 29th day of APRIL


Signature of Notary
Seal



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	MEET 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:

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.

SECTION V. SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing the establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion, and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

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
☐ Cardiovascular
☐ Colon and Rectal Surgery
☐ Dermatology
☐ General Dentistry
☐ General Surgery
☐ Gastroenterology
☐ Neurological Surgery
☐ Nuclear Medicine
☒ Obstetrics/Gynecology
☐ Ophthalmology
☐ Oral/Maxillofacial Surgery
☐ Orthopedic Surgery
☐ Otolaryngology
☒ Pain Management
☐ Physical Medicine and Rehabilitation
☐ Plastic Surgery
☐ Podiatric Surgery
☒ Radiology
☐ Thoracic Surgery
☐ Urology
☐ 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

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

APPLICATION FOR PERMIT- 10/2019 Edition

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.

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

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]:

Page 16

	5) For any option to lease, a copy of the option, including all terms and conditions.
	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental 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;
	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$811,746	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:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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 the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE 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:

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 37.

Safety Net Information per PA 98-0031			
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.

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

APPEND DOCUMENTATION AS **ATTACHMENT 39**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I, Identification, General Information, and Certification
Applicants

The Illinois Certificate of Good Standing for Michigan Avenue Center for Health, Ltd. is attached at Attachment – 1.

File Number

6328-063-1



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

MICHIGAN AVENUE CENTER FOR HEALTH, LTD., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 30, 2003, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 2012502780 verifiable until 05/04/2021
Authenticate at: <http://www.cyberdriveillinois.com>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 4TH
day of MAY A.D. 2020 .***

Jesse White

SECRETARY OF STATE

Section I, Identification, General Information, and Certification
Site Ownership

A copy of the lease between Michigan Avenue Center for Health, Ltd. and Southwest Pacific L.P. is attached at Attachment – 2.

LEASE AGREEMENT

The lease is made between **Southwest Pacific L.P.** herein called "Lessor" and **Michigan Avenue Center for Health, Ltd.** herein called the "Lessee".

Lessee hereby offers to lease space from Lessor, the premises is situated in the city of Arlington Heights, Cook County, State of Illinois, described as **2415 S Michigan Ave, Chicago IL 60616**.

1. **Terms and Rent.** Lessor shall lease the above premises for a term of eighteen years commencing on **April 1, 2020** and terminating 18 years from the date of commencement. The annual rental of **\$87,268.56** payable in equal installments of **\$7,272.38** on the first day of each month for that month's rental, during the term of the lease.
2. **Use.** Lessee shall use and occupy the premises for medical use and general office use, permitted within the zoning.
3. **Care and Maintenance of Premises.** Lessee shall, at his own expense and at all times; maintain the premises in good and safe condition, normal wear and tear expected. Lessee shall be responsible for all repairs required except the roof, exterior walls & structural foundation.
4. **Utilities.** All applications and connections for necessary utility services on the demised premises shall be made in the name of the Lessee only, and Lessee shall be solely liable for utility charges as they come due, including those for electricity and telephone services.
5. **Security Deposit.** Lessee shall deposit with Lessor the sum of **\$7,727.38** as security deposit.
6. **Changes to Lease.** Changes to the lease agreement can be made at any time by mutual agreement of both parties.
7. **Option to Renew.** Lessee at its option shall have option to renew for ten (10) three (3) year periods each commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be adjusted to reflect the change in the Consumer price Index at the beginning of each new lease term after the expiration of the initial lease term.
8. **Real Estate Taxes & CAM.** Lessee shall pay pro-rata share of Real Estate Taxes and Common Area Maintenance (CAM) expenses as additional monthly rent.
9. **Default.** A notice of 15 days shall be given for any default by either party and an additional period of 15 days shall be allowed to cure such default.
10. **Notices.** Any notice shall be sent via certified mail with return receipt requested

To Lessor: Southwest Pacific L.P

909 W Euclid Ave

Arlington Heights IL 60006-1025

With Copy: Manager

1640 N Arlington Heights Rd, Suite 110

Arlington Heights IL 60004

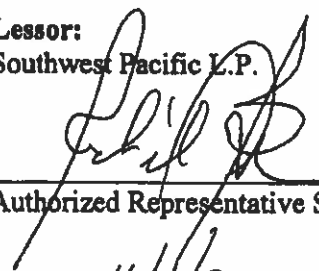
To Lessee: Michigan Avenue Center for Health, Ltd.

2415 S Michigan Avenue

Chicago, IL 60616

Lessor:

Southwest Pacific L.P.



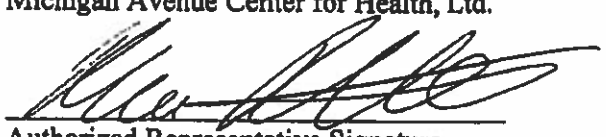
Authorized Representative Signature

Date

4/1/2020

Lessee:

Michigan Avenue Center for Health, Ltd.



Authorized Representative Signature

Date

4/1/2020

Section I, Identification, General Information, and Certification
Operating Identity/Licensee

The Illinois Certificate of Good Standing for Michigan Avenue Center, Ltd. is attached at Attachment – 3.

File Number

6328-063-1



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

MICHIGAN AVENUE CENTER FOR HEALTH, LTD., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 30, 2003, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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 4TH day of MAY A.D. 2020 .

Jesse White

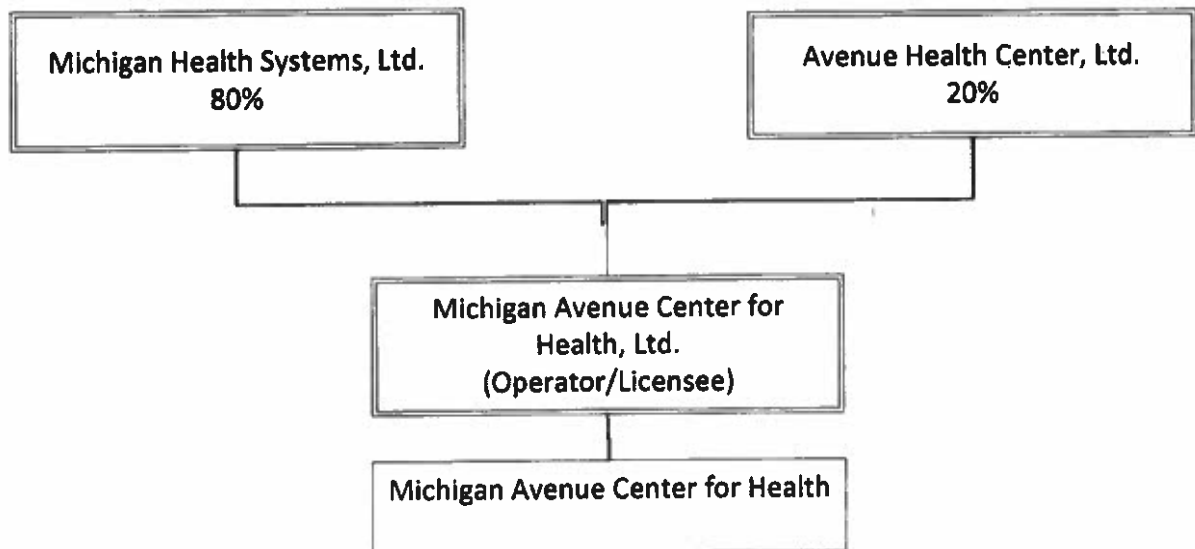
SECRETARY OF STATE

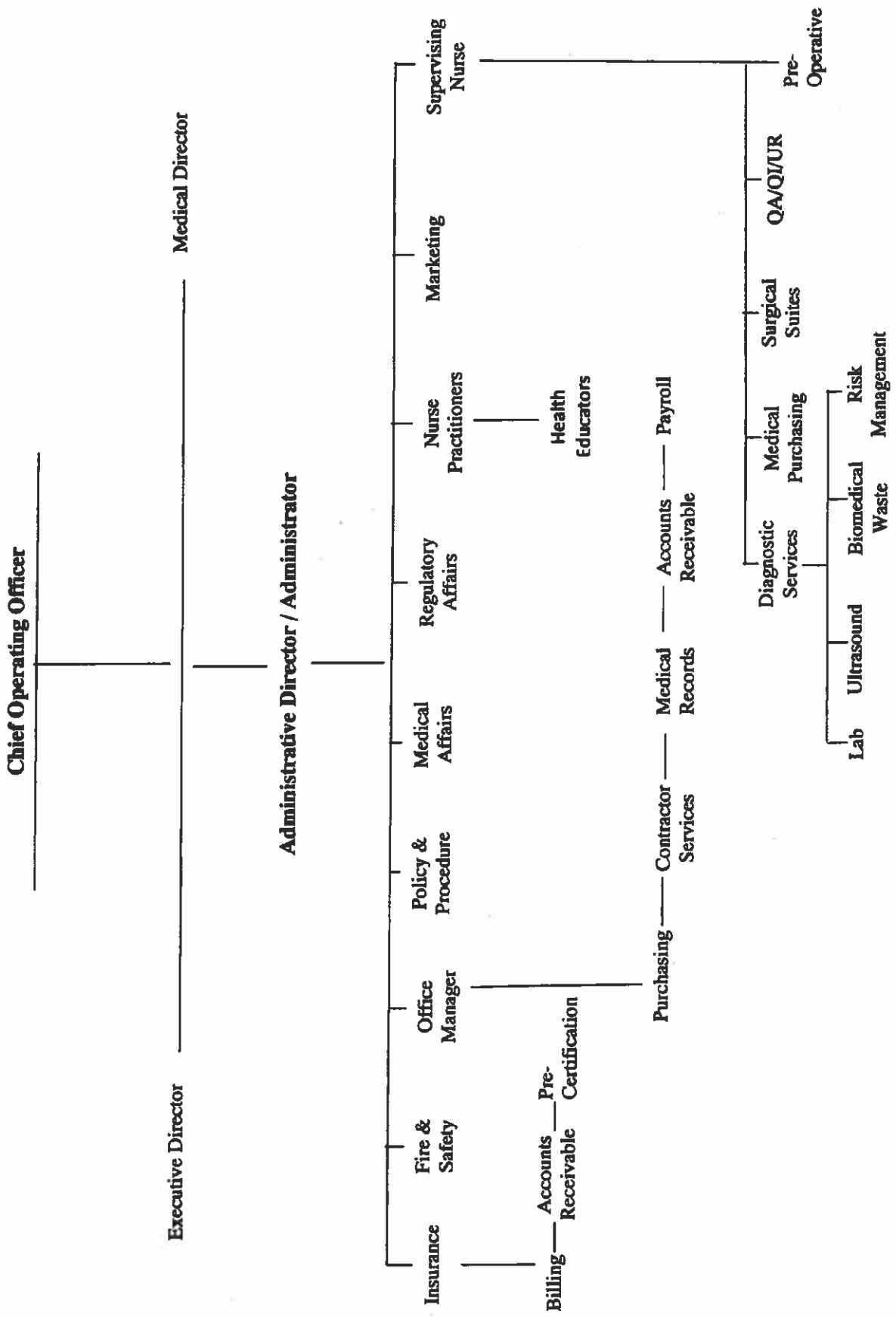
Authentication #: 2012502780 verifiable until 05/04/2021
Authenticate at: <http://www.cyberdriveillinois.com>

Section I, Identification, General Information, and Certification
Organizational Relationships

The organizational chart for Michigan Avenue Center, Ltd. is attached at Attachment – 4.

**Michigan Avenue Center for Health
Organization Chart**





Section I, Identification, General Information, and Certification
Flood Plain Requirements

The proposed project is for the establishment of an ambulatory surgical treatment center ("ASTC") with three specialties: Interventional radiology, obstetrics/gynecology and pain management. There will be no construction or modernization associated with the proposed project. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Historic Resources Preservation Act Requirements

The proposed project is for the establishment of an ASTC with three specialties: Interventional radiology obstetrics/gynecology and pain management. There will be no construction or modernization associated with the proposed project. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Project Costs and Sources of Funds

Table 1120.110			
Project Cost	Clinical	Non-Clinical	Total
Consulting and Other Fees	\$150,000		\$150,000
Moveable or Other Equipment	\$185,746		\$185,746
Fair Market Value of Leased Space	\$476,000		\$476,000
Total Project Costs	\$811,746		\$811,746

Section I, Identification, General Information, and Certification
Project Status and Completion Schedules

No prior permit has been issued to Michigan Avenue Center, Ltd. Accordingly, this criterion is not applicable.

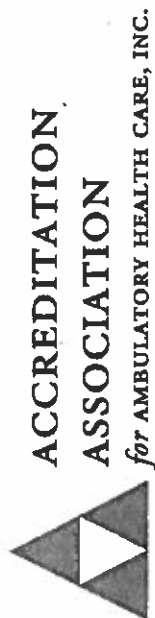
Section I, Identification, General Information, and Certification
Cost Space Requirements

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ASTC	\$573,746	2,438				2,438	
Total Clinical	\$573,746	2,438				2,438	
NON CLINICAL							
Administration	\$238,000	2,438				2,438	
Total Non-clinical	\$238,000	2,438				2,438	
TOTAL	\$811,746	4,876				4,876	

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.110 (a), Project Purpose, Background and Alternatives

Background of Applicant

1. Michigan Avenue Center for Health, Ltd. ("Applicant") is the sole owner and operator of Michigan Avenue Center for Health. A copy of its current accreditation is attached at Attachment – 11A.
2. No corporate officer, director or owner of Applicant owns any other health care facilities in Illinois.
3. A letter from Nikita Backman, President of Applicant, certifying that no adverse action has been taken against any facility owned and/or operated by Applicant during the three years prior to filing this application is attached at Attachment – 11B.
4. An authorization permitting the Illinois Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted, including, but not limited to: Official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11B.
5. Applicant has not previously submitted an application for permit during this calendar year. Accordingly, this criterion is not applicable.



grants this

CERTIFICATE OF ACCREDITATION

to

AMBULATORY HEALTH AND HOSPITAL SYSTEMS, LTD.

MICHIGAN AVENUE CENTER FOR HEALTH, LTD

2415 S MICHIGAN AVE
CHICAGO, IL 60616

*In recognition of its commitment to high quality of care and substantial compliance
with the Accreditation Association for Ambulatory Health Care standards for ambulatory health care organizations.*

68268

Organization Identification Number

KENNETH M. SADLER, DDS, MPA

Chair of the Board



JULY 7, 2020

The Award of Accreditation expires on the above date

MEENA DESAI, MD

Past Chair of the Board

ASSOCIATION MEMBERS

ASCA Foundation • American Academy of Cosmetic Surgery • American Academy of Dental Group Practice • American Academy of Dermatology
American Academy of Facial Plastic and Reconstructive Surgery • American Association of Oral and Maxillofacial Surgeons • American College of Gastroenterology
American College Health Association • American College of Mohs Surgery • American Congress of Obstetricians & Gynecologists • American Dental Association
American Gastroenterological Association • American Society of Anesthesiologists • American Society for Dermatologic Surgery Association
American Society for Gastrointestinal Endoscopy • Association of Perioperative Registered Nurses • Society for Ambulatory Anesthesia

 5250 OLD ORCHARD ROAD, SUITE 200 • SKOKIE, IL 60077
PHONE: 847/853.6060 • E-MAIL: INFO@AAHC.ORG • WEB SITE: WWW.AAHC.ORG

April 29, 2020

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chair Savage:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 Ill. Admin. Code § 1130.140 has been taken against any health care facility owned or operated by Michigan Avenue Center for Health, Ltd. in the State of Illinois during the three year period prior to filing this application.

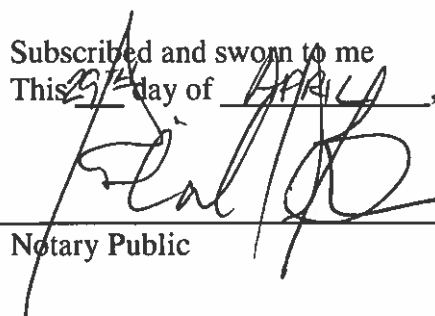
Additionally, pursuant to 77 Ill. Admin. Code § 1110.110(a)(2)(J), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

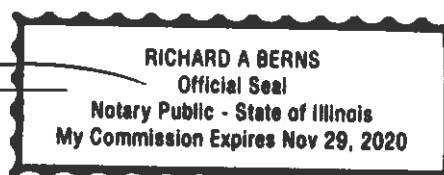
Sincerely,



Nikita Backman
President
Michigan Avenue Center for Health, Ltd.

Subscribed and sworn to me
This 29th day of APRIL, 2020


Notary Public



Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.110(b), Project Purpose, Background and Alternatives

Purpose of the Project

1. Michigan Avenue Center for Health, Ltd. ("Applicant") requests HFSRB approval to establish a multi-specialty ambulatory surgical treatment center ("ASTC"). The proposed ASTC will be located within an existing medical office building at 2415 South Michigan Avenue, Chicago, Illinois 60616. The proposed ASTC will consist of 2,438 gross square feet of clinical space and 2,438 gross square feet of non-clinical space, for a total of 4,876 gross square feet of rentable space and will house one operating room and four recovery stations. The primary purpose of this project is to improve access to interventional radiology, obstetrics/gynecology, and pain management services to residents within Applicant's geographic service area ("GSA"), particularly low-income and medically underserved communities.

As shown in Table 1110.110(b) below, the Applicant identified 41 existing or approved health care facilities located within 10 miles of the proposed ASTC, including 28 hospitals and 13 ASTCs. As discussed more fully in Criterion 1110.230(c), hospital outpatient departments ("HOPDs") are generally more costly to both the patient and payor than ASTCs. Accordingly, a HOPD is not the most financially feasible alternative for patients or payors. Furthermore, ASTCs improve access to safety net services and provide a high quality lower cost option to HOPDs. As noted in the March 2020 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are 98% higher in HOPDs than ASTCs.¹

Table 1110.110(b)			
Facilities within 10 Miles of Michigan Avenue Center for Health			
Facility Name	Address	City	Straight-Line Distance (Miles)
Mercy Hospital & Medical Center	2525 South Michigan Ave	Chicago	0.12
South Loop Endoscopy & Wellness Center	2340 S Wabash Ave	Chicago	0.12
University of Illinois Hospital at Chicago	1740 W Taylor Ste 1400	Chicago	2.80
Rush University Medical Center	1653 W Congress Pkwy	Chicago	2.92
Surgicare of Chicago	17 W Grand Ave	Chicago	2.96
Rush Surgicenter at the Professional Bldg.	1725 W Harrison St	Chicago	2.97
River North Same Day Surgery Center	1 E Erie St	Chicago	3.13
John H. Stroger, Jr. Hospital of Cook County	1901 W Harrison Street	Chicago	3.13
Northwestern Memorial Hospital	251 East Huron Street	Chicago	3.18
Provident Hospital of Cook County	500 East 51st Street	Chicago	3.25
Gold Coast Surgicenter, LLC	845 N Michigan Ave	Chicago	3.42
The Surgery Center at 900 North Michigan Ave	60 E Delaware	Chicago	3.49
Mt. Sinai Hospital Medical Center	1500 S Fairfield Ave	Chicago	3.77
St Anthony Hospital	2875 W 19th St	Chicago	3.92
Hyde Park Same Day Surgicenter	1644 E 53rd St	Chicago	3.94
The University of Chicago Medical Center	5841 S Maryland Ave	Chicago	4.27

¹ Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 147 (Mar. 13, 2020) available at http://www.medpac.gov/docs/default-source/reports/mar20_medpac_ch5_sec.pdf?sfvrsn=0 (last visited April 27, 2020).

Table 1110.110(b) Facilities within 10 Miles of Michigan Avenue Center for Health			
Facility Name	Address	City	Straight-Line Distance (Miles)
Presence Saint Mary of Nazareth Hospital	2233 W Division Street	Chicago	4.83
St. Bernard Hospital	326 W 64th Street	Chicago	4.90
Presence Saint Elizabeth Hospital	1431 N. Claremont Ave	Chicago	5.18
Norwegian-American Hospital	1044 N Francisco Avenue	Chicago	5.29
Presence Saint Joseph Hospital - Chicago	2900 N Lake Shore Dr	Chicago	5.98
Advocate Illinois Masonic Medical Center	836 W Wellington Ave	Chicago	6.20
Holy Cross Hospital	2701 W 68th St	Chicago	6.45
Western Diversey Surgical Center	2744 N Western Ave	Chicago	6.62
Jackson Park Hospital	7531 S Stony Island Ave	Chicago	6.63
Fullerton Kimball Medical & Surgical Center	3412 W Fullerton Avenue	Chicago	6.97
Chicago Endoscopy Center	3536 W Fullerton Ave	Chicago	7.08
South Shore Hospital	8012 S Crandon Avenue	Chicago	7.41
Thorek Memorial Hospital	850 West Irving Park Rd	Chicago	7.44
Loretto Hospital	645 S Central Avenue	Chicago	7.45
Louis A Weiss Memorial Hospital	4646 N Marine Drive	Chicago	8.22
Fullerton Surgery Center	4849 West Fullerton Ave	Chicago	8.29
West Suburban Medical Center	3 Erie Court	Oak Park	8.40
MacNeal Hospital	3249 S Oak Park Ave	Berwyn	8.80
Magna Surgical Center	7456 S State Rd	Bedford Park	8.88
Methodist Hospital of Chicago	5025 N Paulina Street	Chicago	8.94
Advocate Trinity Hospital	2320 E 93rd St	Chicago	8.95
OSF Little Company of Mary Medical Center	2800 W 95th St	Evergreen Park	9.50
Rush Oak Park Hospital	520 S Maple Ave	Oak Park	9.52
Swedish Covenant Hospital	5145 N California Avenue	Chicago	9.53
Six Corners Same Day Surgery	4211 N Cicero Ave	Chicago	9.86

Applicant seeks to improve access to much needed health care services to population groups that face various barriers to health care. As described in greater detail below, the GSA of the proposed ASTC primarily encompasses the south and southwest areas of Chicago. Based upon the most recent data available from the U.S. Census Bureau, approximately 25.3% of households in the zip code where the facility is located and 19.6% of the households within Applicant's GSA live at or below the federal poverty level.²

² U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months available at <https://data.census.gov/cedsci/table?q=poverty&tid=ACST1Y2018.S1701&t=Poverty> (last visited May 6, 2020).

Lack of health care access and education, and poverty creates health inequities, which are differences in population health status and health conditions arising from social and economic inequality. Despite expanded health insurance coverage through the Affordable Care Act, thousands of Chicagoans, particularly those living on the South and Southwest sides that would be served by the proposed ASTC, lack insurance. Many uninsured and underinsured ignore early warning signs of disease or juggle issues around their resources and income and must make decisions when to access health care services based on their resources. Due to health and economic inequities faced by members of this community, the Health Resources & Services Administration ("HRSA") designated this area as both a primary care Health Professional Shortage Area and a Medically Underserved Population and Area. See Attachment – 12A. A medically underserved area is a defined geographic area with a shortage of primary care services. A medically underserved population is a specific sub-group of people, e.g., homeless, low-income, or Medicaid-eligible, living in a defined area with a shortage of primary health care services and may face economic, cultural or linguistic barriers to health care. The Applicant seeks to improve access to much needed health care services to medically underserved residents in its community.

According to the HFSRB website, ASTC 2018 Facility Profiles, less than 40% of the ASTCs in Applicant's GSA offer services to Medicaid beneficiaries. Of the five ASTCs serve Medicaid patients, four of the five ASTCs served a combined total of 16 Medicaid patients in 2018. The Applicant projects that it will serve 135 Medicaid patients in year one of its operations. Of the ASTCs in Applicant's GSA that provide some Medicaid care, only three ASTCs provide obstetrics/gynecology services, four provide pain management services and none provide interventional radiology services. Accordingly, the proposed ASTC is needed to improve access to affordable health care services to residents of its GSA.

Furthermore, approximately 75% of the population where the facility is located are minority populations. The Applicant has a proven track record of serving economically disadvantaged communities with significant minority populations. Based on the Applicant's historical practices in its medical office, approximately 30% of its payor mix is dedicated to Medicaid beneficiaries, 20% to self-pay patients and 5% to indigent care. The remainder of the payor mix is dedicated to Medicare and private payors. For patients with a demonstrated hardship who do not qualify for Medicaid, the Applicant provides highly discounted rates. The Applicant anticipates providing 5% of its net patient revenue (or approximately \$50,000) in the first year of its operations to charity care and up to 55% of its patient base will qualify for hardship discounts. These figures greatly exceed the average cost of charity care in HSA 6, approximately 0.13% in 2018.

Moreover, many of Applicant's patients work jobs where they cannot take off during the week for surgical procedures. To accommodate its patients' work schedules, the Applicant will allow patients to schedule surgical procedures on Saturdays and Sundays, as needed. The extended hours allow patients more flexibility in scheduling their procedures and will minimize time off from work, thereby making health care more accessible to low-income individuals.

The establishment of this ASTC will improve access to interventional radiology, obstetrics/gynecology and pain management services to residents of Applicant's GSA and will provide a high quality, low cost option to low-income residents living on the South and Southwest Sides of Chicago.

2. Applicant serves patients in the South and Southwest Sides of Chicago within a 10-mile radius of the proposed ASTC. A map of the market area of Applicant is attached at Attachment – 12B. The distance from the proposed ASTC to the GSA borders are as follows:

- East: Approximately 1 mile to Lake Michigan
- Northeast: Approximately 1.5 miles to Lake Michigan
- North: Approximately 10 miles to Edgewater
- Northwest: Approximately 10 miles to Elmwood Park
- West: Approximately 10 miles to North Riverside
- Southwest: Approximately 10 miles to Bedford Park
- South: Approximately 10 miles to Roseland

- Southeast: Approximately 1.5 miles to Lake Michigan

3. Currently, there are 28 acute care hospitals and 13 ASTCs within the Applicant's GSA. Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.³ This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2020 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are 98% higher in HOPDs than ASTCs.⁴

As noted above, there are 13 licensed ambulatory surgical treatment centers within the Applicant's GSA; however, no surgery center provides interventional radiology services, which the Applicant proposes to offer in addition to obstetrics/gynecology and pain management services. Additionally, Applicant serves an economically disadvantaged community with a significant minority population. Based upon the most recent data available from the U.S. Census Bureau, approximately 25% of households in the zip code where the facility is located and 19.6% of the households within Applicant's GSA live at or below the federal poverty level. Lack of health care access and education, and poverty creates health inequities, which are differences in population health status and health conditions arising from social and economic inequality. Despite expanded health insurance coverage through the Affordable Care Act, thousands of Chicagoans, particularly those living on the South and Southwest sides that would be served by the proposed ASTC, lack insurance. Many uninsured and underinsured ignore early warning signs of disease or juggle issues around their resources and income and must make decisions when to access health care services based on their resources. Due to health and economic inequities faced by members of this community, HRSA designated this area as both a primary care Health Professional Shortage Area and a Medically Underserved Population and Area. That being said, less than 40% of the ASTCs in the Applicant's GSA serve Medicaid beneficiaries. Of the five ASTCs serve Medicaid patients, four of the five ASTCs served a combined total of 16 Medicaid patients in 2018. The Applicant projects that it will serve 135 Medicaid patients in year one of its operations. Of the ASTCs in Applicant's GSA that provide some Medicaid care, only three ASTCs provide obstetrics/gynecology services, four provide pain management services and none provide interventional radiology services. Accordingly, the proposed ASTC is needed to improve access to affordable health care services to residents of its GSA..

4. Sources:

- Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 147 (Mar. 13, 2020) *available at* http://www.medpac.gov/docs/default-source/reports/mar20_medpac_ch5_sec.pdf?sfvrsn=0 (last visited May 11, 2020).
- Elisabeth Rosenthal, *As Hospital Prices Soar, a Stitch Tops \$500*, N.Y. TIMES, Dec. 2, 2013.
- U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months *available at* <https://data.census.gov/cedsci/table?q=poverty&tid=ACSST1Y2018.S1701&t=Poverty> (last visited May 6, 2020).

5. The goal of this project is to provide a high quality, lower cost option to HOPDs for interventional radiology, obstetrics/gynecology and pain management services to residents living on the South and Southwest Sides of Chicago.

³ Elisabeth Rosenthal, *As Hospital Prices Soar, a Stitch Tops \$500*, N.Y. TIMES, Dec. 2, 2013

⁴ Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 147 (Mar. 13, 2020) *available at* http://www.medpac.gov/docs/default-source/reports/mar20_medpac_ch5_sec.pdf?sfvrsn=0 (last visited April 27, 2020)



Find Shortage Areas by Address

Enter an address to determine whether it is located in a shortage area: HPSA Geographic, HPSA Geographic High Needs, or Population Group HPSA or an MUA/P.

Note: This search will not identify facility HPSAs. To find these HPSAs, use the [HPSA Find \(/tools/shortage-area/hpsa-find\)](/tools/shortage-area/hpsa-find) tool.

[Start Over](#)[Print](#)

HPSA Data as of 05/26/2020

MUA Data as of 05/26/2020

Address

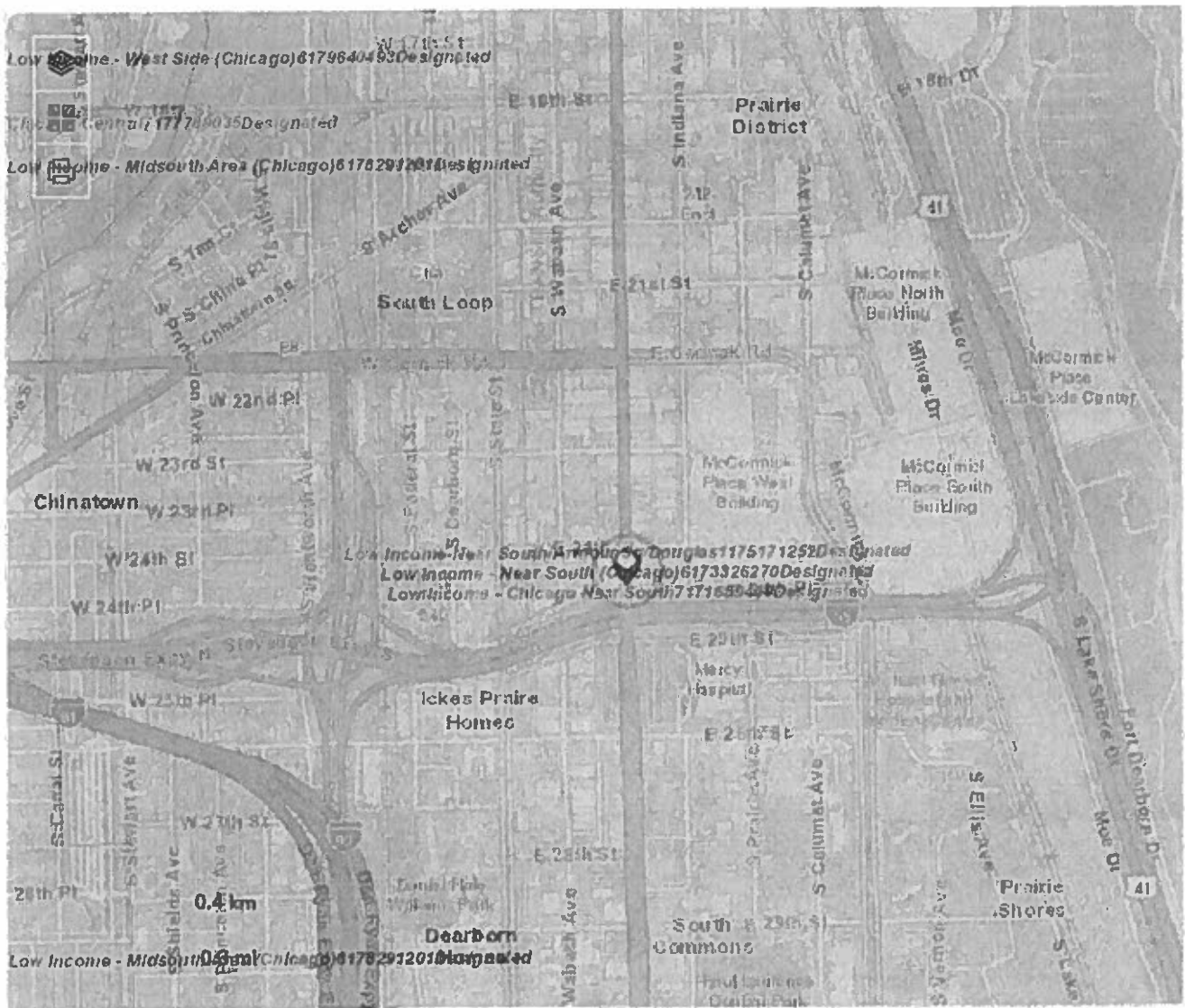
2415 south michigan avenue, chicago, IL

Standardized address

2415 S Michigan Ave, Chicago, Illinois, 60616

+

—



Note: The address you entered is geocoded and then compared against the HPSA and MUA/P data in data.HRSA.gov. Due to geoprocessing limitations, the designation cannot be guaranteed to be 100% accurate and does not constitute an official determination.

[+] More about this address

In a Dental Health HPSA: ✓ Yes

HPSA Name: LI- Near South (Chicago)

ID: 6173326270

Designation Type: HPSA Population

Status: Designated

Score: 17

Designation Date: 08/25/2000

Last Update Date: 12/31/2018

In a Mental Health HPSA: ✓ Yes**HPSA Name:** Low income - Chicago Near South**ID:** 7171659449**Designation Type:** HPSA Population**Status:** Designated**Score:** 12**Designation Date:** 05/17/2012**Last Update Date:** 10/28/2017**In a Primary Care HPSA: ✓ Yes****HPSA Name:** LI-Near South/Armour Sq/Douglas**ID:** 1175171252**Designation Type:** HPSA Population**Status:** Designated**Score:** 10**Designation Date:** 03/30/2007**Last Update Date:** 10/16/2017**In a MUA/P: ✓ Yes****Service Area Name:** Communities Asian-American Population**ID:** 00801**Designation Type:** Medically Underserved Population – Governor's Exception**Designation Date:** 03/31/1988**Last Update Date:** 03/31/1988**Service Area Name:** Cook Service Area**ID:** 00828**Designation Type:** Medically Underserved Area**Designation Date:** 08/13/1992**Last Update Date:** 02/03/1994**About HRSA**

HRSA programs provide health care to people who are geographically isolated, economically or medically vulnerable. This includes people living with HIV/AIDS, pregnant women, mothers and their families, and those otherwise unable to access high quality health care. HRSA also supports access to health care in

rural areas, the training of health professionals, the distribution of providers to areas where they are needed most, and improvements in health care delivery. Learn more about HRSA »
(<https://www.hrsa.gov>)

About Us (<https://data.hrsa.gov/about>)

About the Data (<https://data.hrsa.gov/data/about>)

A to Z Index (<https://data.hrsa.gov/a-to-z>)

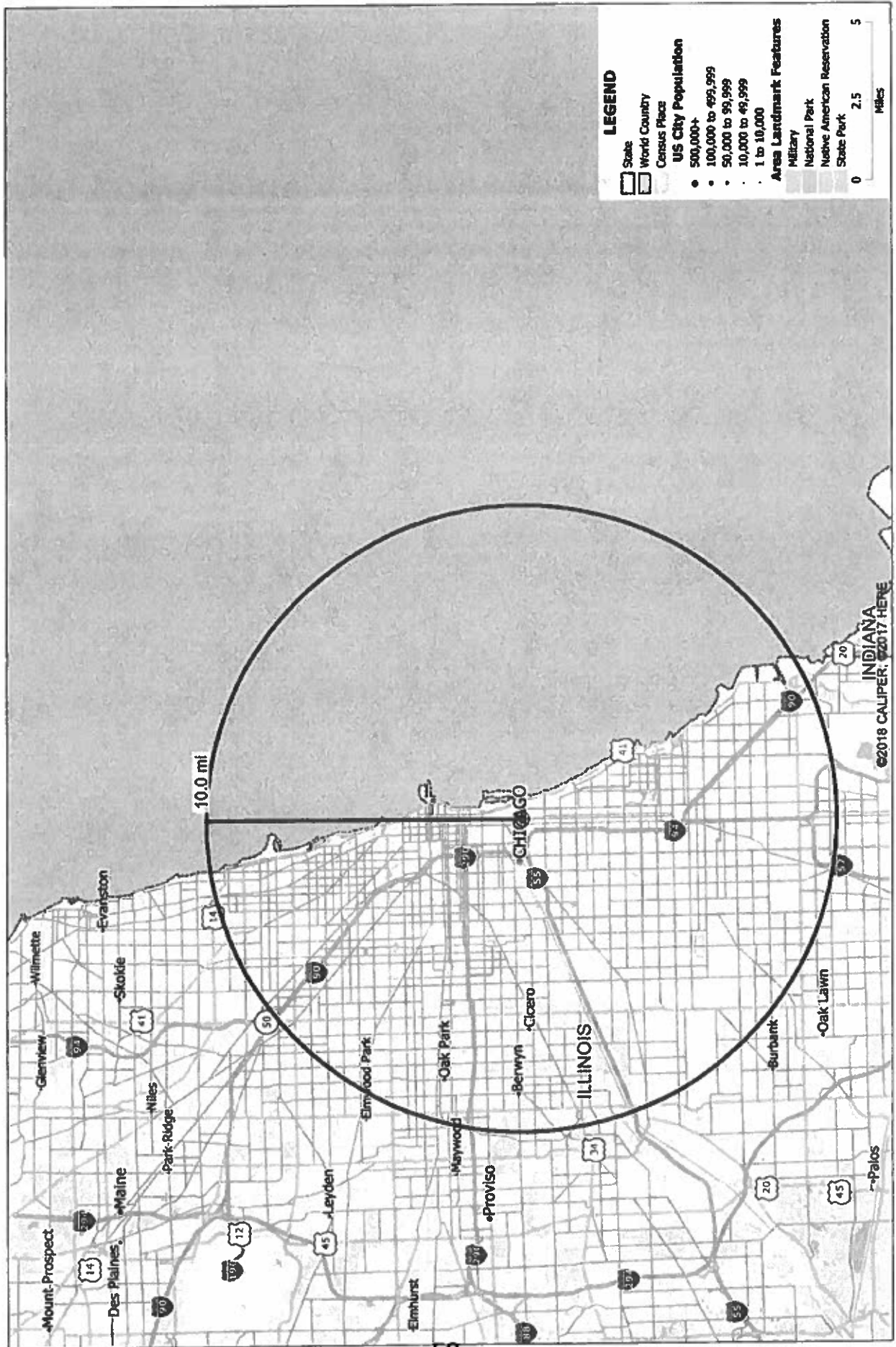
Site Map (<https://data.hrsa.gov/site-map>)

What's New (<https://data.hrsa.gov/whats-new>)

HRSA (<https://data.hrsa.gov/>)
Data Warehouse



(<https://www.hhs.gov>)



Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.110(d), Project Purpose, Background and Alternatives

Alternatives

The proposed project will allow the Applicant to provide surgical and other services to low-income, medically underserved patients within its GSA. To determine this need, Applicant explored several options prior to deciding to establish an ASTC with the following specialties: interventional radiology, obstetrics/gynecology and pain management. The options considered are as follows:

Do nothing;

Utilize existing facilities; and

Establish an ASTC.

After exploring these options, which are discussed in more detail below, Applicant decided to establish an ASTC. A review of each of the options considered and the reasons they were rejected follows.

Do Nothing

The first alternative considered was to maintain the status quo. This option was dismissed as it does not address the main purpose of the project: To provide a high quality, low cost option to HOPDs to low-income, medically underserved communities within Applicant's GSA. As discussed in greater detail in Section 1110.110(b), ASTCs within 10 miles of Michigan Avenue Center for Health collectively served 16 Medicaid beneficiaries in 2018.⁵ The Applicant has a proven track record of serving economically disadvantaged communities with significant minority populations. Based on the Applicant's historical practices in its medical office, approximately 30% of its payor mix is dedicated to Medicaid beneficiaries, 20% to self-pay patients and 5% to indigent care. The Applicant will participate in Illinois Medicaid program and offer reduced cost services for eligible patients. Additionally, the proposed ASTC will offer interventional radiology services, which is not being provided by any ASTC in Applicant's GSA.

While there are 28 acute care hospitals located within Applicant's GSA, utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals. This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2020 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are 98% higher in HOPDs than ASTCs.

Further, and as previously mentioned, the majority of ASTCs within Applicant's GSA do not provide Medicaid care, which is vital for many of the patients served by Applicant. Applicant serves an economically disadvantaged community with a significant minority population. According to the 2018 U.S. Census Bureau estimate, 25.3% of residents of Applicant's GSA live at or below the Federal Poverty Level.⁶ Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising

⁵ Health Facilities and Services Review Board, Ambulatory Surgical Treatment Center Profile-2018 available at <https://www2.illinois.gov/sites/hfsrb/InventoriesData/FacilityProfiles/Documents/2018%20ASTC%20Facility%20Profiles%202-7-2020.pdf> (last visited May 5, 2020).

⁶ U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months available at <https://data.census.gov/cedsci/table?q=poverty&tid=ACSS1Y2018.S1701&t=Poverty> (last visited May 6, 2020).

from social and economic inequalities. Despite expanded health insurance coverage through the Affordable Care Act, thousands of Chicagoans, particularly those living on the South and Southwest sides that would be served by the proposed ASTC, lack insurance. Many uninsured and underinsured ignore early warning signs of disease or juggle issues around their resources and income and must make decisions when to access health care services based on their resources. Due to health and economic inequities faced by members of this community, HRSA has designated this area as both a primary care Health Professional Shortage Area and a Medically Underserved Population and Area. A medically underserved area is a defined geographic area with a shortage of primary care services. A medically underserved population is a specific sub-group of people, e.g., homeless, low-income, or Medicaid-eligible, living in a defined area with a shortage of primary health care services and may face economic, cultural or linguistic barriers to health care. The Applicant seeks to improve access to much needed health care services to medically underserved residents in its community. Accordingly, there are neither viable nor adequate options within Applicant's GSA for its most vulnerable patients.

While this alternative would result in no cost to Applicant (compared to the equipment and other cost of establishing an ASTC), due to the fact no area ASTC provides interventional radiology and the majority of ASTCs in the GSA do not offer Medicaid care, this alternative was rejected.

There is no cost to this option.

Utilize Other Health Care Facilities

Another alternative Applicant considered was utilizing existing health care facilities to provide interventional radiology, obstetrics/gynecology and pain management services. As previously stated, no ASTC currently provides interventional radiology in Applicant's GSA. Additionally, only three of the five ASTCs that accept Medicaid provide obstetrics/gynecology services and four of these ASTCs provide pain management services. However, the majority of ASTCs in the area do not provide any Medicaid care.

While Applicant acknowledges there are hospitals within the GSA where these procedures could be performed, utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.⁷ This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2020 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are 98% higher in HOPDs than ASTCs.⁸

Further, Applicant serves an economically disadvantaged community with a significant minority population. According to the 2018 U.S. Census Bureau estimate, 25% of residents of Applicant's GSA live at or below the FPL. Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Despite expanded health insurance coverage through the Affordable Care Act, thousands of Chicagoans, particularly those living on the South and Southwest sides that would be served by the proposed ASTC, lack insurance. Many uninsured and underinsured ignore early warning signs of disease or juggle issues around their resources and income and must make decisions when to access health care services based on their resources. Due to health and economic inequities faced by members of this community, HRSA has designated this area as both a primary care Health Professional Shortage Area and a Medically Underserved Population and Area. A medically underserved area is a defined geographic area with a shortage of primary care services. A

⁷ Elisabeth Rosenthal, *As Hospital Prices Soar, a Stitch Tops \$500*, N.Y. TIMES, Dec. 2, 2013

⁸ Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 147 (Mar. 13, 2020) available at http://www.medpac.gov/docs/default-source/reports/mar20_medpac_ch5_sec.pdf?sfvrsn=0 (last visited May 5, 2020)

medically underserved population is a specific sub-group of people, e.g., homeless, low-income, or Medicaid-eligible, living in a defined area with a shortage of primary health care services and may face economic, cultural or linguistic barriers to health care. The Applicant seeks to improve access to much needed health care services to medically underserved residents in its community. Accordingly, there are no adequate options within Applicant's GSA for its most vulnerable patients.

The establishment of an ASTC will allow Applicant to offer interventional radiology, pain management, obstetric/gynecology services to patients in the south and southwest areas of Chicago.

There is no cost to this option.

Establish an ASTC

As more fully discussed above, the Applicant decided to establish an ASTC and offer interventional radiology, obstetrics, gynecology and pain management services. The majority of the anticipated capital costs are attributed to the acquisition of new equipment. After weighing this low cost option against others, it was determined that this alternative would provide the greatest benefit in terms of increased access to health care services.

The cost of this option is \$808,346.

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.120 – Size of the Project

Applicant proposes to establish an ASTC with three categories of services, including interventional radiology, obstetrics/gynecology and pain management. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 2,200 gross square feet per operating room and 180 gross square feet per recovery station for a total of 2,920 gross square feet for one operating room and 4 recovery stations. The total gross square footage of the clinical space of Applicant is 2,438 of gross square feet. Accordingly, Applicant meets the State standard per operating room.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ASTC	2,438	2,920	N/A	Below State Standard

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.120 - Project Services Utilization

By the end of the second year of operation, the annual utilization of the clinical service areas shall meet or exceed the State Board's standard of 1,500 hours per operating/procedure room. As documented in the physician referrals letters attached at Appendix - 1, the Applicant anticipates 741 procedures will be performed at the ASTC within the first year after project completion. Based upon the current experience of the referring physicians, the estimated procedure time is provided below.

Surgical Specialty	Projected Referrals	Estimated Surgical Time	Estimated Total Surgical Hours After First Year Project Completion
Interventional Radiology	105	3.00 hours	315.00 hours
Obstetrics & Gynecology	631	1.75 hours	1,104.25 hours
Pain Management	5	1.25 hours	6.25 hours
Total	741		1,425.5 hours

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.120(d) Unfinished or Shell Space

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.120(e) Assurances

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(2)(B), Service to GSA Residents

- a. The primary purpose of the project is to provide interventional radiology, obstetrics/gynecology and pain management services to low-income residents of Applicant's GSA at lower costs than HOPDs.
- b. Attached at Attachment - 24A is a map outlining the intended GSA for Applicant. As set forth in Criterion 1110.110(b), the ASTC will serve patients residing in and around the south and southwest sides of Chicago. Accordingly, the intended primary GSA consists of those areas within a 10-mile radius from Applicant.
- c. Pursuant to Section 1100.510(d) of the HFSRB's rules, the normal travel radius should be based upon the location of the applicant facility. The Applicant is located in Chicago, and therefore the intended GSA is the radius of 10 miles from the proposed ASTC. A list of all zip codes located, in whole or in part, within a 10-mile radius of Applicant's facility as well as the 2018 U.S. Census population estimates for each zip code is provided in Table 1110.235(c)(2)(B)(i).

Table 1110.235(c)(2)(B)(i) Population within Geographic Service Area		
Zip Code	City	Population
60130	Bartlett	14,041
60301	Oak Park	2,536
60302	Oak Park	32,048
60304	Oak Park	17,641
60402	Berwyn	63,554
60456	Hometown	4,308
60459	Burbank	28,908
60601	Chicago	14,675
60602	Chicago	1,244
60603	Chicago	1,174
60604	Chicago	782
60605	Chicago	27,519
60606	Chicago	3,101
60607	Chicago	29,591
60608	Chicago	79,205
60609	Chicago	61,495
60610	Chicago	39,019
60611	Chicago	32,426
60612	Chicago	34,311
60613	Chicago	50,113
60614	Chicago	71,308
60615	Chicago	41,563
60616	Chicago	54,464
60617	Chicago	82,534

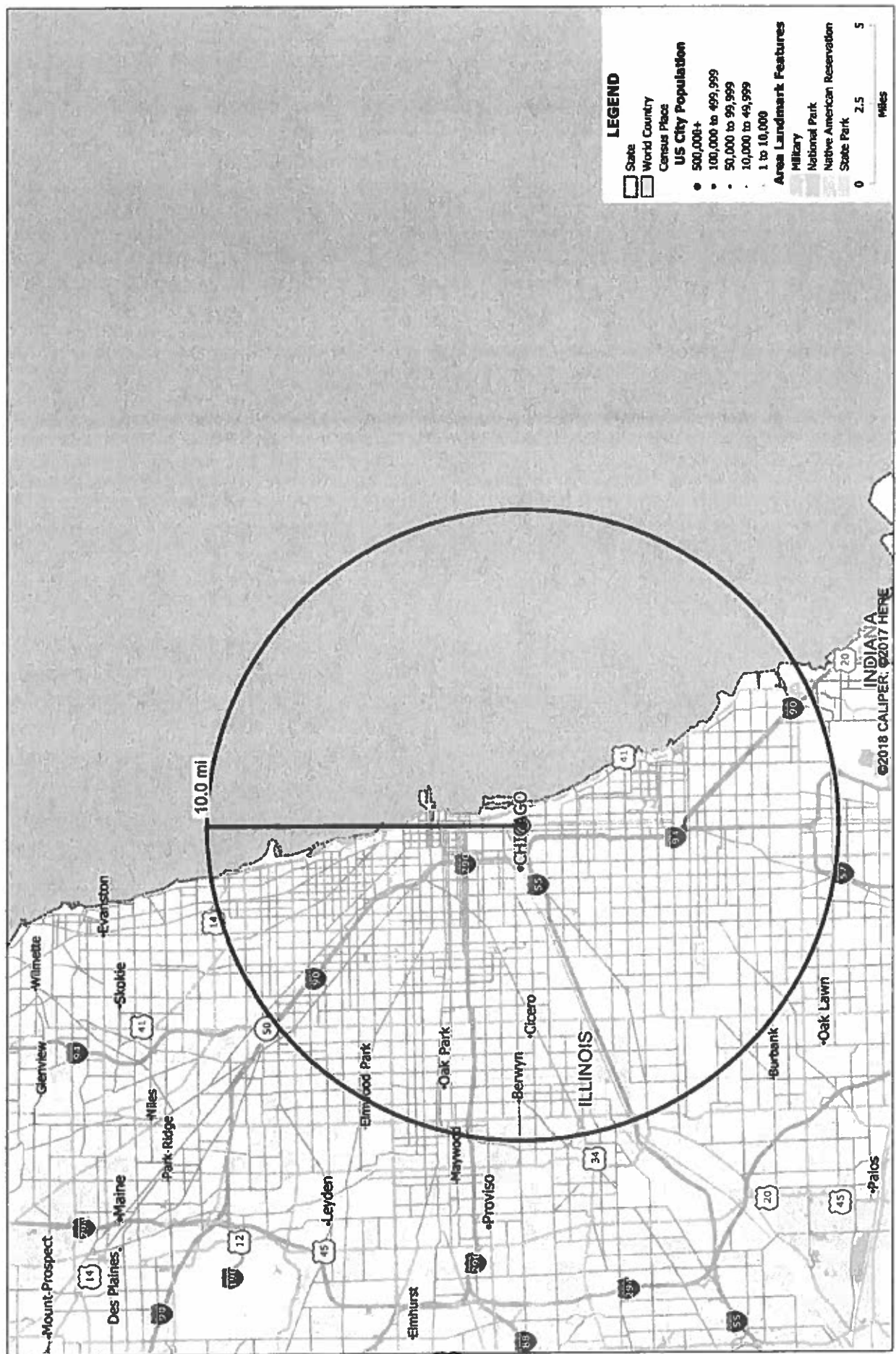


Table 1110.235(c)(2)(B)(i) Population within Geographic Service Area		
Zip Code	City	Population
60618	Chicago	94,395
60619	Chicago	61,258
60620	Chicago	68,096
60621	Chicago	29,042
60622	Chicago	52,793
60623	Chicago	85,979
60624	Chicago	36,158
60625	Chicago	79,243
60629	Chicago	111,850
60632	Chicago	91,039
60636	Chicago	32,203
60637	Chicago	47,454
60638	Chicago	58,797
60639	Chicago	90,517
60640	Chicago	69,715
60641	Chicago	71,023
60642	Chicago	20,201
60643	Chicago	49,870
60644	Chicago	47,712
60647	Chicago	87,509
60649	Chicago	46,024
60651	Chicago	63,218
60652	Chicago	43,907
60653	Chicago	31,972
60654	Chicago	19,135
60657	Chicago	70,052
60661	Chicago	9,926
60804	Cicero	83,147
Total		2,439,795

United States Census Bureau, 2018: ACS 5-Year Estimates Data Profiles available at <https://data.census.gov/cedsci/table?t=ACSDP1Y2018.DP05> (last visited Apr. 24, 2020).

- d. Pursuant to Section 1100.510(d) of the HFSRB's rules, the intended GSA shall be a 10-mile radius from the proposed ASTC. As set forth throughout this application, Applicant serves the south and southwest areas of Chicago within a 10-mile radius of the proposed ASTC. The distance from the proposed ASTC to the GSA borders are as follows:
- East: Approximately 1 mile to Lake Michigan
 - Northeast: Approximately 1.5 miles to Lake Michigan

- North: Approximately 10 miles to Edgewater
- Northwest: Approximately 10 miles to Elmwood Park
- West: Approximately 10 miles to North Riverside
- Southwest: Approximately 10 miles to Bedford Park
- South: Approximately 10 miles to Roseland
- Southeast: Approximately 1.5 miles to Lake Michigan

- e. Patient origin information by zip code based on the referring physicians' admissions for the last 12-month period is proved in Table 1110.235(c)(2)(B)(ii) below.

Table 1110.235(c)(2)(B)(ii) Patient Origin by Zip Code	
Zip Code	Patient(s)
46033	1
46205	1
46208	1
46240	1
46304	1
46307	3
46312	3
46322	1
46323	1
46350	1
46360	1
46368	1
46392	1
46404	2
46408	1
46410	2
46723	1
46835	1
47374	1
49127	1
47882	1
47977	1
60002	4
60004	12
60005	23
60007	35
60008	20
60010	17
60012	1
60013	8
60014	2
60018	2
60022	3
60025	7
60026	1
60030	7
60031	1
60042	2
60045	1
60047	3
60050	3

Table 1110.235(c)(2)(B)(ii) Patient Origin by Zip Code	
Zip Code	Patient(s)
60051	3
60056	2
60061	4
60067	4
60073	1
60074	2
60076	2
60083	5
60084	1
60085	5
60087	1
60089	1
60090	2
60097	1
60098	1
60099	1
60101	14
60102	1
60103	2
60104	4
60106	2
60107	10
60108	4
60110	7
60115	2
60118	2
60119	1
60120	7
60123	11
60124	2
60126	2
60130	1
60131	2
60133	6
60135	1
60139	1
60142	2
60143	1
60148	12
60152	1
60153	4
60154	3
60155	3
60156	2
60157	1
60160	13
60162	7
60164	3
60165	1
60169	2
60171	2

Table 1110.235(c)(2)(B)(II)	
Patient Origin by Zip Code	
Zip Code	Patient(s)
60172	5
60173	1
60174	6
60175	8
60177	6
60178	2
60181	5
60185	2
60188	3
60191	5
60193	4
60195	1
60201	1
60202	2
60203	3
60302	6
60402	5
60403	5
60404	3
60406	3
60408	2
60409	8
60410	2
60411	5
60415	2
60416	1
60417	2
60418	2
60419	3
60422	1
60423	2
60425	1
60426	4
60428	6
60429	1
60430	3
60431	8
60432	14
60433	12
60435	7
60436	15
60438	10
60439	7
60440	12
60441	7
60442	3
60443	6
60445	3
60446	13
60447	4
60448	1

Table 1110.235(c)(2)(B)(ii) Patient Origin by Zip Code	
Zip Code	Patient(s)
60450	1
60451	4
60452	9
60453	4
60457	4
60458	9
60459	5
60460	1
60461	1
60462	5
60463	10
60464	4
60465	4
60466	6
60467	5
60471	2
60473	4
60475	1
60477	9
60478	2
60480	3
60481	1
60482	5
60484	3
60487	7
60490	4
60491	6
60501	2
60502	4
60503	6
60505	7
60506	10
60510	1
60513	8
60514	3
60515	14
60516	11
60517	2
60525	12
60526	2
60527	8
60530	1
60532	1
60534	3
60538	6
60540	1
60543	1
60549	1
60559	4
60560	3
60561	2

Table 1110.235(c)(2)(B)(II) Patient Origin by Zip Code	
Zip Code	Patient(s)
60563	1
60564	8
60565	11
60585	2
60586	13
60604	1
60607	1
60608	7
60609	3
60611	1
60614	3
60615	15
60616	7
60617	6
60618	2
60619	7
60620	5
60621	3
60622	1
60623	11
60624	10
60625	7
60628	7
60629	11
60630	4
60632	5
60634	5
60636	2
60637	6
60638	13
60639	5
60640	1
60641	4
60643	3
60644	2
60645	1
60649	7
60651	2
60652	11
60653	5
60654	1
60656	2
60680	1
60707	1
60803	2
60804	5
60805	4
60806	1
60827	3
60901	2
60914	6

Table 1110.235(c)(2)(B)(II) Patient Origin by Zip Code	
Zip Code	Patient(s)
60954	1
61008	1
61102	1
61103	1
61104	5
61107	2
61108	5
61109	1
61111	1
61115	2
61201	4
61244	2
61265	1
61330	1
61342	2
61348	2
61350	1
61520	2
61531	1
61542	2
61543	4
61544	5
60545	1
60546	1
60561	6
61603	2
61604	1
62959	1

Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(3) – Service Demand-Additional ASTC Service

Physician referral letters providing the name and number of patients referred to health care facilities within the past 12 months and the projected number of referrals to the proposed ASTC are attached at Appendix - 1. A summary of the physician referral letters is provided in Table 1110.235(c)(3) below.

Table 1110.235(c)(3)		
Hospital/ASTC	Cases Performed in the Last 12 Months	Anticipated Referrals to Applicant
Michigan Avenue Center for Health	396	223
Access Health Center	723	451
Advantage Health Care	285	67
Total	1,404	741

Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(5) Treatment Room Need Assessment

- a. Pursuant to Section 1100.640(c) of the State Board's rules, ambulatory surgical treatment centers should operate 1,500 hours per room per year (including setup and cleanup time). Applicant currently has one operating room with a capacity for 1,500 hours per year. Applicant projects 741 cases will be referred to the proposed ASTC, for a total of 1,425.50 surgical hours.
- b. Applicant estimates the average length of time will be 1.0 surgical hour and .75 hour for prep and cleanup time for a total of 1.75 hours per obstetrics/gynecology procedure; .9 surgical hour and .35 hour for prep and cleanup time for a total of 1.25 hours per pain management procedure; and 2 surgical hours and 1 hour of prep and cleanup time for a total of 3 hours per interventional radiology procedure.

V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(6), Service Accessibility

The primary purpose of this project is to establish an ASTC which will offer residents on the South and Southwest Sides of Chicago with improved access to interventional radiology, obstetrics/gynecology and pain management services at a lower cost than HOPDs.

Currently, there are 28 acute care hospitals and 13 ambulatory surgical treatment centers within Applicant's GSA (10-mile radius). Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.⁹ This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2020 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are 98% higher in HOPDs than ASTCs.¹⁰

The Applicant seeks to improve access to much needed health care services to population groups that face various barriers to health care. As described in greater detail below, the GSA of the proposed ASTC primarily encompasses the South and Southwest Sides of Chicago. Based upon the most recent data available from the U.S. Census Bureau, approximately 25% of households in the zip code where the facility is located and 20% of the households within the GSA live at or below the Federal Poverty Limit. Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Despite expanded health insurance coverage through the Affordable Care Act, thousands of Chicagoans, particularly those living on the South and Southwest sides that would be served by the proposed ASTC, lack insurance. Many uninsured and underinsured ignore early warning signs of disease or juggle issues around their resources and income and must make decisions when to access health care services based on their resources. Due to health and economic inequities faced by members of this community, HRSA has designated this area as both a primary care Health Professional Shortage Area and a Medically Underserved Population and Area. A medically underserved area is a defined geographic area with a shortage of primary care services. A medically underserved population is a specific sub-group of people, e.g., homeless, low-income, or Medicaid-eligible, living in a defined area with a shortage of primary health care services and may face economic, cultural or linguistic barriers to health care. The Applicant seeks to improve access to much needed health care services to medically underserved residents in its community.

Of note, less than 40% of the ASTCs in Applicant's GSA serve Medicaid beneficiaries. Of the five ASTCs that serve Medicaid patients, four of the five ASTCs served a combined total of 16 Medicaid patients in 2018. The Applicant projects that it will serve 135 Medicaid patients in year one of its operations. Of the ASTCs in Applicant's GSA that provide some Medicaid care, only three ASTCs provide obstetrics/gynecology services, four provide pain management services and none provide interventional radiology services. Accordingly, the proposed ASTC is needed to improve access to affordable health care services to residents of its GSA.

Additionally, approximately 75% of the population where the facility is located are minority populations. The Applicant has a proven track record of serving economically disadvantaged communities with significant minority populations. Based on the Applicant's historical practices in its medical office, approximately 30% of its payor mix is dedicated to Medicaid beneficiaries, 20% to self-pay patients and 5% to indigent care. The remainder of the payor mix is dedicated to Medicare and private payors. For

⁹ Elisabeth Rosenthal, *As Hospital Prices Soar, a Stitch Tops \$500*, N.Y. TIMES, Dec. 2, 2013

¹⁰ Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 147 (Mar. 13, 2020) available at http://www.medpac.gov/docs/default-source/reports/mar20_medpac_ch5_sec.pdf?sfvrsn=0 (last visited May 5, 2020)

patients with a demonstrated hardship who do not qualify for Medicaid, the Applicant provides highly discounted rates. The Applicant anticipates providing 5% of its net patient revenue (or approximately \$50,000) in the first year of its operations to charity care and up to 55% of its patient base will qualify for hardship discounts. These figures greatly exceed the average cost of charity care in HSA 6, approximately 0.13% in 2018.

Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(7), Unnecessary Duplication/Maldistribution

1. Unnecessary Duplication of Services

The proposed project will not result in unnecessary duplication. As mentioned, no ASTC currently offers interventional radiology services. Additionally, the Applicant seeks to provide services primarily to low-income, underserved communities, such as Medicaid beneficiaries. Based on 2018 Ambulatory Surgical Treatment Center Facility Profile Data, available on the HFSRB website, only five of 13 ASTCs within the Applicant's GSA provided some Medicaid care. Additionally, four of these five ASTCs that accept Medicaid patients collectively served 16 Medicaid patients in 2018.¹¹ Of note, 25% of Applicant's GSA is at or below the federal poverty level. The Applicant anticipates that it will dedicate 30% of its payor mix to Medicaid patients, meaning the Applicant estimates that it will provide services to approximately 135 Medicaid beneficiaries in year one of its operations. Therefore, there is a need to provide medical services to low-income patients which is not currently met.

The new ASTC will be located at 2415 South Michigan Avenue, Chicago, IL 60616. A map of the proposed facility's market area is attached at Attachment – 24E. A list of all zip codes located, in or in part within 10 miles of the proposed ASTC as well as the 2018 population estimates for each zip code is provided in Table 1110.235(c)(7)(A).

Table 1110.235(c)(7)(A)		
Population within Geographic Service Area		
Zip Code	City	Population
60130	Bartlett	14,041
60301	Oak Park	2,536
60302	Oak Park	32,048
60304	Oak Park	17,641
60402	Berwyn	63,554
60456	Hometown	4,308
60459	Burbank	28,908
60601	Chicago	14,675
60602	Chicago	1,244
60603	Chicago	1,174
60604	Chicago	782
60605	Chicago	27,519
60606	Chicago	3,101
60607	Chicago	29,591
60608	Chicago	79,205
60609	Chicago	61,495
60610	Chicago	39,019
60611	Chicago	32,426

¹¹ Health Facilities and Services Review Board, Ambulatory Surgical Treatment Center Profile-2018 available at

<https://www2.illinois.gov/sites/hfsrb/InventoriesData/FacilityProfiles/Documents/2018%20ASTC%20Facility%20Profiles%202-7-2020.pdf> (last visited May 5, 2020).

Table 1110.235(c)(7)(A) Population within Geographic Service Area		
Zip Code	City	Population
60612	Chicago	34,311
60613	Chicago	50,113
60614	Chicago	71,308
60615	Chicago	41,563
60616	Chicago	54,464
60617	Chicago	82,534
60618	Chicago	94,395
60619	Chicago	61,258
60620	Chicago	68,096
60621	Chicago	29,042
60622	Chicago	52,793
60623	Chicago	85,979
60624	Chicago	36,158
60625	Chicago	79,243
60629	Chicago	111,850
60632	Chicago	91,039
60636	Chicago	32,203
60637	Chicago	47,454
60638	Chicago	58,797
60639	Chicago	90,517
60640	Chicago	69,715
60641	Chicago	71,023
60642	Chicago	20,201
60643	Chicago	49,870
60644	Chicago	47,712
60647	Chicago	87,509
60649	Chicago	46,024
60651	Chicago	63,218
60652	Chicago	43,907
60653	Chicago	31,972
60654	Chicago	19,135
60657	Chicago	70,052
60661	Chicago	9,926
60804	Cicero	83,147
Total		2,439,795

A list of all existing and approved surgery centers located within Applicant's GSA are identified in the table below.

Table 1110.235(c)(7) Facilities within 10 Miles of Michigan Avenue Center for Health			
Facility Name	Address	City	Straight-Line Distance (Miles)
Mercy Hospital & Medical Center	2525 South Michigan Ave	Chicago	0.12
South Loop Endoscopy & Wellness Center	2340 S Wabash Ave	Chicago	0.12
University of Illinois Hospital at Chicago	1740 W Taylor Ste 1400	Chicago	2.80
Rush University Medical Center	1653 W Congress Pkwy	Chicago	2.92
Surgicare of Chicago	17 W Grand Ave	Chicago	2.96
Rush Surgicenter at the Professional Bldg.	1725 W Harrison St	Chicago	2.97
River North Same Day Surgery Center	1 E Erie St	Chicago	3.13
John H. Stroger, Jr. Hospital of Cook County	1901 W Harrison Street	Chicago	3.13
Northwestern Memorial Hospital	251 East Huron Street	Chicago	3.18
Provident Hospital of Cook County	500 East 51st Street	Chicago	3.25
Gold Coast Surgicenter, LLC	845 N Michigan Ave	Chicago	3.42
The Surgery Center at 900 North Michigan Ave	60 E Delaware	Chicago	3.49
Mt. Sinai Hospital Medical Center	1500 S Fairfield Ave	Chicago	3.77
St Anthony Hospital	2875 W 19th St	Chicago	3.92
Hyde Park Same Day Surgicenter	1644 E 53rd St	Chicago	3.94
The University of Chicago Medical Center	5841 S Maryland Ave	Chicago	4.27
Presence Saint Mary of Nazareth Hospital	2233 W Division Street	Chicago	4.83
St. Bernard Hospital	326 W 64th Street	Chicago	4.90
Presence Saint Elizabeth Hospital	1431 N. Claremont Ave	Chicago	5.18
Norwegian-American Hospital	1044 N Francisco Avenue	Chicago	5.29
Presence Saint Joseph Hospital - Chicago	2900 N Lake Shore Dr	Chicago	5.98
Advocate Illinois Masonic Medical Center	836 W Wellington Ave	Chicago	6.20
Holy Cross Hospital	2701 W 68th St	Chicago	6.45
Western Diversey Surgical Center	2744 N Western Ave	Chicago	6.62
Jackson Park Hospital	7531 S Stony Island Ave	Chicago	6.63
Fullerton Kimball Medical & Surgical Center	3412 W Fullerton Avenue	Chicago	6.97
Chicago Endoscopy Center	3536 W Fullerton Ave	Chicago	7.08
South Shore Hospital	8012 S Crandon Avenue	Chicago	7.41
Thorek Memorial Hospital	850 West Irving Park Rd	Chicago	7.44
Loretto Hospital	645 S Central Avenue	Chicago	7.45
Louis A Weiss Memorial Hospital	4646 N Marine Drive	Chicago	8.22
Fullerton Surgery Center	4849 West Fullerton Ave	Chicago	8.29
West Suburban Medical Center	3 Erie Court	Oak Park	8.40
MacNeal Hospital	3249 S Oak Park Ave	Berwyn	8.80
Magna Surgical Center	7456 S State Rd	Bedford	8.88

Table 1110.235(c)(7) Facilities within 10 Miles of Michigan Avenue Center for Health			
Facility Name	Address	City	Straight-Line Distance (Miles)
		Park	
Methodist Hospital of Chicago	5025 N Paulina Street	Chicago	8.94
Advocate Trinity Hospital	2320 E 93rd St	Chicago	8.95
OSF Little Company of Mary Medical Center	2800 W 95th St	Evergreen Park	9.50
Rush Oak Park Hospital	520 S Maple Ave	Oak Park	9.52
Swedish Covenant Hospital	5145 N California Avenue	Chicago	9.53
Six Corners Same Day Surgery	4211 N Cicero Ave	Chicago	9.86

2. Maldistribution of Services

Applicant's establishment of an ASTC will not result in maldistribution of services. A maldistribution exists when an identified area has an excess supply of surgical/treatment rooms characterized by such factors as, but not limited to: (1) ratio of surgical/treatment rooms to population exceeds one and one-half times the State Average; (2) historical utilization of existing surgical/treatment rooms is below the State Board's utilization standard; or (3) insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above utilization standards.

a. Ratio of operating rooms to population.

As shown in Table 110.235(c)(7)(B)(i), the ratio of operating/procedure rooms is 1.05% of the State Average.

TABLE 110.235(c)(7)(B)(ii) Ratio of Surgical/Treatment Rooms to Population				
	Population	Operating/ Procedure Rooms	Rooms Population	to Standard Met?
Geographic Service Area	2,439,795	553	1:4,412	Yes
State	12,741,080	2,739	1:4,652	

b. Historical Utilization of Existing Health Care Facilities

There are 41 existing or approved health care facilities located within 10 miles of Applicant. Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the [New York Times](#) noted the escalation in health care costs is largely attributed to high prices charged by hospitals.¹² This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices.

¹² Elisabeth Rosenthal, *As Hospital Prices Soar, a Stitch Tops \$500*, N.Y. TIMES, Dec. 2, 2013

Further, according to the March 2020 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are 98% higher in HOPDs than ASTCs.¹³

While there are 13 licensed ASTCs within Applicant's GSA, only five serve Medicaid beneficiaries. The Applicant serves an economically disadvantaged community with a significant minority population. According to the 2018 U.S. Census Bureau estimate, 25% of residents of Applicant's GSA live at or below the Federal Poverty Limit.¹⁴ Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Despite expanded health insurance coverage through the Affordable Care Act, thousands of Chicagoans, particularly those living on the South and Southwest sides that would be served by the proposed ASTC, lack insurance. Many uninsured and underinsured ignore early warning signs of disease or juggle issues around their resources and income and must make decisions when to access health care services based on their resources. Due to health and economic inequities faced by members of this community, HRSA has designated this area as both a primary care Health Professional Shortage Area and a Medically Underserved Population and Area. A medically underserved area is a defined geographic area with a shortage of primary care services. A medically underserved population is a specific sub-group of people, e.g., homeless, low-income, or Medicaid-eligible, living in a defined area with a shortage of primary health care services and may face economic, cultural or linguistic barriers to health care. The Applicant seeks to improve access to much needed health care services to medically underserved residents in its community. Accordingly, there are neither any viable nor sufficient options within Applicant's GSA for its most vulnerable patients.

c. Sufficient Population to Provide the Necessary Volume or Caseload

Applicant proposes to establish an ambulatory surgical treatment center with one operating room and four recovery stations. As shown in Table 1110.235(c)(7)(B)(iii), Applicant projects 535.25 surgical hours during the first year after project completion. Accordingly, there is sufficient population to provide the volume necessary to utilize the one operating room proposed by the project.

Table 1110.235(c)(7)(B)(iii) Projected Referrals and Surgical Hours			
Surgical Specialty	Projected Referrals	Estimated Surgical Time	Estimated Total Surgical Hours After First Year Project Completion
Ob/Gyn	631	1.75 hours	1,104.25 hours
Interventional Radiology	105	3.00 hours	315 hours
Pain Management	5	1.25 hour	6.25 hours
Total	741		1,425.5 hours

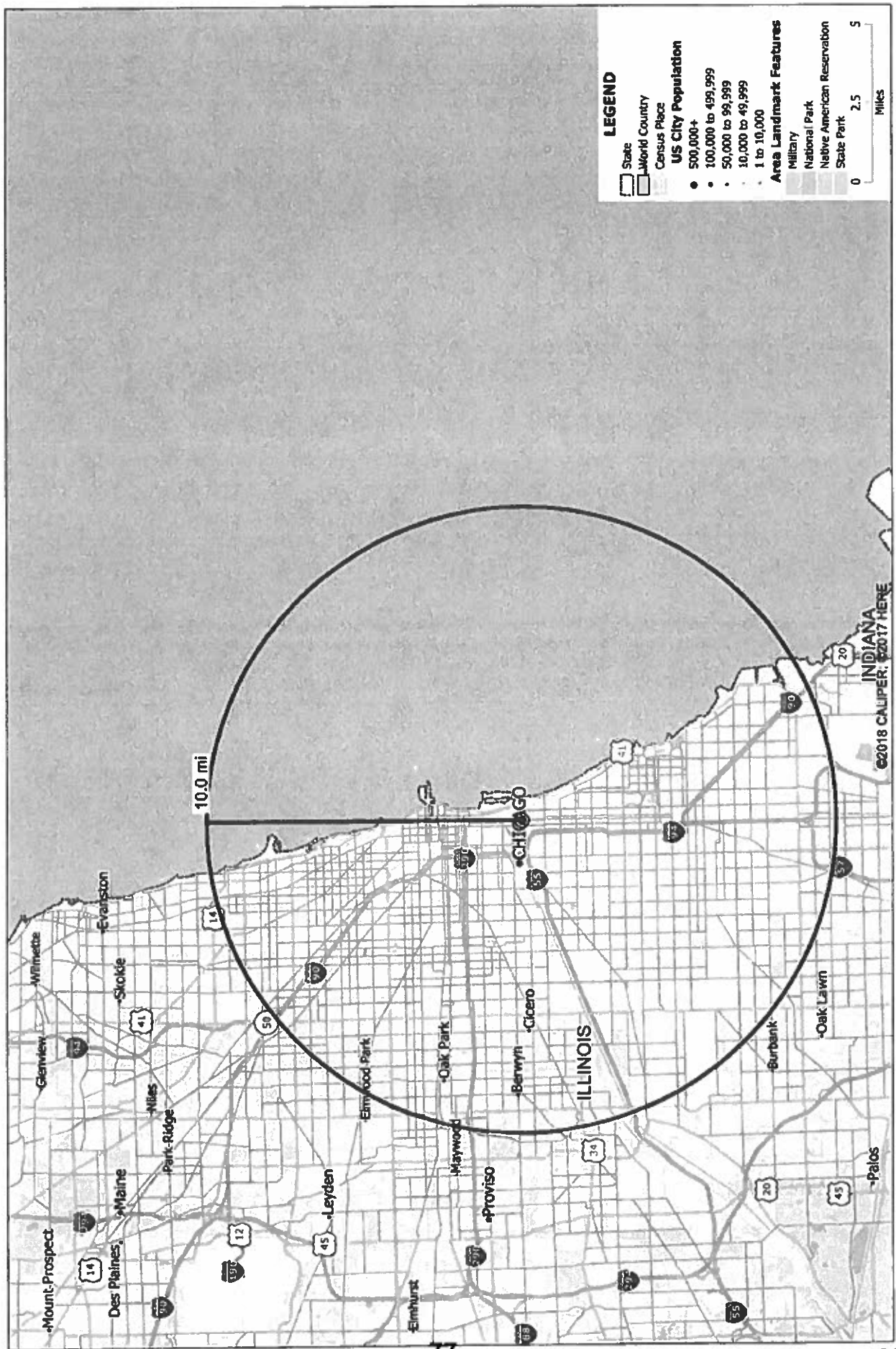
3. Impact on Other Health Care Facilities

- a. The establishment of a new ASTC will not have an adverse impact on existing health care facilities in Applicant's GSA. No existing ASTC within Applicant's GSA provides the same complement of services proposed as Applicant and serves the economically disadvantaged and medically underserved population at the same levels as Applicant.

¹³ Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 147 (Mar. 13, 2020) available at http://www.medpac.gov/docs/default-source/reports/mar20_medpac_ch5_sec.pdf?sfvrsn=0 (last visited April 27, 2020).

¹⁴ U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months available at <https://data.census.gov/cedsci/table?q=poverty&tid=ACSST1Y2018.S1701&t=Poverty> (last visited May 6, 2020).

- b. Applicant will not lower the utilization of other area providers that are operating below the occupancy standards.



Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(8), Staffing

Applicant will operate with sufficient staffing levels as required by Medicare and the Illinois Department of Public Health. The staffing plan for the first year after project completion is provided below in Table 1110.235(c)(8).

Michigan Avenue Center for Health utilizes a management company that will oversee the hiring process at the facility. Table 1110.235(c)(8) below provides a breakdown of the required staff positions based on skills needed, number of staff per patient, and position responsibilities. Job listings will be posted on recruiting websites and applications and resumes collected. Prior to the opening of the proposed ASTC, a team consisting of current management will interview, conduct background and drug screening, hire and train staff.

Table 1110.235(c)(8) Staffing Plan	
Title	FTEs
Medical Director	1.0
Director of Nursing	1.0
Registered Nurse	1.0
Radiology Technician	1.0
Ultrasound Technician	1.0
Lab Technician	1.0
Medical Assistant	2.0
Office Manager	1.0
Receptionist	1.0
Total	10.0

Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(9) Charge Commitment

- a. A list of the procedures to be performed at the Michigan Avenue Center for Health with the proposed charge is provided in Table 1110.235(c)(9).

Table 1110.235(c)(9)	
Michigan Avenue Center for Health Fee Schedule	
Procedure Code	Description
58670	Tubal Sterilization
58671	Mini Laparotomy
58120	Dilatation and Curettage
59840	Dilation and Evacuation
57513	Laser Surgery (Curvix Ablation)
56501	Laser Surgery (Vulva)
57065	Laser Surgery (Vaginal)
49320	Laparoscopy
56740	Removal of Bartholin Cyst
56605	Excision/Biopsy of Lesion
57520	Cervical Conization
57288	Transvaginal Sling
58555	Hysteroscopy Diagnostic
37238	Transcatheter placement of an intravascular stent(s) open or percutaneous
36012	Selective catheter placement, venous system
36245	Selective catheter placement, arterial system
37248	Transluminal balloon angioplasty
37225	Revascularization, endovascular, open or percutaneous, femoral, popliteal artery(s), unilateral; with atherectomy
37227	Revascularization, endovascular, open or percutaneous, femoral, popliteal artery(s), unilateral; with transluminal stent placement(s) and atherectomy
37220	Revascularization, endovascular, open or percutaneous, iliac artery, unilateral, initial vessel; with transluminal angioplasty
37231	Revascularization, endovascular, open or percutaneous, tibial, peroneal artery, unilateral, initial vessel; with transluminal stent placement(s) and atherectomy
75716	Angiography, extremity, bilateral, radiological supervision and interpretation
75831	Procedures of the Veins and Lymphatics.
36465	Injection of non-compounded foam sclerosant
36478	Endovenous ablation therapy
36247	Selective catheter placement, arterial system;

Table 1110.235(c)(9) Michigan Avenue Center for Health Fee Schedule	
Procedure Code	Description
37249	Transluminal balloon angioplasty (except dialysis circuit), open or percutaneous, including all imaging and radiological supervision and interpretation necessary to perform the angioplasty within the same vein; each additional vein (List separately in addition to code for primary procedure)
37248	Transluminal balloon angioplasty (except dialysis circuit), open or percutaneous, including all imaging and radiological supervision and interpretation necessary to perform the angioplasty within the same vein; initial vein
36906	Percutaneous transluminal mechanical thrombectomy and/or infusion
37246	Transluminal balloon angioplasty (except lower extremity artery(ies))
36215	Selective catheter placement, arterial system; each first order thoracic or brachiocephalic branch, within a vascular family
36901	Introduction of needle(s) and/or catheter(s), dialysis circuit
37246	Transluminal balloon angioplasty (except lower extremity artery(ies))
75710	Angiography, extremity, unilateral, radiological supervision and interpretation
62320	Injection, diagnostic or therapeutic agent
64483	Selective nerve block
62311	Caudal epidural
62310	Cervical epidural
20600	Arthrocentesis, major joint or bursa
64493	Lumbar or sacral, single facet joint
64415	Injection anesth. brachial plexus

- b. A letter from Nikita Backman, President of Michigan Avenue Center for Health, committing to maintain the charges listed in Table 1110.235(c)(9) is attached at Attachment – 24G.

April 29, 2020

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Charge Commitment

Dear Chair Savage:

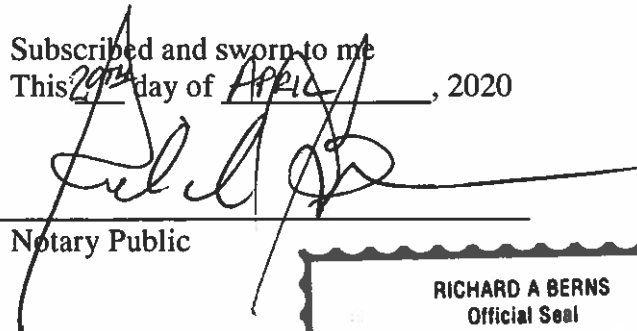
Pursuant to 77 Ill. Admin. Code § 110.235(c)(9)(B), I hereby commit that the attached charge schedule will not be increased, at a minimum, for the first two years after the establishment of Michigan Avenue Center for Health unless a permit is first obtained pursuant to 77 Ill. Admin. Code § 1130.310(a).

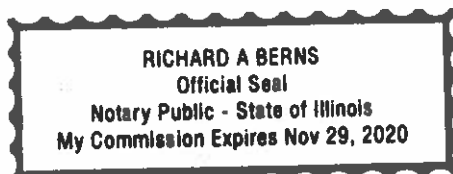
Sincerely,



Nikita Backman
President
Michigan Avenue Center for Health, Ltd.

Subscribed and sworn to me
This 29th day of April, 2020



Notary Public

Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery
Criterion 1110.235(c)(10), Assurances

Attached at Attachment – 24H is a letter from Nikita Backman, President of Michigan Avenue Center for Health, certifying that a peer review program exists or will be implemented for ASTC services.

April 29, 2020

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Chair Savage:

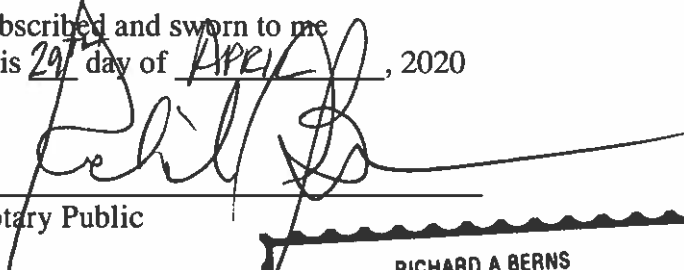
Pursuant to 77 Ill. Admin. Code § 1110.235(c)(10), I hereby certify that a peer review program exists or will be implemented that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for the ASTC services, and if outcomes do not meet or exceed those standards, that a quality improvement plan will be initiated.

I further certify that by the second year of operation after project completion, the annual utilization of operating rooms will meet or exceed the utilization standard specified in 77 Ill. Admin. Code § 1100.

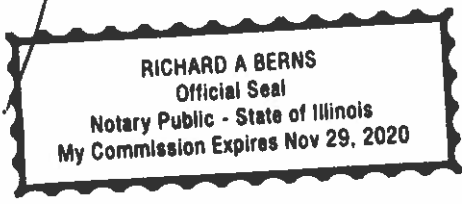
Sincerely,


Nikita Backman
President
Michigan Avenue Center for Health, Ltd.

Subscribed and sworn to me
This 29th day of April, 2020



Notary Public


RICHARD A. BERNs
Official Seal
Notary Public - State of Illinois
My Commission Expires Nov 29, 2020

Section VI, Availability of Funds
Criterion 1120.120

The projected financial statements as well as the lease between Applicant and Southwest Pacific L.P. are attached at Attachments – 33A and 33B.

ATTACHMENT FINANCIALS
INCOME STATEMENT FORECAST

# of Procedures	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	<u>448</u>	<u>457</u>	<u>466</u>	<u>475</u>	<u>485</u>	<u>495</u>	<u>505</u>
		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	\$2,144	\$2,187	\$2,231	\$2,275	\$2,321	\$2,367	\$2,414
		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Revenue:							
Patient Service Revenue	1,011,042	1,051,888	1,094,384	1,138,598	1,184,597	1,232,455	1,282,246
Indigent Care	(50,552)	(52,594)	(54,719)	(56,930)	(59,230)	(61,623)	(64,112)
Net Revenue	<u>960,490</u>	<u>999,294</u>	<u>1,039,665</u>	<u>1,081,668</u>	<u>1,125,367</u>	<u>1,170,832</u>	<u>1,218,134</u>
Expenses:							
Bank and Finance Charges	3,964	4,124	4,290	4,464	4,644	4,832	5,027
Employee Contracting	452,548	461,599	470,831	480,248	489,853	499,650	509,643
Advertising	9,500	9,500	9,690	9,884	10,081	10,283	10,489
Rent	154,906	158,004	161,164	164,387	167,675	171,028	174,449
Utilities/Telephone	25,193	25,697	26,211	26,735	27,270	27,815	28,371
Office Expense	12,745	13,064	13,325	13,591	13,863	14,140	14,423
Dues & Subscriptions	1,914	1,962	2,001	2,041	2,082	2,124	2,166
Equipment Rental	0	0	0	0	0	0	0
Licenses and fees	1,401	1,436	1,465	1,494	1,524	1,554	1,585
Drugs & Prof Supplies	59,111	60,293	61,499	62,729	63,984	65,263	66,569
Lab Fees	6,334	6,492	6,622	6,755	6,890	7,028	7,168
Insurance	1,491	1,528	1,559	1,590	1,622	1,654	1,687
Laundry & Cleaning	38,749	39,718	40,512	41,322	42,149	42,992	43,852
Repairs and Maintenance	7,210	7,390	7,538	7,689	7,843	7,999	8,159
Accounting & Legal	6,000	6,150	6,273	6,398	6,526	6,657	6,790
Misc Expense	0	0	0	0	0	0	0
Total Expenses	<u>781,066</u>	<u>796,957</u>	<u>812,980</u>	<u>829,328</u>	<u>846,005</u>	<u>863,020</u>	<u>880,379</u>
Net Income from Operations	<u>179,424</u>	<u>202,337</u>	<u>226,685</u>	<u>252,340</u>	<u>279,362</u>	<u>307,812</u>	<u>337,755</u>

Prepared by Ingold Associates, Ltd.
James F. Ingold, CPA, MBA
2300 N. Barrington Road, Ste 400
Hoffman Estates, IL 60169

ATTACHMENT FINANCIALS
BALANCE SHEET FORECAST
Year 1

ASSETS

Current Assets		
Cash & Short Term Investments	208,171	
Accounts Receivable, Net	84,254	
Prepaid Expense	8,473	
Total Net Current Assets		300,897
Property and Equipment		
Property and Equipment	0	
Accumulated Depreciation	0	
Total Net Property and Equipment		0
Other Assets		
Deposits - rent	19,266	
Total Other Assets		19,266
Total Assets		<u><u>\$320,163</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	31,939	
Wages Payable	8,800	
Other	0	
Total Current Liabilities		40,739
Long-Term Liabilities		
Notes Payable	0	
Other Accrued Liabilities	0	
Other	0	
Total Long-Term Liabilities		0
Total Liabilities		<u>40,739</u>
Capital		
Paid in Capital	100,000	
Retained Earnings	0	
Net Income	179,424	
Total Capital		279,424
Total Liabilities & Capital		<u><u>\$320,163</u></u>

Prepared by Ingold Associates, Ltd.
2300 N. Barrington Road, Ste 400
Hoffman Estates, IL 60169

ATTACHMENT FINANCIALS
BALANCE SHEET FORECAST
Year 2

ASSETS

Current Assets		
Cash	397,790	
Accounts Receivable, Net	116,876	
Prepaid Expense	8,642	
Total Net Current Assets		523,309
Property and Equipment		
Property and Equipment	0	
Accumulated Depreciation	0	
Total Net Property and Equipment		0
Other Assets		
Deposits - rent	19,266	
Total Other Assets		19,266
Total Assets		<u>\$542,575</u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	32,604	
Wages Payable	28,209	
Other	0	
Total Current Liabilities		60,813
Long-Term Liabilities		
Notes Payable	0	
Other Accrued Liabilities	0	
Other	0	
Total Long-Term Liabilities		0
Total Liabilities		<u>60,813</u>
Capital		
Paid in Capital	100,000	
Retained Earnings	179,424	
Net Income	202,337	
Total Capital		481,761
Total Liabilities & Capital		<u>\$542,575</u>

Prepared by Ingold Associates, Ltd.
2300 N. Barrington Road, Ste 400
Hoffman Estates, IL 60169

ATTACHMENT FINANCIALS

BALANCE SHEET FORECAST

Year 3

ASSETS

Current Assets		
Cash	605,605	
Accounts Receivable, Net	136,798	
Prepaid Expense	<u>8,815</u>	
Total Net Current Assets		751,218
Property and Equipment		
Property and Equipment	0	
Accumulated Depreciation	<u>0</u>	
Total Net Property and Equipment		0
Other Assets		
Deposits - rent	<u>19,266</u>	
Total Other Assets		19,266
Total Assets		<u><u>\$770,484</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	33,264	
Wages Payable	28,773	
Other	<u>0</u>	
Total Current Liabilities		62,037
Long-Term Liabilities		
Notes Payable	0	
Other Accrued Liabilities	0	
Other	<u>0</u>	
Total Long-Term Liabilities		0
Total Liabilities		<u>62,037</u>
Capital		
Paid in Capital	100,000	
Retained Earnings	381,761	
Net Income	<u>226,685</u>	
Total Capital		708,447
Total Liabilities & Capital		<u><u>\$770,484</u></u>

*Prepared by Ingold Associates, Ltd.*2300 N. Barrington Road, Ste 400
Hoffman Estates, IL 60169

ATTACHMENT FINANCIALS
BALANCE SHEET FORECAST
Year 4

ASSETS

Current Assets		
Cash	817,678	
Accounts Receivable, Net	158,139	
Prepaid Expense	<u>8,991</u>	
Total Net Current Assets		984,808
Property and Equipment		
Property and Equipment	20,000	
Accumulated Depreciation	<u>0</u>	
Total Net Property and Equipment		20,000
Other Assets		
Deposits - rent	<u>19,266</u>	
Total Other Assets		19,266
Total Assets		<u><u>\$1,024,074</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	33,938	
Wages Payable	29,348	
Other	<u>0</u>	
Total Current Liabilities		63,287
Long-Term Liabilities		
Notes Payable	0	
Other Accrued Liabilities	0	
Other	<u>0</u>	
Total Long-Term Liabilities		0
Total Liabilities		<u>63,287</u>
Capital		
Paid in Capital	100,000	
Retained Earnings	608,447	
Net Income	<u>252,340</u>	
Total Capital		960,787
Total Liabilities & Capital		<u><u>\$1,024,074</u></u>

Prepared by Ingold Associates, Ltd.
2300 N. Barrington Road, Ste 400
Hoffman Estates, IL 60169

LEASE AGREEMENT

The lease is made between **Southwest Pacific L.P.** herein called "Lessor" and **Michigan Avenue Center for Health, Ltd.** herein called the "Lessee".

Lessee hereby offers to lease space from Lessor, the premises is situated in the city of Arlington Heights, Cook County, State of Illinois, described as **2415 S Michigan Ave, Chicago IL 60616**.

1. **Terms and Rent.** Lessor shall lease the above premises for a term of eighteen years commencing on **April 1, 2020** and terminating 18 years from the date of commencement. The annual rental of **\$87,268.56** payable in equal installments of **\$7,272.38** on the first day of each month for that month's rental, during the term of the lease.
2. **Use.** Lessee shall use and occupy the premises for medical use and general office use, permitted within the zoning.
3. **Care and Maintenance of Premises.** Lessee shall, at his own expense and at all times; maintain the premises in good and safe condition, normal wear and tear expected. Lessee shall be responsible for all repairs required except the roof, exterior walls & structural foundation.
4. **Utilities.** All applications and connections for necessary utility services on the demised premises shall be made in the name of the Lessee only, and Lessee shall be solely liable for utility charges as they come due, including those for electricity and telephone services.
5. **Security Deposit.** Lessee shall deposit with Lessor the sum of **\$7,727.38** as security deposit.
6. **Changes to Lease.** Changes to the lease agreement can be made at any time by mutual agreement of both parties.
7. **Option to Renew.** Lessee at its option shall have option to renew for ten (10) three (3) year periods each commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be adjusted to reflect the change in the Consumer price Index at the beginning of each new lease term after the expiration of the initial lease term.
8. **Real Estate Taxes & CAM.** Lessee shall pay pro-rata share of Real Estate Taxes and Common Area Maintenance (CAM) expenses as additional monthly rent.
9. **Default.** A notice of 15 days shall be given for any default by either party and an additional period of 15 days shall be allowed to cure such default.
10. **Notices.** Any notice shall be sent via certified mail with return receipt requested

To Lessor: Southwest Pacific L.P.

909 W Euclid Ave

Arlington Heights IL 60006-1025

With Copy: Manager

1640 N Arlington Heights Rd, Suite 110

Arlington Heights IL 60004

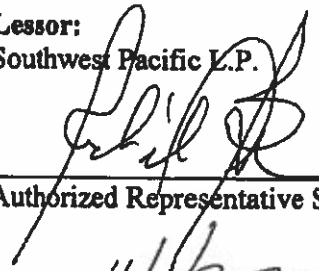
To Lessee: Michigan Avenue Center for Health, Ltd.

2415 S Michigan Avenue

Chicago, IL 60616

Lessor:

Southwest Pacific L.P.

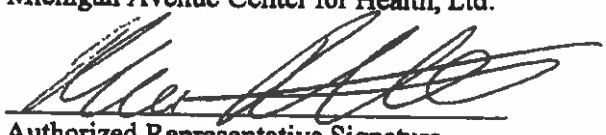

Authorized Representative Signature

Date

4/1/2020

Lessee:

Michigan Avenue Center for Health, Ltd.


Authorized Representative Signature

Date

4/1/2020

Section VII, 1120.130 Financial Viability
Financial Viability Waiver

All capital expenditures will be funded through cash and cash equivalents. Copies of Applicant's pro forma financial statements are attached at Attachment – 33A.

Section VIII, Economic Feasibility Review Criteria
Criterion 1120.140(A), Reasonableness of Financing Arrangements

Attached at Attachment - 36A is a letter from Nikita Backman, President of Applicant, attesting that the total estimated project cost will be funded entirely with cash or cash equivalents.

[Letterhead]

April 29, 2020

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Reasonableness of Financing Arrangements

Dear Chair Savage:

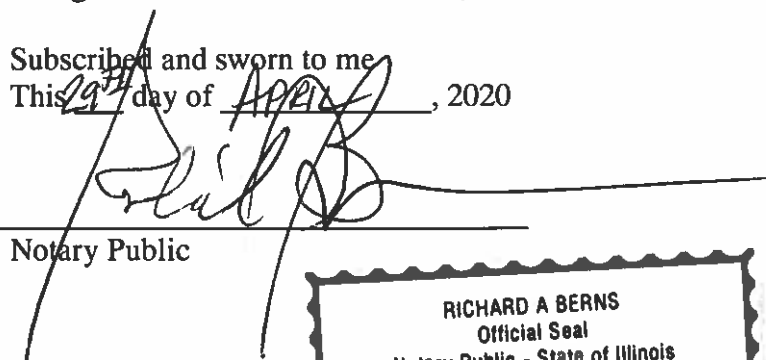
I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1120.140(a) that the total estimated project costs and related costs will be funded in total by cash and equivalents, including but not limited to investment securities.

Sincerely,

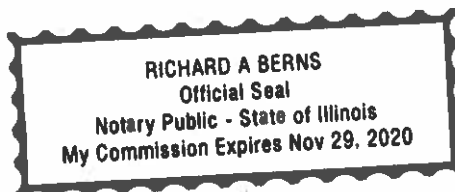


Nikita Backman
President
Michigan Avenue Center for Health, Ltd.

Subscribed and sworn to me
This 29th day of April, 2020



Notary Public



Section VIII, Economic Feasibility Review Criteria
Criterion 1120.140(B), Conditions of Debt Financing

There will be no financing associated with this project. Accordingly, this criterion is not applicable.

Section VIII, Economic Feasibility Review Criteria**Criterion 1120.140C, Reasonableness of Project and Related Costs**

1. This project will not include any construction. Accordingly, this criterion is not applicable.
2. As shown in Table 1120.310(c) below, the project costs are below the State Standard.

Table 1120.310(c)			
	Proposed Project	State Standard	Above/Below State Standard
Consulting and Other Fees	\$150,000	No State Standard	No State Standard
Equipment	\$185,746	\$504,437.05	Below State Standard
Fair Market Value of Leased Space or Equipment	\$476,000	No State Standard	No State Standard

Section VIII, Economic Feasibility Review Criteria
Criterion 1120.140D, Projected Operating Costs

Operating Expenses (year 1):	\$781,066
Procedures (year 1):	741 procedures
Operating Expense per Procedure:	\$1,054.07 per procedure

Section VIII, Economic Feasibility Review Criteria
Criterion 1120.140E, Total Effect of Project on Capital Costs

Capital Costs (year 1): \$100,000
Procedures (year 1): 741 procedures
Capital Costs per Procedure: \$134.95 per procedure

Section IX, Safety Net Impact Statement

1. The proposed ASTC will be a safety net provider of obstetrics/gynecology, interventional radiology and pain management services to the residents of the South and Southwest Sides of Chicago. As discussed throughout this application, the primary purpose for the establishment of the proposed ASTC is to increase access to certain services to low-income populations and individuals residing in Medically Underserved Areas or who are a part of a Medically Underserved Population who must overcome economic and social barriers to access needed health care services. Importantly, Applicant will accept all patients that are appropriate for outpatient ambulatory surgery regardless of payor source and will participate in the Illinois Medicaid program in order to offer its services to a greater number of individuals. Further, The Applicant has a proven track record of serving economically disadvantaged communities with significant minority populations. Based on Applicant's historical practices in its medical office, approximately 30% of its payor mix is dedicated to Medicaid beneficiaries, 20% to self-pay patients and 5% to indigent care. For patients with a demonstrated hardship who do not qualify for Medicaid, the Applicant provides highly discounted rates. The Applicant anticipates providing 5% (approximately \$50,000 in the first year of its operations) of its net patient revenue to charity care and that up to 55% of its patient base will qualify for hardship discounts. These figures greatly exceed the average cost of charity care in HSA 6, approximately 0.13% in 2018.
2. The establishment of the proposed ASTC will not impact the ability of other providers or other health care facilities to cross-subsidize safety net services. As set forth throughout this application, the purpose of this project is to improve access to essential safety net services to low-income individuals, residents in Medically Underserved Areas and Medically Underserved Populations.
3. The project will not involve the discontinuation of a facility. Thus, this information is not applicable.
4. A table showing the project charity care and Medicaid care Applicant aims to provide in its first three operational years is provided below.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year 1	Year 2	Year 3
Inpatient	N/A	N/A	N/A
Outpatient	23	23	24
Total	23	23	24
Charity (cost in dollars)			
Inpatient	N/A	N/A	N/A
Outpatient	\$50,552	\$52,594	\$54,719
Total	\$50,552	\$52,594	\$54,719
MEDICAID			
Medicaid (# of patients)	Year 1	Year 2	Year 3
Inpatient	N/A	N/A	N/A
Outpatient	135	137	140
Total			
Medicaid (revenue)			
Inpatient	N/A	N/A	N/A
Outpatient	\$288,147	\$299,788	\$311,896
Total			

Section X. Charity Care Information

The estimated amount of charity care that Applicant aims to provide during its first three years is provided in the table below.

CHARITY CARE			
	Year 1	Year 2	Year 3
Net Patient Revenue	\$980,490	\$999,294	\$1,039,665
Amount of Charity Care (charges)	\$50,552	\$52,594	\$54,719
Cost of Charity Care	\$50,552	\$52,594	\$54,719

Appendix 1, Physician Referral Letters

Attached as Appendix -1 are physician referral letters projecting 741 patients will be referred to Applicant within 12 to 24 months of project completion.

Paramjit Chopra, M.D.
1011 East Touhy Avenue, Suite 350
Des Plaines, Illinois 60018

Debra Savage
 Illinois Health Facilities and Services Review Board
 525 West Jefferson Street, 2nd Floor
 Springfield, Illinois 62761

Dear Ms. Savage:

I am an interventional radiologist. I am writing in support of the establishment of Michigan Avenue Center for Health. Interventional radiology and pain management cases will constitute the majority of my work in the future.

Over the past twelve months (from April 1, 2019 to March 31, 2020), for the zip codes listed on Exhibit 1, I performed a total 277 outpatient procedures at the following hospitals and surgery centers. With the opening of the proposed Michigan Avenue Center for Health, I expect to refer my cases as noted below. Of the total cases, 39% percent will reside within the proposed geographic service area of Michigan Avenue Center for Health.

Hospital / Licensed ASTC	Hospital and Licensed ASTC (number of cases) Most recent 12 months	Projected Referrals to Michigan Avenue Center for Health after Project Completion
MICHIGAN AVENUE CENTER FOR HEALTH		
Interventional Radiology	262	105
Pain Management	15	5
Total	277	110

Ms. Debra Savage
March 30, 2020
Page 2

These referrals have not been used to support another pending or approved certificate of need application.

The information in this letter is true and correct to the best of my knowledge.

Sincerely,

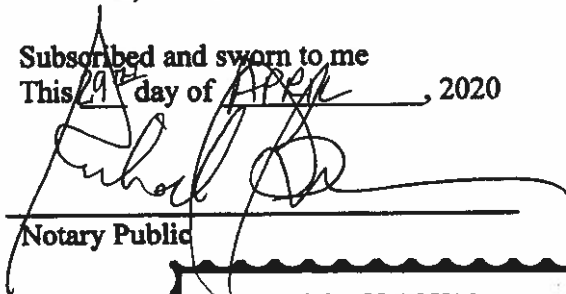
DocuSigned by:



FC208B4C08CE419

Paramjit Chopra, MD.
1011 E Touhy Ave, Suite 350
Des Plaines, IL 60018

Subscribed and sworn to me
This 29th day of April, 2020


Notary Public

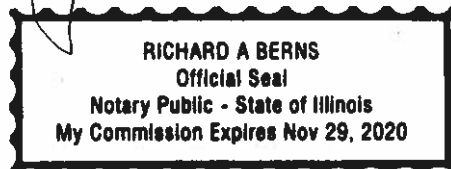


EXHIBIT 1

ZIPCODE	NUMBER OF CASES
60002	4
60004	11
60005	23
60007	32
60008	18
60010	16
60012	1
60013	6
60013	1
60022	3
60025	5
60026	1
60030	6
60042	1
60051	1
60067	4
60076	1
60083	5
60148	6
60160	9
60174	5
60175	8
60202	2

ZIPCODE	NUMBER OF CASES
60203	3
60302	5
60403	2
60404	1
60415	6
60423	2
60428	3
60431	2
60432	8
60433	6
60436	6
60438	6
60440	3
60442	1
60443	1
60447	1
60452	3
60463	9
60464	1
60465	2
60513	4
60515	7
60516	1

60527	6
60604	1
60614	1
60615	6
60624	7
60625-2227	4

TOTAL	277
-------	-----

Sue Hungerford, MD.
203 E. Irving Park Road
Wood Dale IL, 60191

Debra Savage
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Savage:

I am an OB/GYN surgeon. I am writing in support of the establishment of Michigan Avenue Center for Health, Ltd. Outpatient gynecology surgery cases will constitute the majority of my work in the future.

Over the past twelve months (from April 1, 2019 to March 31, 2020), for the zip codes listed on Exhibit 1, I performed a total of 113 outpatient surgical procedures at the following hospitals and surgery centers. With the opening of the proposed Michigan Avenue Center for Health, Ltd, I expect to refer my cases as noted below. Of the total cases, 95% percent will reside within the proposed geographic service area of Michigan Avenue Center for Health, Ltd.

Hospital / Licensed ASTC	Hospital and Licensed ASTC (number of cases) Most recent 12 months	Projected Referrals to [Name of Surgery Center] after Project Completion
MICHIGAN AVE CENTER FOR HEALTH, LTD.	113	107
Total	113	107

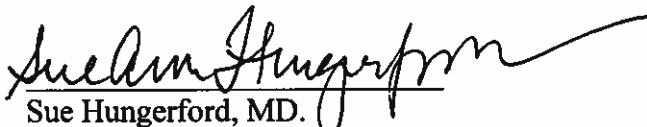
Ms. Debra Savage
March 30, 2020
Page 2

These referrals have not been used to support another pending or approved certificate of need application.

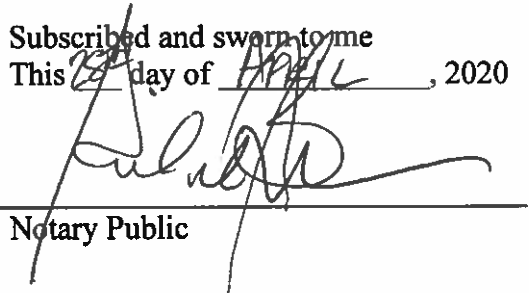
The information in this letter is true and correct to the best of my knowledge.

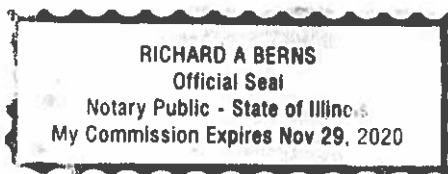
I support the establishment of Michigan Avenue Center for Health, Ltd.

Sincerely,


Sue Hungerford, MD.
203 E. Irving Park Road
Wood Dale IL, 60191

Subscribed and sworn to me
This 29 day of APRIL, 2020


Notary Public



MICHIGAN AVENUE CTR FOR HEALTH, LTD.
EXHIBIT 1
REFERRALS BY PATIENT ZIPCODE
OBSTETRICS/GYNECOLOGY
DR.HUNGERFORD

ZIPCODE	NUMBER OF CASES
60025	1
60115	1
60153	1
60406	1
60409	5
60411	2
60418	1
60419	1
60426	2
60428	1
60433	1
60438	2
60443	1
60473	2
60475	1
60478	1
60540	1
60608	4
60609	2
60614	1
60615	6
60616	5
60617	6
60618	2
60619	4
60620	3
60621	3
60623	7
60624	2
60625	1
60628	2
60629	5
60630	2
60632	3
60636	2
60637	5
60638	1

ZIPCODE	NUMBER OF CASES
60639	1
60641	1
60643	1
60645	1
60649	4
60652	1
60653	2
60654	1
60827	1
60954	1
61244	1
61531	1
46205	1
46312	1
46323	1
46368	1
46392	1
46404	1

TOTAL	113
--------------	------------

Vinod K Goyal, MD.
1640 N Arlington Heights Rd Suite 110
Arlington Heights, IL 60004

Debra Savage
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Savage:

I am an OB/GYN surgeon. I am writing in support of the establishment of Michigan Avenue Center for Health, Ltd. Outpatient gynecology surgery cases will constitute the majority of my work in the future.

Over the past twelve months (from April 1, 2019 to March 31, 2020), for the zip codes listed on Exhibit 1, I performed a total of 311 outpatient surgical procedures at the following hospitals and surgery centers. With the opening of the proposed Michigan Avenue Center for Health, Ltd, I expect to refer my cases as noted below. Of the total cases, 30% percent will reside within the proposed geographic service area Michigan Avenue Center for Health, Ltd.

Hospital / Licensed ASTC	Hospital and Licensed ASTC (number of cases) Most recent 12 months	Projected Referrals to [Name of Surgery Center] after Project Completion
MICHIGAN AVE CENTER FOR HEALTH	6	6
ACCESS HEALTH CENTER	20	20
ADVANTAGE HEALTH CARE	285	67
Total	311	93

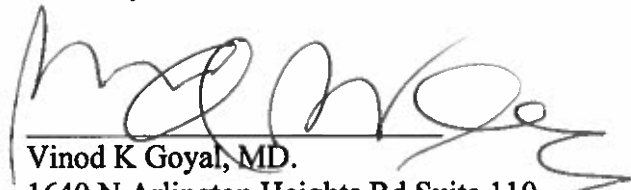
Ms. Debra Savage
March 30, 2020
Page 2

These referrals have not been used to support another pending or approved certificate of need application.

The information in this letter is true and correct to the best of my knowledge.

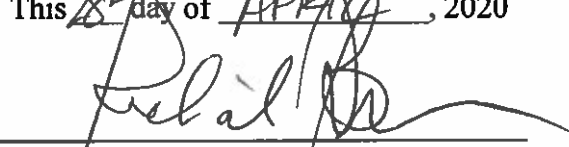
I support the establishment Michigan Avenue for Health, Ltd.

Sincerely,



Vinod K Goyal, MD.
1640 N Arlington Heights Rd Suite 110
Arlington Heights, IL 60004

Subscribed and sworn to me
This 28th day of APRIL, 2020



Notary Public

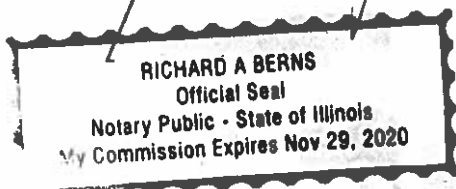


EXHIBIT 1
REFERRALS BY PATIENT ZIPCODE
OBSTETRICS/GYNECOLOGY
DR.GOYAL

ZIPCODE	NUMBER OF CASES
60004	1
60007	3
60008	2
60010	1
60013	1
60014	2
60018	2
60025	1
60030	1
60031	1
60042	1
60045	1
60047	3
60050	3
60051	2
60056	2
60061	4
60073	1
60074	2
60076	1
60084	1
60085	5
60085	5
60087	1
60089	1
60090	2
60097	1
60098	1
60099	1
60101	14
60102	1
60103	2
60104	4
60106	2
60107	10
60108	2
60110	4
60608	1

ZIPCODE	NUMBER OF CASES
60108	2
60110	3
60115	2
60118	2
60119	1
60120	7
60123	11
60124	2
60126	2
60131	2
60133	6
60135	1
60139	1
60142	2
60143	1
60148	6
60152	1
60153	3
60155	3
60156	2
60157	1
60160	4
60162	2
60164	3
60165	1
60169	2
60171	2
60172	5
60173	1
60174	1
60177	6
60178	2
60181	5
60185	2
60188	3
60193	4
60656	1
60707	1

ZIPCODE	NUMBER OF CASES
60191	5
60193	4
60195	1
60201	1
60402	2
60408	1
60411	1
60426	1
60428	1
60431	4
60432	3
60435	1
60440	3
60441	2
60443	2
60445	2
60446	3
60457	2
60458	1
60459	1
60462	2
60465	1
60467	1
60491	1
60477	1
60487	1
60505	2
60506	2
60510	1
60516	4
60517	2
60525	1
60526	1
60527	4
60532	1
60543	1
60549	1
60559	4

60622	1
60624	1
60625	1
60629	3
60630	1
60634	2
60638	1
60639	1
60641	2
60643	1
60644	1
60649	1
60651	1
60652	1

60806	1
60804	1
60805	2
60914	1
61008	1
61102	1
61103	1
61104	5
61107	2
61108	5
61109	1
61111	1
61115	2
61201	1
61350	1
61603	1

60561	2
60563	1
60564	1
60585	2
60586	3
61603	1
61604	1
60616	2
60619	1
62959	1

TOTAL	311
--------------	------------

Fermina Ventura, MD.
1700 75th St,
Downers Grove IL, 60516

Debra Savage
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Savage:

I am an OB/GYN surgeon. I am writing in support of the establishment of Michigan Ave Center for Health, Ltd. Outpatient gynecology surgery cases will constitute the majority of my work in the future.

Over the past twelve months (from April 1, 2019 to March 31, 2020), for the zip codes listed on Exhibit 1, I performed a total of 703 outpatient surgical procedures at the following hospitals and surgery centers. With the opening of the proposed Michigan Ave Center for Health, Ltd, I expect to refer my cases as noted below. Of the total cases, 60% percent will reside within the proposed geographic service area of Michigan Ave Center for Health, Ltd.

Hospital / Licensed ASTC	Hospital and Licensed ASTC (number of cases) Most recent 12 months	Projected Referrals to [Name of Surgery Center] after Project Completion
ACCESS HEALTH CTR, LTD.	703	431
Total	703	431

Ms. Debra Savage
March 30, 2020
Page 2

These referrals have not been used to support another pending or approved certificate of need application.

The information in this letter is true and correct to the best of my knowledge.

I support the establishment of Michigan Ave Center for Health, Ltd.

Sincerely,



Fermina Ventura, MD
1700 75th St.
Downers Grove, IL 60516

Subscribed and sworn to me
This 28th day of April, 2020

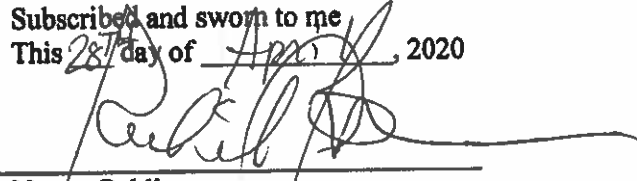
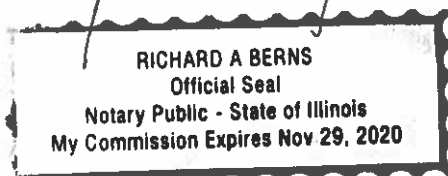

Notary Public

EXHIBIT 1
REFERRALS BY PATIENT ZIPCODE
OBSTETRICS/GYNECOLOGY
DR. VENTURA

ZIPCODE	NUMBER OF CASES
60402	3
60403	3
60404	2
60406	2
60408	1
60409	3
60410	2
60411	2
60415	2
60416	1
60417	2
60418	1
60419	2
60422	1
60425	1
60426	2
60428	2
60429	1
60430	3
60431	2
60432	3
60433	5
60435	6
60436	9
60438	2
60439	7
60440	6
60441	5
60442	2
60443	2
60445	1
60446	10
60447	3
60448	1
60450	1
60451	4
60452	6
60453	4
60457	2

ZIPCODE	NUMBER OF CASES
60458	8
60459	4
60460	1
60461	1
60462	3
60463	1
60464	3
60465	1
60466	6
60467	4
60471	2
60473	2
60477	8
60478	1
60480	3
60481	1
60482	5
60484	3
60487	6
60490	4
60491	5
60501	2
60502	4
60503	6
60504	5
60505	5
60506	8
60513	4
60514	3
60515	7
60516	6
60525	11
60526	1
60530	1
60534	3
60162	5
60302	1
60538	6
60560	3

ZIPCODE	NUMBER OF CASES
60564	7
60565	11
60585	5
60586	10
60607	1
60608	2
60609	1
60611	1
60614	1
60615	3
60619	2
60620	2
60623	4
60625	1
60628	5
60629	3
60630	1
60632	2
60634	3
60637	1
61201	3
61244	1
61265	1
61330	1
61342	2
61348	1
61520	1
60542	1
60543	4
60544	5
60545	1
60546	1
60561	6
49127	1
60130	1
60154	3
46322	1
46350	1
46360	1

60638	11
60639	3
60640	1
60641	1
60643	1
60644	1
46033	1
46208	1
46240	1
46304	1
46307	3
46312	2

60649	2
60651	1
60652	9
60653	3
60656	1
60680	1
60803	2
60804	4
60805	2
60827	2
60901	2
60914	5

46404	1
46408	1
46410	2
46723	1
46835	1
47374	1
47882	1
47977	1

TOTAL	431
-------	-----

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	24-25
2	Site Ownership	26-28
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	29-30
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	31-33
5	Flood Plain Requirements	34
6	Historic Preservation Act Requirements	35
7	Project and Sources of Funds Itemization	36
8	Financial Commitment Document if required	37
9	Cost Space Requirements	38
10	Discontinuation	
11	Background of the Applicant	39-41
12	Purpose of the Project	42-50
13	Alternatives to the Project	51-53
14	Size of the Project	54
15	Project Service Utilization	55
16	Unfinished or Shell Space	56
17	Assurances for Unfinished/Shell Space	57
	Service Specific:	
18	Medical Surgical Pediatrics, Obstetrics, ICU	
19	Comprehensive Physical Rehabilitation	
20	Acute Mental Illness	
21	Open Heart Surgery	
22	Cardiac Catheterization	
23	In-Center Hemodialysis	
24	Non-Hospital Based Ambulatory Surgery	58-83
25	Selected Organ Transplantation	
26	Kidney Transplantation	
27	Subacute Care Hospital Model	
28	Community-Based Residential Rehabilitation Center	
29	Long Term Acute Care Hospital	
30	Clinical Service Areas Other than Categories of Service	
31	Freestanding Emergency Center Medical Services	
32	Birth Center	
	Financial and Economic Feasibility:	
33	Availability of Funds	84-91
34	Financial Waiver	92
35	Financial Viability	
36	Economic Feasibility	93-98
37	Safety Net Impact Statement	99
38	Charity Care Information	100
Appendix 1	Physician Referral Letters	101-116



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

May 29, 2020

FEDERAL EXPRESS

Michael Constantino
Supervisor, Project Review Section
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

RECEIVED
Anne M. Cooper
(312) 873-5666
(312) 819-1910 fax
acooper@polsinelli.com
**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Application for Permit – Michigan Avenue Center for Health, Ltd.

Dear Mr. Constantino:

I am writing on behalf of Michigan Avenue Center for Health, Ltd. (the "Applicant") to submit the attached Application for Permit to establish an ambulatory surgical treatment center to be located at 2415 South Michigan Avenue, Chicago, Illinois 60616. For your review, I have attached an original and one copy of the following documents:

1. Check for \$2,500 for the application processing fee;
2. Completed Application for Permit;
3. Copies of Certificate of Good Standing for the Applicants;
4. Authorization to Access Information; and
5. Physician Referral Letters.

Thank you for your time and consideration of the Applicant's application for permit. If you have any questions or need any additional information to complete your review of the Michigan Avenue Center or Health application for permit, please feel free to contact me.

Sincerely,

Anne M. Cooper

Attachments

polsinelli.com

Atlanta Boston Chicago Dallas Denver Houston Kansas City Los Angeles Miami Nashville New York
Phoenix St. Louis San Francisco Seattle Silicon Valley Washington, D.C. Wilmington
Polsinelli PC, Polsinelli LLP in California

73740283.1