

**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:	Springfield Clinic-Peoria Ambulatory Surgery Center f/k/a Peoria Day Surgery Center		
Street Address:	7309 North Knoxville Avenue		
City and Zip Code:	Peoria, IL 61614		
County:	Peoria	Health Service Area:	2 Health Planning Area: C-01/143

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

Exact Legal Name:	Springfield Clinic, LLP
Street Address:	1025 S. 6th Street
City and Zip Code:	Springfield, IL 62703
Name of Registered Agent:	Ray Williams
Registered Agent Street Address:	1025 S. 6th Street
Registered Agent City and Zip Code:	Springfield, IL 62703
Name of Chief Executive Officer:	Ray Williams
CEO Street Address:	1025 S. 6th Street
CEO City and Zip Code:	Springfield, IL 62703
CEO Telephone Number:	217/528-7541

Type of Ownership of Applicants

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

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o 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:	Joe Ourth
Title:	Attorney
Company Name:	Saul Ewing Arnstein & Lehr LLP
Address:	161 N. Clark Street, Chicago, IL 60601
Telephone Number:	312/876-7815
E-mail Address:	joe.ourth@saul.com
Fax Number:	312/876-6215

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

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

Post Permit Contact

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

Name:	Jennifer Boyer
Title:	Senior Vice Present of Operations
Company Name:	Springfield Clinic, LLP
Address:	1025 South 6th Street, Springfield, IL 62703
Telephone Number:	217/306-6194
E-mail Address:	jboyer@springfieldclinic.com
Fax Number:	217/528-7294

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Springfield Clinic, LLP
Address of Site Owner:	1025 South 6th Street, Springfield, IL 62703
Street Address or Legal Description of the Site: 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:	Springfield Clinic, LLP		
Address:	1025 South 6th Street, Springfield, IL 62703		
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Governmental <input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other	
<ul style="list-style-type: none"> Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 			
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at **www.FEMA.gov** or **www.illinoisfloodmaps.org**. **This map must be in a readable format.** In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>). **NOTE: A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM** has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.

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.

Springfield Clinic, LLP proposes an extensive modernization of the surgery center formerly known as Peoria Day Surgery Center ("PDSC").

On March 15, 2022 the Review Board approved a Certificate of Exemption for the change of ownership of PDSC. On March 25 Springfield Clinic closed on the purchase of PDSC and is renaming that center as "Springfield Clinic - Peoria ("Springfield Clinic – Peoria"). Peoria Day Surgery Center had previously been in bankruptcy and ceased operations after a prior prospective purchaser notified PDSC that it would not complete the purchase. PDSC subsequently provided notice of Temporary Suspension to the Review Board.

The surgery center is located in a medical office building that is owned in a condominium ownership arrangement. Springfield Clinic also acquired the real estate as part of a related transaction from an unrelated owner. As part of the surgery center purchase, Springfield Clinic also acquired a related separately licensed Recovery Care Center. The recovery care center was part of an Department of Public Health pilot program that has since been discontinued with no new centers being allowed, but with several existing recovery centers being "grandfathered" and continuing to be licensed by IDPH.

The surgery center facility is approximately 36 years old and is in need of extensive renovation. Work on the facility will include replacement of mechanical systems, mold remediation and structural repairs. Clinical and common areas will be extensively remodeled and upgraded. Construction work will require approximately one year to complete. During this period Springfield Clinic – Peoria will have a "provisional" license from IDPH and not see patients during this time.

The facility is licensed for four operating rooms and one procedure room. There will be no change in the number of rooms and no change in the approved specialties. Because this Project does not create a new facility or new services it is classified as "non-substantive" under Review Board Regulations.

Springfield Clinic is large physician practice group serving patients in many communities in central Illinois. Springfield Clinic presently owns and operates Springfield Clinic – Springfield Ambulatory Surgery Center, a multi-specialty surgery center in Springfield.

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	\$56,859	\$63,141	\$120,000
Site Survey and Soil Investigation	\$0	\$0	\$0
Site Preparation	\$173,026	\$26,974	\$200,000
Off Site Work	\$0	\$0	\$0
New Construction Contracts	\$0	\$0	\$0
Modernization Contracts	\$3,249,081	\$3,608,047	\$6,857,128
Contingencies	\$227,436	\$252,563	\$479,999
Architectural/Engineering Fees	\$275,018	\$305,403	\$580,422
Consulting and Other Fees	\$411,702	\$40,798	\$452,500
Movable or Other Equipment (not in construction contracts)	\$2,315,217	\$24,131	\$2,339,348
Bond Issuance Expense (project related)	\$0	\$0	\$0
Net Interest Expense During Construction (project related)	\$0	\$0	\$0
Fair Market Value of Leased Space or Equipment	\$0	\$0	\$0
Other Costs to Be Capitalized	\$299,378	\$46,671	\$346,049
Acquisition of Building or Other Property (excluding land)	\$0	\$0	\$0
TOTAL USES OF FUNDS	\$7,007,718	\$4,367,728	\$11,375,446
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$7,007,718	\$4,367,728	\$11,375,446
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$7,007,718	\$4,367,728	\$11,375,446
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:

<p>Land acquisition is related to project <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Purchase Price: \$ _____</p> <p>Fair Market Value: \$ _____</p>
<p>The project involves the establishment of a new facility or a new category of service <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>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.</p> <p>Estimated start-up costs and operating deficit cost is \$ _____.</p>

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.
<p>Indicate the stage of the project's architectural drawings:</p> <p style="text-align: center;"> <input type="checkbox"/> None or not applicable <input type="checkbox"/> Preliminary <input checked="" type="checkbox"/> Schematics <input type="checkbox"/> Final Working </p>
<p>Anticipated project completion date (refer to Part 1130.140): <u>May 31, 2023</u></p>
<p>Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):</p> <p> <input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Financial Commitment will occur after permit issuance. </p>
<p>APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>

State Agency Submittals [Section 1130.620(c)]

<p>Are the following submittals up to date as applicable?</p> <p> <input checked="" type="checkbox"/> Cancer Registry <input type="checkbox"/> APORS N/A <input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted <input checked="" type="checkbox"/> All reports regarding outstanding permits </p> <p>Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.</p>

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.**

Not Reviewable Space [i.e. non-clinical]: means an area for the benefit of the patients, visitors, staff or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers. [20 ILCS 3960/3]

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							
ASTC							
Total Clinical							
NON-REVIEWABLE							
Public Spaces							
Building Support Systems							
Structural Repairs and Moisture Mitigation							
Building Envelope & Roofing							
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

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**.

Not Applicable – ASTC Only

FACILITY NAME: Springfield Clinic - Peoria Ambulatory Surgery Center		CITY: Peoria			
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:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o 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);
- o 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);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Springfield Clinic, LP.
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.

Ray Williams
SIGNATURE
Ray Williams
PRINTED NAME
CEO
PRINTED TITLE

Chase Hammon
SIGNATURE
Chase Hammon
PRINTED NAME
CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 19 day of April, 2022

Notarization:
Subscribed and sworn to before me
this 19 day of April, 2022

Angela M. Lyons
Signature of Notary

Angela M. Lyons
Signature of Notary

Seal

*Insert the exact legal name of the applicant

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

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:

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 VI. 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).

A. Criterion 1110.200 - Medical/Surgical, Obstetric, Pediatric and Intensive Care

1. Applicants proposing to establish, expand and/or modernize the Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

<input type="checkbox"/> Medical/Surgical		
<input type="checkbox"/> Obstetric		
<input type="checkbox"/> Pediatric		
<input type="checkbox"/> Intensive Care		

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.200(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.200(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.200(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.200(b)(5) - Planning Area Need - Service Accessibility	X		
1110.200(c)(1) - Unnecessary Duplication of Services	X		
1110.200(c)(2) - Maldistribution	X	X	
1110.200(c)(3) - Impact of Project on Other Area Providers	X		
1110.200(d)(1), (2), and (3) - Deteriorated Facilities			X
1110.200(d)(4) - Occupancy			X
1110.200(e) - Staffing Availability	X	X	

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(f) - Performance Requirements	X	X	X
1110.200(g) - Assurances	X	X	
APPEND DOCUMENTATION AS <u>ATTACHMENT 19</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

G. Non-Hospital Based Ambulatory Surgery

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

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

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

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

#22-012

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

APPEND DOCUMENTATION AS ATTACHMENT 25, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

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

VII. 1120.120 - AVAILABILITY OF FUNDS

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

\$11,375,446	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
	2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated timetable of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated timetable of receipts;
_____	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
	1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
	2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
	3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
	4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
	5) For any option to lease, a copy of the option, including all

	terms and conditions.
_____	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.
<u>\$11,375,446</u>	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS <u>ATTACHMENT 34</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION VIII. 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 the project's 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 35, 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 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. 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 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)	
ASTC									
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 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. 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, **including the impact on racial and health care disparities 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 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)	Year	Year	Year
Inpatient			
Outpatient			

	Total				
APPEND DOCUMENTATION AS <u>ATTACHMENT 38</u> , 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 XI -SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM

In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is located in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

- Applicant: Springfield Clinic, LLP, 1025 S. 6th Street
 (Name) (Address)
 (City) Springfield (State) IL (ZIP Code) 62703 (Telephone Number) _____
- Project Location: 7309 North Knoxville, Peoria, IL
 (Address) (City) (State)
Peoria _____
 (County) (Township) (Section)

- You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go To NFHL Viewer** tab above the map. You can print a copy of the floodplain map by selecting the



icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.

If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes _____
No X

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN?

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.

If the determination is being made by a local official, please complete the following:

FIRM Panel Number: _____ Effective Date: _____

Name of Official: _____ Title: _____

Business/Agency: _____ Address: _____

(City) (State) (ZIP Code) (Telephone Number)

Signature: _____ Date: _____

NOTE: This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

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	
2	Site Ownership	
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	
8	Financial Commitment Document if required	
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	
12	Purpose of the Project	
13	Alternatives to the Project	
14	Size of the Project	
15	Project Service Utilization	
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
	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	
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	
34	Financial Waiver	
35	Financial Viability	
36	Economic Feasibility	
37	Safety Net Impact Statement	
38	Charity Care Information	
39	Flood Plain Information	

Section I, Type of Ownership of Applicant/Co-Applicant

Attachment 1

Springfield Clinic, LLP (“Springfield Clinic”) is an Illinois limited liability partnership. A copy of Springfield Clinic’s Certificate of Good Standing is attached.



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

SPRINGFIELD CLINIC, LLP, HAVING FILED A STATEMENT OF QUALIFICATION IN THE STATE OF ILLINOIS ON DECEMBER 01, 2009, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE UNIFORM PARTNERSHIP ACT (1997) OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY PARTNERSHIP IN THE STATE OF ILLINOIS, HAVING FULFILLED ALL REQUIREMENTS OF SAID ACT.



Authentication #: 2200500820
Authenticate at: <https://www.ileos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 5TH day of JANUARY A.D. 2022 .

Jesse White

SECRETARY OF STATE

Section I, Site Ownership

Attachment 2

Attached is the Bill of Sale showing that Springfield Clinic acquired the property effective March 25, 2022.

BILL OF SALE

THIS BILL OF SALE (this “**Bill of Sale**”) is made by and between Peoria Day Surgery Center, Ltd., an Illinois corporation (“**Seller**”), and Springfield Clinic, LLP, an Illinois limited liability partnership (“**Buyer**”), to be effective as of the Closing Date. Buyer and Seller are each referred to in this Bill of Sale as a “**Party**” and collectively as the “**Parties**.” Capitalized terms that are used but that are not defined in this Bill of Sale shall have the meanings given to them in the Purchase Agreement (defined below).

RECITALS

WHEREAS, prior to the execution and delivery of this Bill of Sale, the Parties executed and delivered that certain Asset Purchase Agreement dated January 24, 2022 (“**Purchase Agreement**”) pursuant to which Buyer agreed to purchase the Purchased Assets and Assumed Liabilities from Seller.

WHEREAS, the Parties are executing and delivering this Bill of Sale in accordance with Section 3.2(a)(i) of the Purchase Agreement in order to transfer the Tangible Personal Property included in the Purchased Assets to Buyer.

NOW, THEREFORE, in consideration of the foregoing Recitals, the representations, warranties, covenants and other agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, hereby agree as set forth in this Bill of Sale.

1. Purchase and Sale of Purchased Assets.

(a) Seller hereby sells, assigns, transfers, conveys and delivers to Buyer, and Buyer hereby purchases from Seller on the Closing Date, free and clear of any Encumbrances other than Permitted Encumbrances, the Purchased Assets, including but not limited to the Tangible Personal Property, which includes, but is not limited to the Furniture, Fixtures and Equipment more fully described on Exhibit 1 to this Bill of Sale.

(b) For the avoidance of doubt, the Excluded Assets do not comprise any portion of the Purchased Assets.

2. Assignment and Assumption Agreement. Notwithstanding the foregoing, this Bill of Sale is not applicable to Seller’s assignment, conveyance, delivery, grant, sale and transfer of the Assumed Contracts, Assumed Liabilities or Purchased IP. Such assignment, conveyance, delivery, grant, sale and transfer of the Assumed Contracts and Assumed Liabilities, and Purchased IP, shall be evidenced by a separate Assignment and Assumption Agreement, as well as an IP Assignment, each of which shall be executed and delivered by the Parties in accordance with Section 3.2(a)(ii) and Section 3.2(a)(iii) of the Purchase Agreement, respectively.

3. Representations and Warranties. The representations and warranties of Seller regarding the Purchased Assets which are set forth in Article IV of the Purchase Agreement are incorporated

herein by reference. In addition to such representations and warranties, the Seller represents and warrants the following:

(a) **Condition of Assets.** All of the Tangible Personal Property is in good condition, working order and repair (reasonable wear and tear excepted) and are usable and fit for its intended purpose. There are no defects in the Tangible Personal Property or other conditions relating thereto which, in the aggregate, materially adversely affect the operation or value of the Tangible Personal Property.

(b) **No Liens or Encumbrances.** The Seller is, and is transferring and conveying to the Buyer on the Closing Date, good and marketable title to the Purchased Assets free and clear of all Encumbrances, other than the Permitted Encumbrances.

2. Purchase Agreement Override. This Bill of Sale is being executed and delivered in accordance with Section 3.1(a)(i) of the Purchase Agreement and is subject in all respects to the representations, warranties, terms and conditions of the Purchase Agreement. If any conflict exists between this Bill of Sale and the Purchase Agreement, the Purchase Agreement shall govern and control in all respects. Nothing set forth in this Bill of Sale is intended to expand, limit or otherwise modify the rights of the Parties as set forth in the Purchase Agreement.

Signature Page Follows

IN WITNESS WHEREOF, the Parties have executed and delivered, or have caused their duly authorized representative to execute and deliver, this Bill of Sale effective as of the Closing Date.

BUYER:


SPRINGFIELD CLINIC, LLP

DocuSigned by:

By: _____
Name: Ray Williams
Title: Chief Executive Officer

SELLER:

PEORIA DAY SURGERY CENTER, LTD.

DocuSigned by:

By: _____
Name: Justin Ahlman, M.D.
Title: President

Section I, Operating Identity/Licensee

Attachment 3

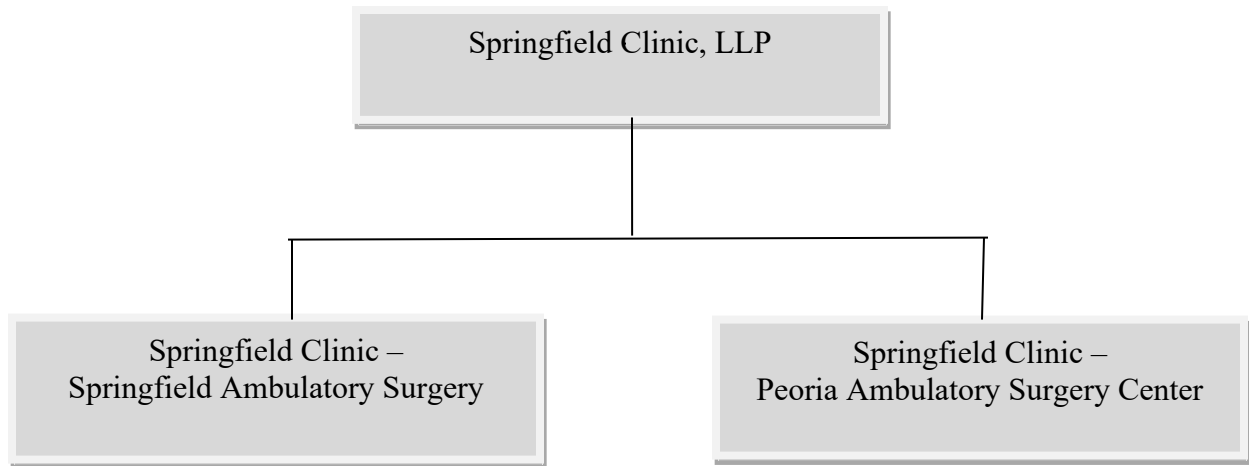
Springfield Clinic, LLP is a limited liability partnership.

Section I, Organizational Relationships

Attachment 4

A copy of Springfield's Clinic organizational chart is attached.

Springfield Clinic, LLP
Organizational Chart



Springfield Clinic, LLP is the sole owner of the two surgery centers shown above. The two surgery centers are not separately incorporated.

Section I, Flood Plain Requirements

Attachment 5

Attestation that the site of the Project is not located in a flood plain and that the Project complies with the Flood Plain Rules under Illinois Executive Order #2005-5 is attached.

SECTION XI -SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM


In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is located in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

1. Applicant: Springfield Clinic, LLP, 1025 S. 6th Street
(Name) (Address)
(City) Springfield (State) IL (ZIP Code) 62703 (Telephone Number)

2. Project Location: 7309 North Knoxville, Peoria, IL
(Address) (City) (State)
Peoria
(County) (Township) (Section)

3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go To NFHL Viewer** tab above the map. You can print a copy of the floodplain map by selecting the



icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.

If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes____
No **X**

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN?

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.

If the determination is being made by a local official, please complete the following:

FIRM Panel Number: _____ Effective Date: _____

Name of Official: _____ Title: _____

Business/Agency: _____ Address: _____

(City) (State) (ZIP Code) (Telephone Number)

Signature: _____ Date: _____

NOTE: This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

Section I, Historic Resources Preservation Act Requirements

Attachment 6

Attached is a letter to the Illinois Department of Natural Resources requesting confirmation that no historic, architectural or archaeological sites exists within the Project area.

**SAUL EWING
ARNSTEIN
& LEHR^{LLP}**

Joe R. Ourth
Phone: 312.876.7815
Fax: 312.876.6215
joe.ourth@saul.com
www.saul.com

April 13, 2022

Via Overnight Mail

Carey L. Mayer, AIA
Deputy State Historic Preservation Officer
Illinois Department of Natural Resources
One Natural Resources Way
Springfield, Illinois 62701-1271

RE: Review to Determine Impact Upon Historic Resources
7309 North Knoxville Avenue, Peoria, Illinois 61614
Certificate of Need Application

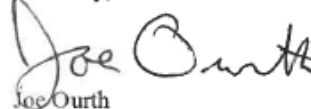
Dear Ms. Mayer:

This letter requests your comments as to whether a proposed project has historical, architectural or archeological impact. This request is made in connection with a Certificate of Need application to be filed in soon with the Illinois Health Facilities and Services Review Board.

The proposed project is for the modernization of Peoria Day Surgery Center located at 7309 North Knoxville Avenue, Peoria, Illinois 61614. Enclosed please find a map showing the property together with a street view and satellite view.

We would appreciate a letter in response that we can include as part of the CON application. If you have questions or comments, or need additional information, please contact me at (312) 876-7815. I appreciate your assistance.

Sincerely,


Joe Ourth

JRO/kg
cc: Tom Fitch

161 North Clark • Suite 4200 • Chicago, IL 60601
Phone: (312) 876-7100 • Fax: (312) 876-0288

DELAWARE FLORIDA ILLINOIS MARYLAND MASSACHUSETTS MINNESOTA NEW JERSEY NEW YORK PENNSYLVANIA WASHINGTON, DC

A DELAWARE LIMITED LIABILITY PARTNERSHIP

39914078.1.docx 04/13/2022

Section I, Project Costs and Source of Funds

Attachment 7

Section 1120.110, Project Costs and Sources of Funds

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$56,859	\$63,141	\$120,000
Site Survey and Soil Investigation	\$0	\$0	\$0
Site Preparation	\$173,026	\$26,974	\$200,000
Off Site Work	\$0	\$0	\$0
New Construction Contracts			
Modernization Contracts	\$3,249,081	\$3,608,047	\$6,857,128
Contingencies	\$227,436	\$252,563	\$479,999
Architectural/Engineering Fees	\$275,018	\$305,403	\$580,422
Consulting and Other Fees	\$411,702	\$40,798	\$452,500
Movable or Other Equipment (not in construction contracts)	\$2,315,217	\$24,131	\$2,339,348
Bond Issuance Expense (project related)	\$0	\$0	\$0
Net Interest Expense During Construction (project related)	\$0	\$0	\$0
Fair Market Value of Leased Space or Equipment	\$0	\$0	\$0
Other Costs to Be Capitalized	\$299,378	\$46,671	\$346,049
Acquisition of Building or Other Property (excluding land)	\$0	\$0	\$0
TOTAL USES OF FUNDS	\$7,007,718	\$4,367,728	\$11,375,446
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$7,007,718	\$4,367,728	\$11,375,446
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$7,007,718	\$4,367,728	\$11,375,446
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Cost Detailed

Item	Total	Clinical	Non-Clinical	Total
Preplanning Costs	\$ 120,000	\$ 56,859	\$ 63,141	
Facility Condition Survey		\$ 48,330	\$ 53,670	\$ 102,000
Code Analysis		\$ 8,529	\$ 9,471	\$ 18,000
Site Survey and Soil Investigation	\$ -	\$ -	\$ -	
Site Preparation	\$ 200,000	\$ 173,026	\$ 26,974	
Parking Lots, Grading & Drainage		\$ 129,770	\$ 20,230	\$ 150,000
Landscaping		\$ 43,257	\$ 6,743	\$ 50,000
New Construction	\$ -	\$ -	\$ -	
ASTC		\$ -	\$ -	\$ -
Public Spaces		\$ -	\$ -	\$ -
"In-Kind" and Emergency Repairs		\$ -	\$ -	\$ -
Building Support		\$ -	\$ -	\$ -
Structural Repairs		\$ -	\$ -	\$ -
Bldg Envelope		\$ -	\$ -	\$ -
Mold & Moisture Mitigation		\$ -	\$ -	\$ -
Modernization Contracts	\$ 6,857,128	\$ 3,249,081	\$ 3,608,047	
ASTC		\$ 2,365,872	\$ -	\$ 2,365,872
Public Spaces		\$ -	\$ 85,000	\$ 85,000
"In-Kind" and Emergency Repairs		\$ 883,209	\$ 743,180	\$ 1,626,389
Building Support		\$ -	\$ 683,028	\$ 683,028
Structural Repairs		\$ -	\$ 374,224	\$ 374,224
Bldg Envelope		\$ -	\$ 1,336,988	\$ 1,336,988
Mold & Moisture Mitigation		\$ -	\$ 385,628	\$ 385,628
Contingencies	\$ 479,999	\$ 227,436	\$ 252,563	
New Construction		\$ -	\$ -	
Modernization		\$ 227,436	\$ 252,563	
Architectural/Engineering Fees	\$ 580,422	\$ 275,018	\$ 305,403	
Space Programming		\$ 13,751	\$ 15,270	\$ 29,021
Schematic Design		\$ 41,253	\$ 45,810	\$ 87,063
Design Development		\$ 55,004	\$ 61,081	\$ 116,084
Construction Documents		\$ 110,007	\$ 122,161	\$ 232,169

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Construction Observation	\$	55,004	\$	61,081	\$	116,084
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Consulting and Other Fees	\$	452,500	\$	411,702	\$	40,798
City Permit Fees	\$	6,488	\$	1,012	\$	7,500
IDPH Review Fees	\$	38,931	\$	6,069	\$	45,000
CON Related Fees	\$	43,257	\$	6,743	\$	50,000
Test & Balance	\$	17,303	\$	2,697	\$	20,000
Legal	\$	25,954	\$	4,046	\$	30,000
Commissioning	\$	43,257	\$	6,743	\$	50,000
Equipment Planning	\$	150,000	\$	-	\$	150,000
Interior Signage Design	\$	17,303	\$	2,697	\$	20,000
Landscape Design	\$	25,954	\$	4,046	\$	30,000
Agency Interaction	\$	43,257	\$	6,743	\$	50,000

Movable and Other Equipment	\$	2,339,348	\$	2,315,217	\$	24,131
Wifi System	\$	12,045	\$	1,878	\$	13,922
Furniture	\$	64,885	\$	10,115	\$	75,000
Signage	\$	43,257	\$	6,743	\$	50,000
Artwork	\$	34,605	\$	5,395	\$	40,000
Olympus Scopes	\$	125,000	\$	-	\$	125,000
Laryngoscope Set, Video - Anesthesia	\$	15,500	\$	-	\$	15,500
Electrosurgical Unit, Bipolar/Monopolar	\$	11,400	\$	-	\$	11,400
Anesthesia Machine, General	\$	162,500	\$	-	\$	162,500
Surgical OR Table	\$	70,000	\$	-	\$	70,000
Light, Surgical, Single, Ceiling, w/Monitor Arm	\$	60,000	\$	-	\$	60,000
Instruments, Surgical, Allowance	\$	250,000	\$	-	\$	250,000
Integration System, Surgical, Video	\$	175,000	\$	-	\$	175,000
Video System	\$	165,000	\$	-	\$	165,000
Ultrasound, Imaging, Multipurpose, Portable	\$	33,500	\$	-	\$	33,500
Waste Disposal, Surgical Fluid Collection	\$	29,436	\$	-	\$	29,436
Liposuction Machine	\$	43,000	\$	-	\$	43,000
Tourniquet System, General	\$	13,129	\$	-	\$	13,129
Table, Surgical, Accessories, Allowance	\$	5,000	\$	-	\$	5,000
Table, Overbed, General	\$	2,814	\$	-	\$	2,814
Stirrups, Universal	\$	2,623	\$	-	\$	2,623
Cabinet, Storage, Clinical, Narcotic	\$	100,000	\$	-	\$	100,000
Stainless Steel Backtable	\$	3,250	\$	-	\$	3,250
Table, Surgical, Radiopaque	\$	9,000	\$	-	\$	9,000
Storage Cabinets, GI Scope	\$	6,000	\$	-	\$	6,000
OER PRO	\$	34,000	\$	-	\$	34,000
Sterilizer, Steam (Electric), Large Capacity	\$	100,000	\$	-	\$	100,000
Washer / Disinfector, Electric	\$	75,000	\$	-	\$	75,000

Sterilizer, Hydrogen Peroxide, Mobile	\$ 51,000	\$ -	\$ 51,000
Table, Adjustable Height Instrument Workstation	\$ 7,500	\$ -	\$ 7,500
Table, Stainless Steel Wrap Table	\$ 2,500	\$ -	\$ 2,500
Board, Stainless Steel Instrument Mounting	\$ 7,500	\$ -	\$ 7,500
EKG, 12-lead	\$ 5,750	\$ -	\$ 5,750
Monitor, Physiologic, Bedside, Portable	\$ 71,500	\$ -	\$ 71,500
Cart, Procedure, General	\$ 7,852	\$ -	\$ 7,852
Cart, Supply, Linen, 60"	\$ 2,502	\$ -	\$ 2,502
Cart, Supply, Allowance	\$ 2,500	\$ -	\$ 2,500
Cabinet, Warming, Dual, Freestanding	\$ 12,820	\$ -	\$ 12,820
Ice/Water dispenser	\$ 4,100	\$ -	\$ 4,100
Refrigerator, Domestic	\$ 1,500	\$ -	\$ 1,500
Freezer, Commercial, Undercounter/ Tissue	\$ 5,250	\$ -	\$ 5,250
Defibrillator, Monitor, w/Pacing	\$ 12,000	\$ -	\$ 12,000
Stretcher, Procedure / Recovery	\$ 59,800	\$ -	\$ 59,800
Cart, Metro	\$ 16,101	\$ -	\$ 16,101
Cart, Anesthesia, 6-drawer	\$ 6,600	\$ -	\$ 6,600
OEC 9900	\$ 150,000	\$ -	\$ 150,000
Microscope, Floor Standing	\$ 150,000	\$ -	\$ 150,000
X-Ray Unit, C-Arm, Mini	\$ 85,000	\$ -	\$ 85,000
Pump, Infusion, Syringe	\$ 7,500	\$ -	\$ 7,500

Net Interest Expense During Construction	\$ -	\$ -	\$ -
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Other Costs to be Capitalized	\$ 346,049	\$ 299,378	\$ 46,671	
Security	\$ 82,187	\$ 12,813	\$ 95,000	
Network Closets	\$ 28,104	\$ 4,381	\$ 32,486	
Telephone System	\$ 16,060	\$ 2,504	\$ 18,563	
Computers, Printers & End User Devices	\$ 108,141	\$ 16,859	\$ 125,000	
IT Cabling	\$ 64,885	\$ 10,115	\$ 75,000	

TOTAL	\$ 11,375,446	\$ 7,007,718	\$ 4,367,728	\$ -
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Section I, Cost Space Requirements

Attachment 9

Cost Space Requirements

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							
ASTC	\$7,007,718	11,370	11,370		11,370	N/A	N/A
Total Clinical	\$7,007,718	11,370	11,370		11,370		
NON-REVIEWABLE							
Public Spaces	\$201,847	769	1,143		1,143		
Structural Repairs	\$953,226	N/A					
Building Support Systems	\$1,655,319	N/A	N/A	N/A	N/A	N/A	N/A
Building Envelope & Roofing	\$1,557,337	N/A					
Total Non-clinical	\$4,367,728						
TOTAL	\$11,375,446		\$11,370		\$11,370		
APPEND DOCUMENTATION AS <u>ATTACHMENT 9</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

Section III, Background of Applicant

Attachment 11

Following its acquisition of Peoria Day Surgery Center, Springfield Clinic applied for a provisional license from IDPH and will obtain normal licensure once the project is complete.

Section 1110.230, Background, Purpose of the Project and Alternatives

1. A listing of all health care facilities owned by the applicant, including licensing, and certification if applicable.

Springfield Clinic – Peoria Ambulatory Surgery Center’s ASTC provisional license #7003247, issued by the Illinois Department of Public Health (“IDPH”), is attached. We note, however, that Peoria Day Surgery Center will seek new accreditation at the conclusion of this Project.


Springfield Clinic also owns Springfield Clinic and Springfield Clinic Surgery Center, an ambulatory surgery treatment center. Springfield Clinic’s Ambulatory Surgery Treatment center license is also attached.

2. A certified listing of any adverse action taken against any facility owned and/or operated by applicant during the three years prior to the filing of the application.

There have been no adverse actions taken against Springfield Clinic within the prior three years. A letter attesting to this fact is attached.

3. Authorization permitting HFSRB and DPH access to 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.

A letter granting the Review Board and the IDPH access to information to verify information in the application is attached.



**Illinois Department of
PUBLIC HEALTH**

HF 125378

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Amaal V.E. Tokars
Acting Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	LD NUMBER
4/18/2023	Ambulatory Surgery Treatment Center	7003247

Effective: 04/19/2022

Springfield Clinic, LLP
7309 North Knoxville Avenue
Peoria, IL 61614

PROVISIONAL

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-483-001 10M 9/18

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 4/18/2023

Lic Number 7003247

Date Printed 4/20/2022

Springfield Clinic, LLP
 7309 N Knoxville Ave Ste 2
 Peoria, IL 61614-2070

FEE RECEIPT NO.

Section III, Purpose of Project

Attachment 12

Overview of Purpose

1. Document that the Project will provide health care services that improve the health care or well-being of the market area population to be served.

Springfield Clinic expanded into the Peoria market in August 2019 with the affiliation of Peoria Surgical Group, now known as Springfield Clinic Peoria. Over the last year and half, Springfield Clinic has continued to grow its provider group and services needed within the Peoria area to over 9 locations. These locations provide the community with options in primary, specialty and surgical care. Springfield Clinic continues to recruit quality providers to meet the need of the market and to ensure patients have local access to care by providing care close to home. We are successful in retaining quality physicians in the market that are looking for a partnership practice model instead of an employed model. This fundamental option enables us to partner with health systems to stabilize care in the community.

Within the Peoria market we offer -

Surgical Services:

- colon & rectal surgery
- breast surgery
- plastic and reconstructive surgery
- general surgery
- bariatric surgery
- trauma/acute care surgery

Specialty/Primary Care Services:

- women's health services (obstetrics and gynecology)
- cancer care
- allergy and asthma
- genetics
- primary care
- pediatrics

With the planned Project, Springfield Clinic will increase access to community -based surgical services to serve a patient population that encompasses patients for not only Springfield Clinic providers but for those in the communities we serve in partnership/collaboration. The Project will meet the evolving landscape of the healthcare delivery system in Peoria and the surrounding cities giving patients a nonhospital-based options for their surgical care.

Ambulatory surgery centers are driven by efficiency, patient choice, convenience and a keen focus on driving down total medical expenses which is frequently absorbed by patients. ASTCs

receive a smaller reimbursement for the same service that can be performed at a hospital or facility that is billing as a Hospital Outpatient Department (“HOPD”). Per Becker’s Healthcare, more than \$2.3 billion a year is generated in savings when patients have certain preventive and surgical procedures at ASTCs instead of HOPDs.

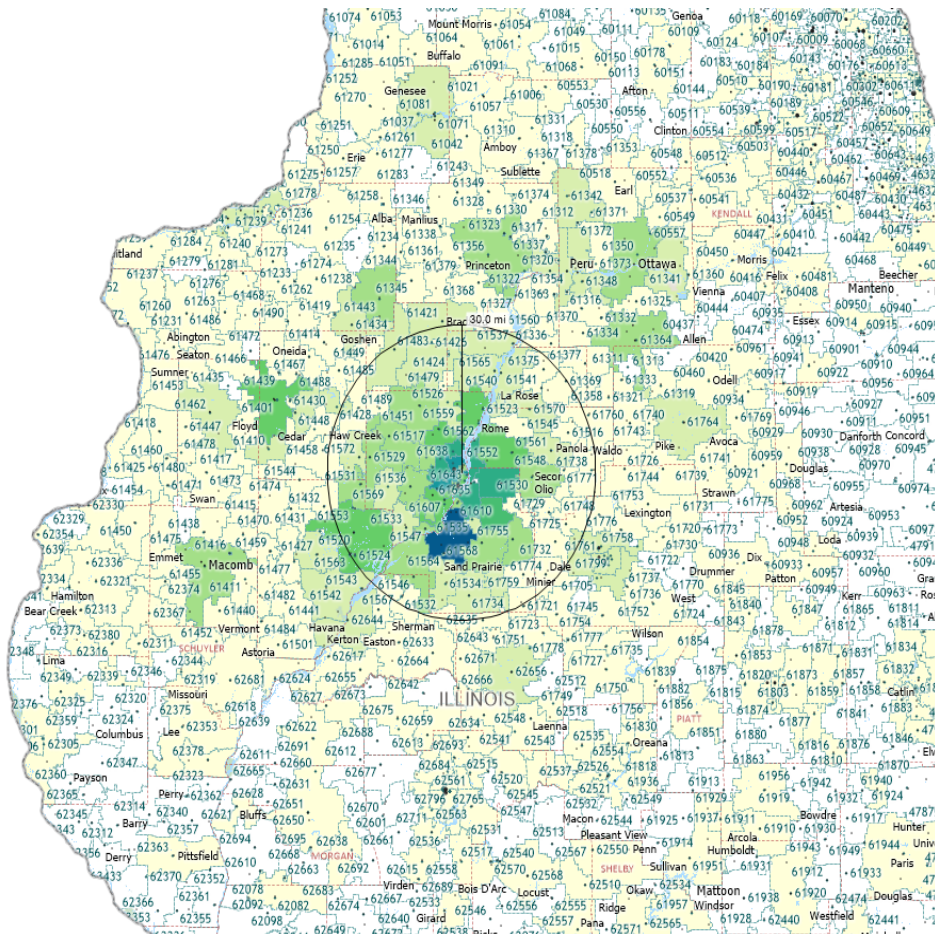
The ASTC will serve patients of all ages and socio-economic strata. In addition, as the patient population demographics continue to change and evolve, patients will require greater access to care types of lower acuity procedures.

Patients see ASTCs as safer than hospitals, with the added benefits of shorter stays, minimally invasive techniques, faster recovery, and lower costs. The planned Project will help in providing the most appropriate and convenient access and care to patients in the communities we serve.

The continuously evolving healthcare delivery landscape has resulted in a shift in the provision of outpatient surgical procedures from hospital to an ASTC settings. According to a 2019 study by Health Care Cost Institute, healthcare services performed in outpatient settings accounted for 11.1% of visits in 2009, growing to 12.9% by 2017. In many ways, the shifting landscape helps to reduce healthcare spending - where hospitals encompass operating costs of a wide breadth of services and staff in many cases is passed onto the patient.

2. Define the planning area or market area, or other, per the applicant’s definition.

The planned project will provide services for patients in Peoria and their surrounding counties. Within the tri-county of Peoria (Peoria, Woodford, Tazewell) approximate 76% of Springfield Clinic Peoria’s surgical patients reside. Our Springfield Clinic Peoria offices provides care to patients well outside of a 30 mile radius of Peoria, IL - (see map below).



3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project.

Springfield Clinic engaged professional architects and engineers and performed a detailed on-site inspection to document existing facility conditions. The inspection identified numerous conditions that failed to meet Title 77: Public Health, Chapter 1: Department of Public Health Subchapter b: Hospital and Ambulatory Care Facilities Part 205 Ambulatory Surgical Treatment Center Licensing Requirements. Operating an ASTC under these existing facility conditions would put patients, staff and visitors at risk. In addition, the inspection also documented numerous instances of poorly maintained facility conditions that need to be corrected. Staff from our currently licensed ASTC in Springfield performed a detailed and thorough inspection of the sterile processing and other medical equipment. Many pieces of equipment were determined to be non-functional or beyond end of life.

4. Cite the sources of the information provided as documentation.

- <https://www.beckersasc.com/asc-news/ascs-vs-hopds-12-insights-on-the-federal-reimbursement-gap.html>
- See Attachment 19 for detailed inspection reports.

5. Detail how the project will address or improve the previously referenced issues or problems.

The project scope includes the development of architectural and engineering construction documents to correct conditions that do not meet IDPH standards. If the Project is approved, the problems that will be addressed include indoor air quality and infection control, ADA accessibility, emergency power, building envelope and water infiltration, roof structure repairs, required fire separations, fire alarm system, ASTC patient comingling with non ASTC patients and replacement of end of life flooring, wall coverings and ceiling materials. New sterile processing and other medical equipment will be procured in order to provide a proper and safe environment for patient care.

6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

Our timeframe to reach our objection have the following key dates:

IDPH Design and Construction Permit Approval - Q3 2022

IDPH Licensing Inspection - Q1 2023

First patient procedure in the ASTC - Q2 2023



Section III, Alternatives

Attachment 13

Alternatives

1. Project of Greater or Lesser Scope and Cost

We considered the possibility of constructing a new free standing ASTC with 4 ORs, but rejected it because of the high cost. For example, a recent new 4 OR ASTC recently approved by the Illinois Review Board, had a cost of \$17,764,000 compared to our \$11,375,446 . This project of greater scope would increase expenses by \$6.4 million.

We also considered a project of a smaller scope such as updating the current facility to meet the minimal standards for licensure by IDPH. Such a project would cost less than the proposed modernization, however would not meet the quality standards set forth by Springfield Clinic for our patient experience.

2. Joint Venture with Other Providers

We also actively explored a joint venture project with another health care system even conducting a feasibility study. Based upon this feasibility study, we rejected the joint venture alternatives because it limited the specialties which could be performed at the ASTC.

3. Utilize Other Available Health Resources

While utilizing other available health resources is a \$0 cost option, obstacles exist making this a less desirable option. Obstacles such as longer wait times for patient's surgery due to access to Operating Room availability presents frequently. Different quality control than the integrated system of Physician owners presents challenges as well.

4. Proposed Alternative

The proposed project is the alternative selected. Springfield Clinic has chosen to making a substantial commitment to the patients of the Peoria area by completing the modernization of the existing facility. This project utilizes existing infrastructure which is a known resource within the community. The project also aligns with Springfield Clinic's focus of enhancing the patient's experience. It also allows for alignment in quality standards thru physician engagement.

Alternative	Cost	Pros	Cons
Project of Greater Scope: New Construction	\$17,764,000	<ul style="list-style-type: none">• New facility- meet new construction requirements	<ul style="list-style-type: none">• Delay opening of the ASTC• Increase cost
Project of Lesser	\$6,000,000	<ul style="list-style-type: none">• Less cost	<ul style="list-style-type: none">• Facility would not meet

Alternative	Cost	Pros	Cons
Scope: Update facility to minimal licensure standards		<ul style="list-style-type: none"> Facility may open sooner 	<p>SC standards for patient or physician experience</p> <ul style="list-style-type: none"> Would result in potential operational disruption in the future when further updates would need complete.
Joint Venture: Feasibility Study complete	N/A	<ul style="list-style-type: none"> Opportunity to partner with a local Healthcare system. Shared risk/losses Gain experience of other partners 	<ul style="list-style-type: none"> JV study resulted in restrictions of specialties which would negatively impact viability of the center May limit access to lower cost for the patients. Challenge to manage
Utilize Existing Facilities	Greater cost to patient, zero capital cost to organization	<ul style="list-style-type: none"> Modernization process would not be necessary 	<ul style="list-style-type: none"> Longer wait times for surgeries appointments and services Access/ Scheduling OR unavailable or dominated by others within market Different quality control than the integrated system of Physician owners
Proposed Project	\$11, 375, 446	<ul style="list-style-type: none"> Utilizes existing infrastructure and licensure Known resource within the community Investment in the community Physician engagement Efficiently and effectively utilize remaining square footage in the attached MOB 	<ul style="list-style-type: none"> Cost to update beyond the minimum expectation Timeline to complete the work

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Attachment 14

Project Scope, Utilization and Unfinished/Shell Space

The amount of proposed physical space is necessary and not excessive.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD *	DIFFERENCE	MET STANDARD?
ASTC	11,730	12,100	(370)	Yes

* Four ORs at 2,750 sf/room and one procedure room at 1,100 equals 12,100 sf of clinical space.

Section IV, Project Services Utilization

Attachment 15

Appendix B, Project Services Utilization

1110.120 c) Project Size Utilization – For areas for which there are utilization standards as shown in Appendix B

As this application is for modernization of an existing ASTC we understand that this section is inapplicable.

Section IV, Service Specific Review Criteria

Attachment 19

Included with these attachments are reports from our architects, engineers and consultants evidencing that the facility has deterioration in its physical.

It is our understanding from Review Board Staff that utilization need not be addressed in an application for ASTC Modernization.

A letter of Assurance is attached.



A COMMUNITY OF CARING

Springfield Clinic Main Campus
1025 South 6th Street • P.O. Box 19248
Springfield, IL 62794-9248
217.528.7541 • 800.444.7541
www.SpringfieldClinic.com

Accredited by the Accreditation Association for Ambulatory Healthcare (AAAH)

April 21, 2022

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

Re: Springfield Clinic – Peoria Ambulatory Surgery Center – Assurance of Utilization

Dear Ms. Savage,

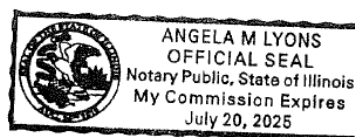
This letter attests that Springfield Clinic – Peoria Ambulatory Surgery Center understands that it is expected to achieve and maintain the utilization standards specified in 77 Ill. Adm. Code §1110 Appendix B by the second year of operation after Project completion. The Springfield Clinic reasonably expects to meet this utilization

A handwritten signature in cursive script, appearing to read "Ray Williams".

Ray Williams
President

Notarization:
Subscribed and sworn before me
this 21 day of April, 2022

A handwritten signature in cursive script, appearing to read "Angela M. Lyons".
Signature of Notary Public





Springfield Clinic
Peoria Day Surgery Center
February 28, 2022

Presented to:
Tom Fitch, S.E.
Vice President of Facilities
Springfield Clinic

SC – PEORIA SURGERY CENTER
STRUCTURAL REPORT

Prepared by:
Farnsworth Group, Inc.
3201 W. White Oaks Dr., Suite 100D
Springfield, IL 62704

Contacts:
Diane Mansfield, AIA, NCARB
Senior Project Architect
dmansfield@f-w.com

Brooke McGuire, AIA, NCARB
Architect
bmcguire@f-w.com

Marc Chiles, PE, SE
Senior Project Engineer
mchiles@f-w.com

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2.3 Recommendations 4

1.0 ASC

1.1 Existing Conditions

The existing roof is constructed of wood sheathing on metal plate connected wood roof trusses and miscellaneous solid sawn wood rafters. The roof appears to have been overbuilt at least twice during previous additions. Existing building drawings do not match the framing observed in the attic. The roof framing typically bears on exterior wood stud bearing walls along with a few interior wood stud bearing walls and steel columns.

Existing ceiling hung equipment is attached directly to the underside of wood roof trusses. The ceiling is directly mounted to the bottom chord of wood roof trusses.

It appears that during the first overbuild addition, the original building roof was significantly modified to allow for a platform and air handling unit to be installed in the original attic space. The original roof sheathing was partially removed, and additional wood framing was installed at the perimeter of the platform as reinforcement. The original roof trusses in the platform area were partially removed to create space. The overbuilt roof appears to then have been built over the top of the original roof and partially bears on the original roof. The newest roof at the west addition was then built over the top of the previous addition roof and again bears on the lower roof. This creates the condition where the original building roof is still supporting roof loads but has been significantly modified with some members removed.

1.2 Stated Intent

The intent of this project is to verify the existing structural integrity and repair or reinforce the roof framing for any revealed deficiencies. Additionally, new ceiling hung surgical arms and equipment will be installed. Coordination with mechanical systems and architectural finishes and insulation are also required.

1.3 Recommendations

Further study will be required to establish the actual structural load path and roof framing integrity around the AHU and platform in the attic. The existing roof trusses appear to be inadequate for their supported loads and repair or reinforcement will be required. It is not expected that repair or reinforcement of existing conditions are required for existing loads at any location other than at the attic AHU.

No new mechanical equipment is recommended in the attic space. The wood roof trusses were not originally designed for supported of roof top or attic equipment, and inclusion of new equipment would require significant structural modifications and reinforcement.

Similarly, ceiling mounted boom equipment in the ORs will require new steel frames for support. The frames are expected to include two horizontal C10 channel within the attic space at each OR. The new C10s will be supported on each end by new HSS3x3 tube posts within existing framed walls. The addition of new steel equipment support frames will be only at ORs when they are planned to be put into service.

2.0 RCC

2.1 Existing Conditions

The existing roof is formed from metal plate connected wood roof trusses and miscellaneous solid sawn wood rafters. The ceiling is directly mounted to the bottom chord of wood roof trusses. The roof typically bears on exterior wood stud bearing walls along with regular steel columns. Existing structural building drawings are not available for this area.

2.2 Stated Intent

The intent in this area is primarily finish updates and layout changes as required. Structural work will be limited as much as possible in this area.

2.3 Recommendations

It is not expected that repair or reinforcement of existing members is required. It is recommended that no structural adjustments are made and that the existing columns remain unmodified. New layouts would then work around the existing columns. Ceiling height adjustments would require significant structural adjustments and are therefore not recommended.



Facility Due Diligence Study

Springfield Clinic Peoria Day Surgery Center

January 24, 2022
(revised 1/26)



3201 W White Oaks Dr., Suite 100D
Springfield, Illinois 62704
p 217-528-3661
www.f-w.com

January 24, 2022

Tom Fitch, S.E.
Vice President of Facilities
1025 South 6th Street
Springfield, IL 62703-2403

RE: Peoria Day Surgery Center – Facility Due Diligence Study

Dear Tom,

Farnsworth Group, Inc. is pleased to provide you with an executive summary below and compiled set of reports summarizing the conditions observed at the Peoria Day Surgery Center at 7309 Knoxville Ave #2, Peoria Illinois 61614. Field visits were performed by Farnsworth, ME1 Engineering, and Code Services, LLC. Fire and Life Safety Due Diligence of the tenant space was performed by CCI, LLC.

PROJECT OVERVIEW

Springfield Clinic is seeking to purchase one tenant space of an existing multi-tenant Medical Office Building containing a Recovery Care Center and Ambulatory Surgery Center. The intent was to observe and perform due diligence of the existing facility for code compliance and facility deficiencies that could impact the future use as Recovery Care Center and Ambulatory Surgery Center for Springfield Clinic.

PROJECT TEAM

- **Farnsworth Group** – Architecture, IDPH, FGI, Life Safety
- **ME1** – Mechanical, Electrical, Plumbing, Fire Protection, Med Gas.
- **Code Services, LLC** (Enrique Unanue, AIA) – CMS, IDPH, Life Safety
- **Code Consultants, Inc** (CCI) – Fire Protection and Life Safety Code Compliance

EXECUTIVE SUMMARY – OBSERVED CONDITIONS

- **PATIENT & STAFF COMINGLING** – Patients from adjacent tenants in the Medical Office Building travel thru existing ASC space to access the basement Lab and CT areas. Doors interconnecting the ASC and RCC corridors create a comingling of traffic and functions. CMS may determine this to no longer be acceptable.
- **OBSTRUCTIONS IN RESTRICTED CORRIDOR** – Scrub sinks extended into the restricted corridor reducing the required width from 8'-0" to approximately 6'-0". This will need to be corrected.
- **EXTENT OF RESTRICTED CORRIDOR** – Admit or Recovery Bays were present in the restricted corridor. Supervision for these bays are provided thru a window. The Bays should be removed or separated from the restricted corridor.

ENGINEERS | ARCHITECTS | SURVEYORS | SCIENTISTS

- **ADA ACCESSIBILITY** – The majority of the bathrooms may have met accessibility requirements at the age they were built, but do not meet current requirements. With a major renovation, modifications or approvals to have them comply with original codes at the time of construction will be needed.
- **RECOVERY BAYS** – Some recovery stations are too small to meet FGI recommendations or State requirements. Renovations will be required to bring them up to code which may reduce the quantity of available bays.
- **OPERATING ROOM SIZE** – Current Operating Room sizes do not meet the 400 s.f. requirement for FGI for Class C Operating rooms. Depending on the types of procedures performed, this could limit the types of procedures performed. We would recommend increasing the size of the rooms to 400-600 s.f.
- **ASC FIRE SEPARATION** – Fire separations extending between tenants do not appear to be continuous (including up to the roof deck and between the basement and first floor). Also several storage and equipment rooms did not appear to have the required ratings at the floors, ceiling, and walls. This will need to be corrected.
- **STRUCTURAL OVERFRAMING** – The wood trusses over the existing ASC & RSC appear to have been modified in many locations as well as built over other tenants roof framing in other locations. The ASC Structure should be independent of adjacent tenant construction.
- **STRUCTURE OVER OPERATING ROOMS** – The wood truss structure above the current operating rooms support existing older operating lights (mounted to the bottom of the truss). If new heavier lights and booms are required in the operating rooms (similar to the lights at the Main Campus ASC), structural analysis and modifications will be required to add structural framing to support the lights and booms.
- **LOCKER ROOMS** – Currently the men's locker room is located on the first floor and women's locker rooms is located in the basement. The Men's locker room did not have a shower present. Direct Access from the basement to the Restricted Corridor via a stair is not ADA Accessible.
- **LOBBY** – The current ASC waiting room appears to be undersized for the size of the facility. Functionally, additional space may be required.
- **BUILDING ENVELOPE** – The attic is currently unconditioned space and has combustible shingles and roofing paper present. There are many areas with gaps in air and thermal barriers between the space below (especially over the operating rooms). To maintain a temperature control and humidity control for the future and reduce the risk of condensation or freezing pipes, this will need to be corrected. Combustible shingles and roofing paper should be removed.
- **MECHANICAL** – HVAC Systems should be replaced due to age and location of equipment in the attic.
- **REDUNDANCY** – Both Generators will need to be replaced due to age. Vacuum is currently provided from a single pump. Compressed gas was also served from a single system. Replace with a duplex system to provide redundancy.



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Springfield, Illinois 62704
p 217-528-3661

www.f-w.com

- **GUIDELINES REVIEWED** – The following guidelines were reviewed by Farnsworth Group for compliance and detailed in the attached reports:
 - **Guidelines for Design and Construction of Healthcare Facilities 2010 Edition (FGI)**
 - **Title 77: Public Health, Chapter 1: Department of Public Health Subchapter b: Hospital and Ambulatory Care Facilities Part 205 Ambulatory Surgical Treatment Center Licensing Requirements**
 - **Title 77: Public Health, Chapter 1: Department of Public Health Subchapter b: Hospital and Ambulatory Care Facilities Part 210 Postsurgical Recovery Care Center Demonstration Program Code**

We look forward to working with you on this exciting project. Please call me if you have any questions or comments.

Sincerely,

FARNSWORTH GROUP, INC.

A handwritten signature in black ink, appearing to read "Diane Mansfield", with a long, horizontal flourish extending to the right.

Diane Mansfield, AIA, NCARB
Senior Project Architect

Attachments:

FGI Field report Dated 1/24/2022
FGI – Due Diligence on FGI Guidelines
FGI – Due Diligence on RCC Guidelines
FGI – Due Diligence on ASC Guidelines
FGI – Basement and First Floor Plans
Field Report By ME1 dated January 10, 2021
Field Report By ME1 dated January 22, 2022
Field Report By Code Services, LLC dated November 23, 2021
Fire Protection and Life Safety Due Diligence by CCI dated January 20, 2022

ENGINEERS | ARCHITECTS | SURVEYORS | SCIENTISTS

Report Number: 01

Report Issue Date: January 24, 2022

Owner: Springfield Clinic

Site Visit Date/Time: December 21, 2021 / 12:00 AM

Project Name: Peoria Day Surgery Center

Weather Conditions: N/A

Project Number:

Reported By: Diane Mansfield
Dave Burnison

Present at Site: Diane Mansfield, Kayse Doering, Caius Jennison, Tom Fitch, Shannon Mikesell, John Reese, Jennifer Boyer, Enrique Unanue, Tom Grassi

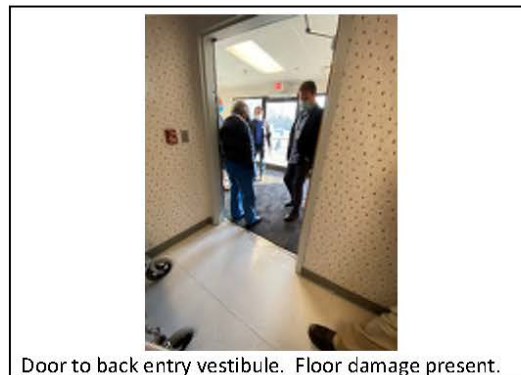
General Observations:

1. Interior Finishes appear to be very dated and in some cases like the operating rooms, hand painted. Flooring in places appears to be damaged and or has damaged sub floor beneath it resulting in recessed areas. Many areas have vinyl wall covering. Integral Cove base in the restricted areas are 4" tall. These need to be 6" tall. We would recommend all finishes be replaced.
 2. Water damage was visible in the basement and ASC areas. Damaged ceiling tiles were visible in the ASC area and in the basement, open ceiling tiles with exposed wood floor joists where drywall had to be removed to access damage was visible (see photos in report). A report was provided to FGI on proposed work to fix water damage within the facility. It was unknown if this work was only proposed or completed at the time of this report.
 3. The main entry is relatively clear for the ASC, but there is a lack of separation at the corridor which leads to the RCC and also mixes with an egress stair exit passageway and access to the elevator to the basement which is used by others.
 4. Current OR sizes do not meet the 400 SF requirement of FGI for Class C Operating Rooms (rooms that allow deep sedation). They also do not meet the desired SF requirements typically associated with ORs for Ortho procedures (600 SF).
 5. The clarity of the unrestricted, semi-restricted and restricted access within the ASC is confusing in some areas. There are some areas noted on the plan where access to the restricted area is not controllable or appropriate.
 6. The path of post recovery patients to exterior pick up point is not clear and appears to involve the patients having to travel through the ASC's entry area.
 7. The Recovery Care Center seems to be in good shape and usable but it needs improvement as to access from the facility's entrance and have waiting/family support areas need to be more optimally provided.
 8. Due to the age of the facility, the majority of toilet facilities may have met accessibility requirements originally, but do not meet current requirements. Either modification or approval to have them comply with the original
-

requirements at time of construction will be needed. Some Toilet rooms appear to not have been accessible even with older requirements – which is no longer allowable as all need to be adaptable.

9. Recovery stations appear to be adequate in terms of quantity but they are often too small to meet FGI recommendations or even State requirements in some locations. This will become more challenging if it is desired to revised the existing cubicle curtain separations to more current design with privacy walls and ICU sliders.
10. The nature of the building's construction appears to require supplemental framing to accommodate ceiling mounted equipment.
11. Due to the age of the facility, the exterior ADA accessibility connecting ADA parking spaces to the main entrance may have met accessibility requirements originally, but we are concerned that current conditions (slope, quantity, and markings) may not meet current standards. We would recommend a site survey be completed including cross slopes to confirm future compliance.
12. A post site visit evaluation of FGI, RCC, and ASC requirements was done and is attached at the end of this report.

Site Photos:





Existing scrub sink in the restricted corridor.



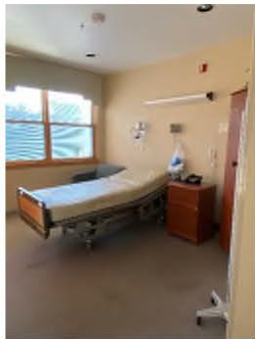
Operating room with Hand painted walls, open drain with piping.



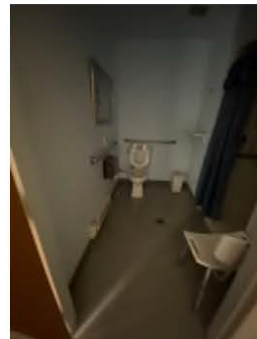
Exterior door with towels underneath (likely water and / or air infiltration issues).



Water damage visible in the ceiling.



Typical RCC recovery Room



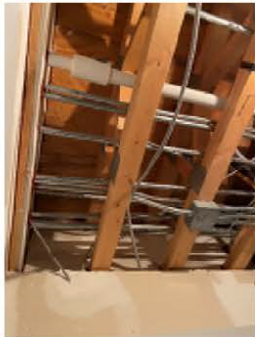
Typical Recovery Room private bathroom and shower.



Basement – visible water damage and holes in required floor ceiling assembly rating between basement and first floor.



Floor damage present in restricted corridor.



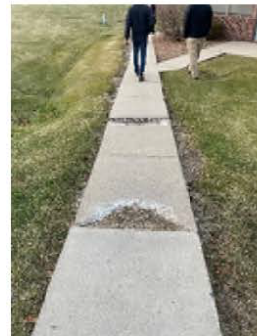
Basement – open structure where 1 hour fire separation is required.



Attic – Over framing, building paper, and shingles present.



Attic – catwalk system with Air Handler unit imbedded in truss areas.



Exterior – Damaged concrete @ path to public way from RCC rooms.

	
Exterior Parking spaces and drop off lane – east approach	ASC Canopy and drop off lane – looking east toward front door

Distribution: Tom Fitch, Springfield Clinic
John Reese, Springfield Clinic
Shannon Mikesell, Springfield Clinic
Tom Grassi, ME1
Jake Carpio, ME1
Enrique Unanue, Code Services, LLC
Mike Zakowski, CCI

Observations and Field Report do not constitute an approval of any work in place or in progress and does not relieve the Contractor from their rights or responsibility for construction means, methods or procedures, or for the Contractor's sole responsibility for job site safety.



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www.farnsworthgroup.com
Architects / Engineers / Surveyors / Scientists
2 Levels: 200,000 sq. ft.

DUE DILIGENCE STUDY

Springfield Clinic
FECIRA DAY SURGERY CENTER

3000 HARTFORD AVENUE
FECIRA, CT 06105

DATE	10/04/2022
DESIGNED	
DRAWN	MP, DAL, CL
REVIEWED	DL, DM

BASEMENT FLOOR PLAN

A1.0

PROJECT NO.: 02190000-00





FIELD OBSERVATION REPORT

TO:	Paul Wheeler
BY:	Tom Grassi
PROJECT:	Springfield Clinic – Peoria ASC Renovation
PROJECT NO:	2101720
SUBJECT:	Initial Site Visit Field Report
OBSERVATION DATE:	December 21, 2021
ISSUE DATE	January 10, 2022

This visit was made to observe certain aspects of the existing facility. Limited existing building drawings were available prior to the site visit. Comments in the report are based on brief visual observations made during the limited site visit. Additional site visit is needed to gain additional information about the existing building and systems.

NOTES:

Proposed ASC renovation is in a portion of a single story structure with a partial lower level basement.

HVAC systems are DX split systems with air handling units in the lower level and in the attic. Condensing units are on-grade.

The attic is not properly sealed from the conditioned space. Gaps in the air and thermal barriers allow unconditioned attic air to flow into the conditioned space. This can cause condensation and potential freezing issues.

The building is served by a fire sprinkler system. Additional field work is required to determine if the building is fully sprinklered. Sprinkler heads were observed in the lower level, main floor and in the attic.

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Photos below show gaps in air and thermal barriers separating attic above from conditioned plenum above lay-in ceiling:



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Attic access stair in sterile corridor outside operating room. Access is not sealed or insulated. HVAC equipment serving the operating rooms is located in the attic.



Lights and diffusers in sterile corridor and operating rooms penetrate the insulation and air barrier at the bottom of the wood roof trusses and cannot be adequately sealed.



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AHU serving operating rooms with limited access in attic. Filter bank 2 is not in the final position (humidifier grid is downstream from filter bank 2).



Condensing units and one of two emergency generators.



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Medical gas room in lower level with two banks of bottled oxygen. Exhaust at the ceiling level shall be extended down to 12" above the floor.



Two banks of Nitrous Oxide in medical gas room.



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Recommendations based on initial site visit:

HVAC systems serving operating rooms and recovery area should be replaced. Review alternative location for equipment outside on grade or in lower level. New locations would require route for ductwork in chases, or on the outside of the building.

Ductwork in the attic contributes to high indoor humidity and potential condensation and mold growth in cooling season. Any ductwork that must be located in the attic due to lack of space above the ceiling shall be sealed and insulated. Penetrations through the membrane at the bottom of the trusses need to be sealed.

HVAC systems serving other areas should be replaced due to the age of the equipment.

Properly sealing the attic will be difficult due to the design of the trusses and limited floor to truss height. Consider adding spray-foam insulation to underside of the roof and eliminating the vented attic space.

Medical gasses include bottled oxygen and nitrous oxide located in the lower level medical gas room. Vacuum is provided from a single pump. Vacuum system should be replaced with a duplex system to provide necessary redundancy.

Replace both emergency generators. Additional study is required to determine what is served by the generators.

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FIELD OBSERVATION REPORT

TO:	Paul Wheeler
BY:	Tom Grassi
PROJECT:	Springfield Clinic – Peoria ASC Renovation
PROJECT NO:	2101720
SUBJECT:	Follow Up Site Visit Field Report
OBSERVATION DATE:	January 20, 2022
ISSUE DATE	January 24, 2022

This visit was made to observe certain aspects of the existing facility. Limited existing building drawings were available prior to the site visit. Comments in the report are based on visual observations made during the site visit. Additional site visit is needed to gain additional information about the existing building and systems.

EXECUTIVE SUMMARY:

GENERAL:

- Facility is residential style wood construction with original single-story structure with partial basement constructed in 1989. Facility has separate owners in a condominium group.
 - 6-bed 4,500 SF Recovery Center addition in 1996
 - 2-story office addition added in 2000
 - 6,200 SF MOB added on the North with partial basement in 2006
- Bottom of wood roof trusses at 9' in most areas leaves limited space above drop ceilings to route duct, pipe and conduits. Some AHUs, ductwork, duct heaters and piping are routed in the attic space with limited access.

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- Roof trusses on some of the additions are framed over the original roof. Some trusses have been cut and modified. Existing plywood sheathing and felt paper have been left exposed in the attic. Framing, sheathing and draft stops limit access in the attic. We had access to the original attic space through access ladders in the staff lounge and sterile corridor near OR-2. Access panels located in the drywall ceiling at the bottom of the trusses in the 6 patient rooms give access to the VAV boxes, but do not give access to this portion of the attic. Other sections of the attic do not appear to have access.



- Operating Room ceilings are less than 9', with drywall attached to the bottom of wood trusses. Lights, diffusers, medical gas outlets all penetrate the insulation and air barrier and extend into the attic. These penetrations are not sealed. Flexibility for renovation is greatly limited due to the height and spacing of the trusses.

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- Areas with a lay-in ceiling have excessive air infiltration from the attic above due to a lack of a continuous air barrier at the bottom of the trusses. In many cases, paper-faced batt insulation is the only air barrier separating the attic from the conditioned plenum space. Paper faced insulation should not be exposed in commercial construction and should be covered with drywall or removed.



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- Infiltration from the attic can cause condensation to form on ductwork, diffusers and inside the conditioned space and can potentially lead to mold growth. Indoor humidity levels can't be controlled in the summer with the existing envelope. Closing the vented attic and adding spray foam to the underside of the roof sheathing should be considered to reduce the air and moisture infiltration. Existing draft stops in the attic divide the attic into separate zones that may assist in limiting the application of spray foam to the Springfield Clinic space.

HVAC:

- HVAC systems are typically split systems with indoor AHUs and outdoor condensing units. Smaller systems are residential style. Heating is a mix of gas and electric. All systems serving the Springfield Clinic space should be replaced due to condition and age.
- AHUs serving OR-1 and OR-2 are in the attic space with limited access for service and retrofit. The AHU serving OR-2 may have been installed with the original roof was removed for the Recovery Addition. These two AHUs may need to be replaced with units located in the Lower Level, requiring new mechanical rooms, shafts on the 1st floor and new ductwork in the attic.
- Operating Room air distribution does not meet current standards for laminar flow over 70% of the patient table. Modifying the air distribution will be limited by the truss construction.

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- Portions of the existing ductwork has liner, and some ductwork is fiberglass ductboard. These duct systems will likely need to be replaced. Any sheet metal ductwork that can be reused will need to be cleaned.



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ELECTRICAL (Items listed are required to bring to meet ambulatory surgery requirements:

- Each OR room will require a Dedicated electrical panel (4 total)
- A new distribution panel will be required to support new OR room panels
- A new automatic transfer switch (ATS) will be required to support a new OR distribution panel
- A new electrical closet or space will be required for the new OR distribution panel and ATS. The main electrical room currently doesn't have the space to support for it.
- Existing 125KW generator will need to be replaced (and possibly upsized) and relocated further from the building to meet current codes.
- Concerns with supporting the surgical boom and operating light from the structure in the OR rooms.

ADDITIONAL FIELD NOTES:

HVAC systems are DX split systems with air handling units in the lower level and in the attic. Condensing units are on-grade. Some air handling equipment utilize electric reheat terminal units serving various zones others have gas fired or electric reheat coils at the air handler. The air handling equipment serving the operating room 1 and 2 are located in the unconditioned attic space and have very little access via attic hatch with folding ladder. The air handling equipment serving operating room 3 and 4 and majority of the other spaces are located in easily accessible dedicated mechanical rooms in the basement. Additionally there is one grade mounted RTU serving the space located in triangular shaped outdoor space off of the main entry lobby.

The attic is not properly sealed from the conditioned space. Insulation is between the wood trusses above the ceiling. Due to the constraint of the structure, there is little space above between the ceiling and insulation. Gaps in the insulation occur at lights, air devices, electrical devices, medical gas distribution, etc. causing large gaps in the air and thermal barriers allow unconditioned attic air to flow into the conditioned space. This can cause condensation and potential freezing issues. Some evidence of moisture issues were identified through warping and bubbling dry wall ceilings. This can also cause issues with trying to pressurize clean from dirty spaces allowing the potential for mitigation of dirty air into clean spaces. Additionally, the existing paper faced insulation is exposed which is a fire hazard.

The building is served by a fire sprinkler system. We believe that the spaces in the proposed renovation space are fully sprinkled via a dry sprinkler system with majority of the piping routed in the unconditioned attic space. Freezing of the sprinkler piping in the unconditioned attic space is not a concern with a dry pipe system.

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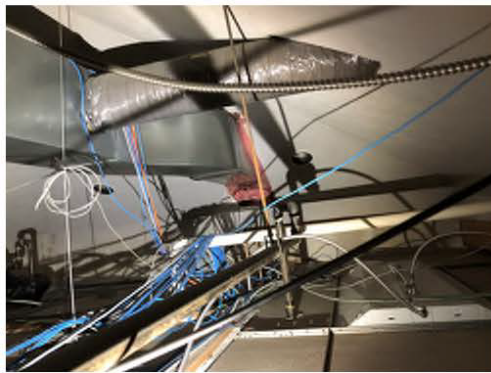
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The OR rooms are currently being fed from a general critical care and normal power electrical panelboards.

The proposed Springfield Clinic portion of the building is currently supported by the 125KW diesel generator.

Photos below show gaps in air and thermal barriers separating attic above from conditioned plenum above lay-in ceiling:



Attic access stair in sterile corridor outside operating room. Access is not sealed or insulated. HVAC equipment serving the operating rooms is in the attic.

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Lights and diffusers in sterile corridor and operating rooms penetrate the insulation and air barrier at the bottom of the wood roof trusses and cannot be adequately sealed.



AHU serving operating rooms with limited access in attic. Filter bank 2 is not in the final position (humidifier grid is downstream from filter bank 2).

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Condensing units and one of two emergency generators.



Medical gas room in lower level with two banks of bottled oxygen.

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Exhaust at the ceiling level shall be extended down to 12" above the floor.



Two banks of Nitrous Oxide in medical gas room.



Main Electrical room in basement

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125KW Diesel Generator



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Recommendations based on initial site visit:

HVAC systems serving operating rooms 1 and 2 and recovery areas should be replaced and be relocated to an accessible location outside of the unconditioned attic space. Review alternative location for equipment outside on grade or in lower level. New locations would require route for ductwork in chases, or on the outside of the building.

Ductwork in the attic contributes to high indoor humidity and potential condensation and mold growth in cooling season. Any ductwork that must be in the attic due to lack of space above the ceiling shall be sealed and insulated. Penetrations through the membrane at the bottom of the trusses need to be sealed.

HVAC systems serving other areas should be replaced due to the age of the equipment.

Properly sealing the attic will be difficult due to the design of the trusses and limited floor to truss height. Consider adding spray-foam insulation to underside of the roof and eliminating the vented attic space. Additionally means for eliminating the exposed paper facing of the insulation shall be needed.

Medical gasses include bottled oxygen and nitrous oxide located in the lower-level medical gas room. Vacuum is provided from a dual pump system. Existing vacuum system is believed to be a duplex system with redundancy, additional study would be required to verify demand of vacuum system and capacity of the existing system to determine if replacement is necessary.

To meet Ambulatory Surgery requirements, each OR Room is required to have a dedicated electrical panel in the room which, will supply the power to all the equipment in the OR. To support the new OR panels, a new distribution panel and automatic transfer switch (ATS) will need to be provided. The current main electric room doesn't have the space for the OR distribution panel and ATS. An electrical closet will need to be provide in the basement or 1st floor for the distribution panel and ATS.

The existing 125KW diesel generator supporting this portion of the building is close to its end of life. We recommend replacing this with a new diesel generator. Also per new codes, the existing generator is too close to the building, it will need to shift to the south.

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Enrique J. Unanue, AIA / Code Services, LLC

Member American Institute of Architects, National Council of Architectural Registration Boards,
American Academy of Architecture for Health, Founding Member of the College of Healthcare Architects

November 23, 2021

To: Thomas Fitch, Vice President

Springfield Clinic

1025 S. 6th Street

Springfield, Illinois

Ref: Peoria Day Surgery Center

On Site Review of 12 21 2021

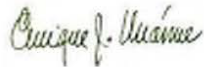
Peoria, Illinois

Dear Mr. Fitch:

Code Services is pleased to provide you with the attached report addressing the items found during the on-site visit of December 21, 2021. We are also enclosing for your use a copy of the Centers for Medicare and Medicaid Services 'Fire Safety Survey Report-2012 Life Safety Code for Ambulatory Health Care Form CMS 2786U.

Please review the report and should you have any questions or require further assistance do not hesitate to contact me at your convenience.

Sincerely,



Enrique J. Unanue, AIA, NCARB, ACHA

Cc. File

1331 S. Dial Court-Springfield, Illinois 62704 Phone 217 341 5223 Email: codeservices@gmail.com

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SPRINGFIELD CLINIC-PEORIA DAY SURGERY CENTER ON SITE REVIEW OF 12/21/2021

Purpose

On December, 21, 2021 an on-site review of the Peoria Day Surgery Center located at 7309 N. Knoxville Road, Peoria, Illinois was conducted for the purpose assessing its current general conformance with the State of Illinois Ambulatory Surgical Treatment Center Act, the Post-Surgical Recovery Care Center Act and the 2012 Edition of the Life Safety Code and portions of the CMS Fire Safety Survey Report CMS Form No. 2786 U. The review conducted consisted of members of the Farnsworth Architectural Group, Code Services, LLC, and Tom Fitch from Springfield Clinic.

Overall Description

1. Upon review of the existing conditions the facility was identified to be classified as a Type V(000) Sprinklered one story plus basement building with concealed attic spaces.
2. The facility was identified to be part of an existing building that is subdivided into four separate, attached and distinct sections as follows:
 - a. A two story plus basement Medical Office (no access to this section was provided).
 - b. A one story plus basement doctor's office (no access to this section was provided).
 - c. A one story plus basement post-surgical recovery care center (access provided).
 - d. A one story plus basement ASC (access provided).

General Observations

3. The required occupancy separation walls between the four separate and distinct entities appeared to be present, however circulation of staff between post-surgical care, ASC, and doctor's office appeared to be comingled. Occupancy separation walls could not be determined to be continuous from exterior wall to exterior wall and from floor to floor or roof above.
4. A smoke barrier separating the ASC into two sections appeared to be present, however the smoke barrier wall could not be determined to be continuous from exterior wall to exterior wall and from floor to floor or roof above.
5. Since the medical office and doctors office spaces were not accessible, it could not be determined that the sections were fully sprinklered. The post-surgical recovery care center North wall was found to be separated by approximately 6'-0" from the exterior wall of the doctor's office space. Since it could not be determined if the doctor's office is fully sprinklered, the minimum required 25'-0" between exposed and exposing buildings as required by NFPA 80A could not be determined as met.
6. Combustible cedar shingles and roofing paper was identified to be present within the attic spaces used as a mechanical room.
7. Above ceiling inspection revealed incomplete separation between the attic spaces and the first floor occupancy and between the basement spaces and the first floor occupancy.
8. Several storage and equipment rooms were found to have no fire rating separation between the ceiling and the floor or attic above.
9. The sprinkler system provided in the ASC and the post-surgical recovery care center was identified as being a combination wet and dry pipe system, however an adequate number of flow and tamper switches and valves could not be identified once the system left the basement mechanical room. The sprinkler system was not tested.

10. The main fire alarm panel was identified to be located in the main mechanical room located in the basement. While the visual inspection revealed the panel to be operational, the system was not tested and found to be functional at this time. A main fire department control panel was not identified at the main entrance of the ASC. A Knox box was present on the exterior wall by the entrance to the ASC.
11. The medical gasses manifold room was identified in the basement level. The room exhaust was located at the ceiling level, the gas storage rooms are required to have the exhaust intakes to be located at floor level, and light fixtures to be explosion proof, neither feature was identified. The manifolds were disconnected with many missing nitrous oxide and oxygen tanks and those present were disconnected from the manifold. The shut off valves were located in the proper locations in the surgical suite and recovery and post-surgical recovery center spaces, however the stations or spaces served by the medical gasses and the shut off valves were not faded and not legible. The medical gasses were not be tested.
12. The compressed gas system was served by one compressor located in the basement mechanical room no redundancy equipment was identified in the room.
13. The air handling units serving both the ASC and the post-surgical recovery care center were identified to be located in the basement and in the attic spaces. The air handlers appeared to be poorly maintained, with disconnected or missing manometers at the filter beds, all air handlers had in duct smoke detectors present, the detector indicator lights were not lit on several of the detectors.
14. Two Onan Emergency generators were identified their face plates were not legible. One was identified as a diesel fuel generator and the second one was identified as a natural gas generator unit. The generators were located on the South exterior wall of the building next to the transformer unit and the two story Medical Office Building.
15. Combination exit and directional lights were identified in the exit corridors of the ASC and post-surgical recovery care center, however when testing the batteries at several locations they were identified as non-functional.
16. The nurses call system and fire alarm systems present were not tested.
17. The emergency power system was not tested and the connection to the Peoria Fire Department could not be ascertained.
18. The nurse's locker rooms serving the surgery suite were located in the basement and did not have a direct one way flow into the first floor surgery suite, requiring staff once gowned to traverse through an open storage area to access the stair into the surgery suite.

Additional Comments

19. The overall appearance of the facility appear to indicate that it had not been operational or maintained for an undetermined period of time.
20. General storage of equipment, supplies and combustible materials in hazardous quantities was identified in areas such as Stage I and Stage 2 Recovery stations, offices, designated storage areas, and open basement storage and work areas.
21. Doors interconnecting the ASC main access corridor, corridors in the post-surgical recovery center and the Doctor's Office were present creating comingling of traffic and a co mixing of functions. This may be determined by a CMS survey not to be acceptable.

22. Floor and wall finishes were identified as worn and in need of replacement throughout both units.

Documentation Availability

23. A full set of construction documents (as built) specifications and records were not available.
24. Other examples of items not available for documentation review of current equipment testing and maintenance logs and documentation was not available for review some of the items not available were:
- a. Current evacuation and Relocation Plans, disaster preparedness manuals, pandemic and infection control manuals were not available for review.
 - b. Fire Drill records including the transmission of fire alarm signal to the fire department
 - c. Smoking regulations
 - d. Documentation of Class I finishes including fixed and movable equipment and decorations
 - e. Door testing and maintenance records
 - f. Gas and Vacuum piping systems testing and maintenance records were not provided.
 - g. Testing and maintenance of essential electrical systems was not provided including both the gas and diesel generators and transfer panels (location not provided).
 - h. Fire loss prevention assessment and procedures for operating rooms was not provided.
 - i. Sprinkler testing and maintenance records were not available.
 - j. Fire alarm testing and maintenance documentation were not available.
 - k. Biomedical equipment testing and maintenance logs were not available.
 - l. Maintenance and repair records for the existing mechanical systems was not available.



Enrique J. Unanue, AIA, NCARB, ACHA
Code Services, LLC



Fire Protection and Life Safety Due Diligence

Introduction

Springfield Clinic is considering the purchase and the use of an existing MOB building containing an Ambulatory Surgery Center (ASC) tenant space in Peoria, Illinois. The ASC space is currently unoccupied. The intent is to evaluate the existing facility for code compliance and to determine what upgrades/remodeling may be required for the existing ASC. Proposed changes to the ASC have not been developed at this time. The ASC tenant space will undergo the necessary renovations to accommodate the new Springfield Clinic program.

EXISTING BUILDING INFORMATION

The existing building is a multi-tenant, 2-level Medical Office Building which contains an unoccupied Ambulatory Surgery Center on the First Floor (1-story portion). The building also contains a small basement for the use of the ASC staff (~ 7,300 sf). The Basement also contains a CT imaging room. The Second Floor is part of the MOB tenant(s) and is independent of the ASC. The first/grade level is approximately 80,000 square feet in area. The Second Floor is approximately 6,700 square feet. The 1-story ASC space is approximately 16,700 square feet in area.

The existing construction type (to be confirmed) is IBC Type VB / LSC Type V (000) unprotected combustible construction and the building is fully sprinklered. Details regarding the fire alarm system are currently unknown.

Applicable Codes

It will be necessary for the ASC project to be in accordance with the fire protection and life safety requirements of the codes, standards and regulations adopted and enforced by City of Peoria, Illinois, and the Illinois Department of Health (IDPH), and the Centers for Medicare and Medicaid Services (CMS) listed below:

- 2018 International Building Code with City amendments (IBC).
- 2018 International Fire Code City amendments (IFC).
- 2018 International Existing Building Code (IEBC).
- 2012 NFPA 101 Life Safety Code (LSC), as adopted by CMS and IDPH.

All code sections from the 2018 International Building Code are indicated with a prefix "IBC." References to the NFPA 101 Life Safety Code are indicated with a prefix "LSC."

Occupancy Classifications

The MOB can be classified as a mixed-use building/outpatient clinics with imaging services with the prime use being Business. The uses will also include Assembly, Storage, and support services. The Assembly and storage uses can be considered accessory.

Based on this approach, the aggregate area of all accessory occupancies can be designed to be less than 10% the area of the story where located which allows the assembly areas to maintain the overall Business occupancy classification (IBC 508.2.1).



Construction Classification

The IEBC requires any work to be classified in accordance with the defined Alteration Level classifications identified Chapter 6.

The IEBC requires a "work area" to be identified on the construction documents and provided with identification of the "Alteration Level" of the project. Current information is that there will not be any "change of occupancy" or any building additions but there will be some wall/partition changes which means the project must be classified as either Alteration Level 2 or Alteration Level 3 project. The requirements for the remodel are determined by the Alteration Level classification.

Work areas are defined as that portion or portions of a building consisting of all reconfigured spaces. Work area excludes other portions of the building where incidental work entailed by the intended work must be performed and portions of the building where work not initially intended by the owner is specifically required by the code. The work area must be identified on the construction documents.

1. Alteration Level 1 projects include the removal and replacement or the covering of existing materials, elements, equipment, or fixtures using new materials, elements, equipment, or fixtures that serve the same purpose.
2. Alteration Level 2 projects are defined as work including the reconfiguration of space, the addition or elimination of any door or window, the reconfiguration or extension of any system, or the installation of any additional equipment.
3. Alteration Level 3 projects are defined as work areas greater than 50% of the area of the building.

The classification of Alteration Level 2 or Alteration Level 3 will permit Type VB unprotected combustible construction (IBC) / Type VB (000) (LSC).

Fire Rated Separations

In accordance with the accessory use approach, fire rated separations are not required between use groups. However, an ASC must be 1-hour separated from other areas of the First Floor.

The supporting construction of all fire rated assemblies must have the same fire rating as the assembly being supported. There are exceptions for buildings of Type VB unprotected combustible construction (707.5.1; exception 3).

Per the LSC, general storage areas will be separated by a smoke partition. Doors located in the smoke partition will be equipped with self or automatic-closing hardware (LSC Section 38.3.2.1). This requirement does not apply to areas within a departmental space that store general office supplies. However, this section does apply to all other storage areas such as soiled linen, med supplies, material management, trash holding, housekeeping, biohazard holding, and any other similar type of room. The Life Safety Code requires linen storage to be enclosed in 1-hour rated construction.



Corridors

There are no construction requirements for corridors in buildings protected throughout by automatic sprinklers (LSC 38.3.6). Corridors must be able to resist the passage of smoke.

Smoke Barriers

In addition to the 1-hour separation of the ASC, the ASC must be provided with a 1-hour smoke barrier such that travel distance to a smoke barrier door does not exceed 200 feet. Smoke compartment must not be greater than 22,500 square feet in area. The 1-hour ASC separation can serve as the required smoke barrier provided the ASC will have access to the adjacent spaces via smoke barrier doors.

Automatic Sprinklers

Automatic sprinklers are required throughout the building in accordance with NFPA 101 to permit Type V (000) construction. The design of the sprinkler system and any modifications must be in accordance with NFPA 13.

Standpipe Systems

Not required where the highest occupied floor level is less than 30 feet above grade.

Portable Fire Extinguishers

Portable fire extinguishers are required in ASCs and all Group B occupancies per the LSC. Extinguishers must be located such that all areas are within 75 feet of travel of an extinguisher.

Fire Alarm System

A fire alarm system is required for Business occupancies when the building contains an Ambulatory Care Facility (907.2.2 (3) and LSC 21.3.4.1). The Life safety Code requires an alarm system for ASCs. As such, a fire alarm system is required for the project.

The fire alarm system will include audible/visible occupant notification devices to alert occupant of an emergency condition. The fire alarm system will be designed in accordance with NFPA 72. Manual pull stations are required at each exit. Smoke detection is required at select locations and in the HVAC system.

Accessible Means of Egress

Accessible means of egress must be provided in the same number as standard means of egress. Areas of refuge are not required for an accessible means of egress in fully sprinklered buildings. The LSC requirements for accessible means of egress are less stringent than those contained in the IBC.



Means of Egress

The means of egress must be designed in accordance with the IBC and the LSC. Based on the most restrictive requirements (LSC), the exit capacity factor for stairs is 0.30"/occupant while the exit capacity factor for a corridor/door is 0.20"/occupant (LSC Table 7.3.3.1).

The occupant load calculations for a Business occupancy are based on 100 sf/occupant (gross). Any accessory assembly areas are calculated based on 15 sf/occupant (net). Treatment areas are calculated at 240 sf/occupant (gross) and Storage occupancies are calculated based on 300 sf/occupant (gross).

Travel distance is limited to 200 feet to reach an exit in ASCs (21.2.6.2.2), 300 feet for Business and 250 feet for Assembly and Storage occupancies.

Dead end corridors are limited to 50 feet for Business and 20 feet for Assembly occupancies.

Common path of travel is limited to 100 feet for Business and Storage occupancies, and to 75 feet for Assembly occupancies.

Means of Egress Illumination

The means of egress, including the exit discharge, must be illuminated at all times the building is occupied (IBC 1006.1). The means of egress illumination level must not be less than 1 foot-candle at the walking surface level (IBC 1008.2). Exit discharge locations must also be illuminated.

Emergency and Standby Power

The power supply for the means of egress illumination must be connected to the emergency electrical system. The emergency power system must provide power for a duration of not less than 90 minutes and must consist of storage batteries, unit equipment, or an on-site generator (IBC 1008.3).

Non-Hospital Based Ambulatory Surgery

Attachment 25

Current Review Board regulations and the current application for permit form does not contain provisions for the Modernization of an ASTC. Upon advice from Review Board staff, we addressed Hospital Modernization provisions Attachment in 19 of this application.

Section VIII, 1120.130 – Financial Viability

Attachment 35

Because all of the capital expenditures for this Project are funded through internal sources, this Section is not applicable.

Section IX. 1120.140 - Economic Feasibility

Attachment 37

Economic Feasibility

A. Reasonableness of Financing Arrangements.

The Project will be financed through cash on hand and securities.

B. Conditions of Debt Financing.

The Project is being paid for through cash and securities and therefore, these criteria do not apply.

C. Reasonableness of Project and Related Costs.

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)	
ASTC		\$285.76			11,370			\$3,249,081	\$3,249,081
Contingency		\$20.00						\$227,400	\$227,400
TOTALS		\$305.76			11,370			\$3,476,481	\$3,476,481
* Circulation is 32%									

We believe the Project meets all state standards for project costs.

D. Project Operating Costs

	2024
Operating Costs	\$10,120,086
Number of Procedures	3,461
Annual Operating Cost Per Unit	\$2,924
2022 Dollars	

E. Total Effect of Project on Capital Costs

Annual Project Depreciation	\$777,759
No. Procedures	3,461
Capital Cost per Procedure	<u>\$224.72</u>

Section X, Safety Net Impact Statement

Attachment 38

Because the proposed Project is a non-substantive project, the safety net impact statement is not applicable.

Charity Care Information

Attachment 39

Shown below is the amount of charity care provided by Peoria Day Surgery Center

CHARITY CARE			
	FY19	FY20	FY21
Net Patient Revenue	\$1,534,008	\$921,477	\$314,208
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care	0	0	0
Ratio of Charity Care Cost to Net Patient Rev.	0	0	0

Shown below is the amount of charity care provided by Springfield Clinic Surgery Center in Springfield.

CHARITY CARE			
	FY19	FY20	FY21
Net Patient Revenue	\$46,593,756	\$40,243,897	\$46,146,731
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care	0	0	0
Ratio of Charity Care Cost to Net Patient Rev.	0	0	0