

September 11, 2020

Via Electronic Mail and Overnight Courier

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson, 2nd Floor
Springfield, IL 62761

Re: Sarah Bush Lincoln Health Center
Effingham Medical Office Building, Effingham, Project #20-030 (the "Project")
Response to State Board Report

Dear Ms. Avery,

We have reviewed the State Board Report (SBR) for our Effingham Medical Office Building Project and thank you for the opportunity to respond to that report.

A. Reasonableness of Project Costs

The SBR states that the new construction costs are \$1,258.68 per GSF. We have confirmed with Board staff that this amount is a misprint and that the actual cost of the clinical space is \$411.47 per GSF. We understand this cost exceeds the state standard and, as the SBR notes, the CON application explained the details for the overage and these reasons are contained on page 16 of the SBR.

B. Projected Utilization

The SBR also found that historical utilization justifies two rather than three x-ray machines. This Project would replace an existing building that currently has 2 x-ray units with a historical utilization of 8,500 procedures. This volume supports 2 units. As part of this Project, Sarah Bush Lincoln Health Center would also relocate the Walk-In Clinic service from its current

location on N. Maple St. in Effingham to the proposed new building. This Walk-In Clinic currently provides x-ray services and that x-ray unit will be relocated to the proposed new Project. There will be no increase in the number of x-ray units Sarah Bush Lincoln currently utilizes in Effingham.

As stated in the application and in the SBR, 2 x-ray units will be located on the 2nd floor of the proposed building to support the demands of the orthopedic practice. The third x-ray unit will be designated for the Walk-In Clinic on the first floor. Without this unit on the first floor, patients would be transferred to the second floor for x-ray services which would result in inefficient operations, decreased patient experience as well as significant disruption in the orthopedic clinic.

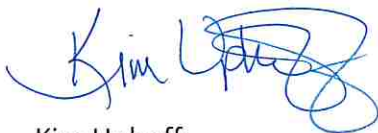
C. Clarification of Background of Applicant

We would like to clarify the Background of applicant section on Page 2 of the SBR to the following:

Sarah Bush Lincoln Health System owns Sarah Bush Lincoln Health Center, a 149-bed not-for-profit hospital in Mattoon, Illinois. Sarah Bush Lincoln Health System also manages, through its Heartland Health System affiliate, the operations of Fayette County Hospital, which is a 110-bed County Hospital in Vandalia.

Thank you again for the opportunity to provide comment to the State Board Report. We respectfully request the Illinois Health Facilities and Services Review Board approve this replacement Medical Office Building project.

Sincerely,



Kim Uphoff
Vice President of Operations

cc: Mike Constantino