STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD
525 WEST JEFFERSON ST, SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

DOCKET NO: H-02	BOARD MEETING: October 3, 2023	PROJECT NO: 23-013	PROJECT COST:
FACILITY NAME: Summit Center for Surgery, LLC		CITY: Oak Brook Terrace	Original: $1,681,006
TYPE OF PROJECT: Substantive			HSA: VII

PROJECT DESCRIPTION: The Applicants (Summit Center for Health, LLC., and Summit Center for Surgery, LLC) propose an ASTC with two operating rooms, 1 procedure room and 3 pre-operative Phase I and 4 Phase II post operative recovery stations. The expected cost of the project is $1,681,006, and the expected completion date is December 31, 2023.

Information regarding this Application can be found at:
https://hfsrb.illinois.gov/projects/project.23-013.html

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The Applicants (Summit Center for Health, LLC., and Summit Center for Surgery, LLC) propose an ASTC with two operating rooms, 1 procedure room and 3 pre-operative Phase I and 4 Phase II post operative recovery stations. The expected cost of the project is $1,681,006, and the expected completion date is December 31, 2023.
- Summit Center for Health, LLC currently provides the following services in OakBrook Terrace, immediate care (DuPage Immediate Care Center), outpatient surgery (dermatology and pain management), pharmacy, lab, general radiology, ultrasound, fluoroscopy, physical therapy, sleep lab, and dermatology.
- The facility is currently an office-based facility with 2 operating rooms and 1 procedure room and 3 post-operative Phase I and 4 Phase II recovery stations. Board Staff has asked if this current office-based practice meets current IDPH Design Standards in which the Applicants will need to do if this project is approved. The Applicants have stated it will meet current IDPH Design Standards. The office-based practice has been accredited by The Joint Commission[1] and currently performs dermatology and pain management.
- The proposed ASTC will provide outpatient surgical services including dermatology, general surgery, gastroenterology, obstetrics/gynecology, ophthalmology, pain management, plastic surgery, podiatry, interventional radiology, pulmonary, urology, and vascular.

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- The project is before the State Board because the project proposes the establishment of a licensed health care facility (ASTC).

PUBLIC HEARING/COMMENT:

- A public hearing was offered but was not requested. Letters of support were received, and no letters of opposition were submitted regarding this project.

SUMMARY:

- The Applicants are asking the State Board to approve this ASTC to provide 12 surgical specialties. Three of the surgical specialties (interventional radiology, podiatry, and ophthalmology-See Table Two) do not have "qualified cases" or referral cases that were either performed in a IDPH licensed hospital or an ASTC setting. There are 23 ASTCs and 4 Hospitals within this 10-mile GSA. Six of the 23 ASTCs are single specialty ASTCs (See Table at the end of this report). The Applicants are estimating a payor mix of 4% Medicare, 9% Medicaid, 80% commercial insurance, 5% self-pay and 2% charity care. The payor mix estimates are based upon the patient mix at the DuPage Immediate Care Center.
- The Applicants addressed a total of 21 criteria and have not met the following.

[1] Application for Permit page 36.

State Board Standards Not Met	
Criterion	**Reasons for Non-Compliance**
77 ILAC 1110.235 (c)(2)(B)(i) & (ii)77	The Applicant's referral letter did not include zip code information for the physician historical referrals as required by rule. The Applicants stated in response to this lack of zip code information that the majority of the physicians providing letters did not have the ability to efficiently develop a patient origin analysis of their past cases. The Applicants stated that the physicians did provide an estimate of the number of referrals that resided in the zip codes within the 10-mile GSA.
77 ILAC 1110.235 (c) (6) – Service Accessibility	As can be seen in the table at the end of this report there are 23 ASTCs in the 10-mile GSA and four hospitals. These 23 ASTCs average utilization for operating/procedure rooms is approximately 54%. The four hospitals, operating/procedure rooms average utilization is 63%. All of the surgical specialties proposed by this project are available within the 10-mile GSA and this project is not a cooperative venture with a hospital. Service accessibility will not be improved with the proposed additional capacity.
77 ILAC 1110.235 (c) (7) – Unnecessary Duplication of Service	There are 23 ASTCs in the 10-mile GSA and four hospitals. These 23 ASTCs operating/procedure room utilization is approximately 54%. The four hospitals, operating/procedure room utilization is 63%. There is available capacity within this 10-mile GSA to accommodate the number of cases being proposed by the Applicants. An unnecessary duplication of service will result.

STATE BOARD STAFF REPORT
Project #23-013
Summit Center for Surgery

APPLICATION/SUMMARY	
Applicant(s)	Summit Center for Surgery LLC, Summit Center for Health, LLC
Facility Name	Summit Center for Surgery
Location	1 S210 Summit Avenue
Permit Holder	Summit Center for Surgery LLC, Summit Center for Health, LLC
Owner of Site	Summit Center for Health Building, LLC
Application Received	February 14, 2023
Application Deemed Complete	February 23, 2023
Anticipated Completion Date	December 31, 2023
Review Period Ends	June 23, 2023
Review Period Extended by the State Board Staff?	No
Can the Applicant request a deferral?	Yes

I. Project Description

The Applicants (Summit Center for Health, LLC., and Summit Center for Surgery, LLC) propose an ASTC with two operating rooms, 1 procedure room and 3 pre-operative Phase I and 4 Phase II post operative recovery stations. The expected cost of the project is $1,681,006, and the expected completion date is December 31, 2023.

II. Summary of Findings

A. State Board Staff finds the proposed project is **not** in conformance with all relevant provisions of Part 1110 (77 ILAC 1110).

B. State Board Staff finds the proposed project is in conformance with all relevant provisions of Part 1120 (77 ILAC 1110).

III. General Information

Summit Center for Health, LLC., and Summit Center for Surgery, LLC are the Applicants. Dr. Ibrahim Maizoub is the sole member of Summit Center for Health, LLC and Summit Center for Surgery, LLC. According to the Applicants the ASTC will initially be owned by Summit Center for Health, LLC. The Applicants state it is anticipated that minority interests will be made available to surgeons, with Summit Center for Health, LLC maintaining a majority ownership interest in the ASTC. The project is subject to a Part 1110 and Part 1120 review. Financial Commitment will occur after permit issuance.

IV. Health Care Facility

The proposed facility (Summit Center for Surgery, LLC) is in Health Service Area VII which includes Suburban Cook and DuPage County. Summit Center for Health, LLC currently provides the following services in OakBrook Terrace, immediate care (DuPage Immediate Care Center), outpatient surgery (dermatology and pain management), pharmacy, lab, general radiology, ultrasound, fluoroscopy, physical therapy, sleep lab, and dermatology.

According to the Applicants the proposed ASTC's projected payor mix is anticipated to be 4% Medicare, 9% Medicaid, 80% commercial insurance, 5% self-pay and 2% charity care. This payor mix estimate is based upon the activity at the DuPage Immediate Care Center. According to the Applicants, the proposed ASTC will apply to participate in the same Medicaid programs that DuPage Immediate Care Center is currently participating in: Blue Cross Community, Molina, Meridian, Youthcare and Aetna Better Health (f/k/a Illinicare). When asked if the physicians providing referral letters if those physician's provide services to Medicaid recipients the Applicants state to the best to the "*Applicants' knowledge, all of the surgeons providing physician "pledge" letters provide services to Medicaid recipients".*

IV. Project Uses and Sources of Funds

The Applicants are funding this project with cash in the amount of $477,850 and the Fair Market Value of the Space of $1,203,156.

TABLE ONE
Project Uses and Sources of Funds

Uses of Funds	Total Cost	% OF Total
Preplanning Costs	$1,500	0.09%
Site Prep	$1,500	0.09%
Modernization Contracts	$53,075	3.16%
Contingencies	$4,775	0.28%
A&E Fees	$7,000	0.42%
Consulting and Other Fees	$60,000	3.57%
Movable or Other Equipment	$350,000	20.82%
FMV of Space	$1,203,156	71.57%
Total	$1,681,006	100.00%
Sources of Funds		
Cash	$477,850	28.43%
FMV of Space	$1,203,156	71.57%
Total	$1,681,006	100.00%

V. Background of the Applicant, Safety Net Impact Statement, Purpose of the Project

A. Criterion 1110.110 (a) – Background of the Applicant
B. Criterion 1110.110 (b) – Purpose of the Project
C. Criterion 1110.110 (c) – Safety Net Impact Statement
D. Criterion 1110.110 (d) – Alternatives to the Project

A) Background of the Applicant

The Applicants have certified that there have been no adverse action taking against any facility owned and/or operated by the Applicants during the three years prior to filing of the application. The Applicants permit the HFSRB and IDPH access to any documents necessary to verify the information submitted, including, but not limited to official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

B) Purpose of the Project

The purpose of the project is to establish a IDPH licensed ASTC.

C) Safety Net Impact Statement

In response to the safety net impact statement the Applicants provided the following: *"Due to the nature of the proposed project, that being the establishment of an ASTC, no impact to the safely net services provided in the area are anticipated; and the project will not impact the ability of any other provider to provide or cross-subsidize safety net services. As noted in the Application addressing unnecessary duplication, the physicians providing letters indicating their intent to refer patients to the proposed ASTC are currently doing a minimal number of cases (one physicians performing fifty cases per year) at area hospitals. The ASTC will not discriminate in any fashion as to the patients that are treated in the facility."*

Board Staff requested the financial assistance policy of the proposed ASTC. The Applicants provided DuPage Immediate Care Uncompensated Charity Care Policy which states: "*DuPage Immediate Care, Ltd. Uncompensated (Charity) Care Policy II is DuPage Immediate Care, Ltd. 's policy to treat all patients in need of care, regardless of the patient's third puny coverage or ability to pay. Decisions related to either the reduction or elimination of charges are made on case-by case basis by DIC's Medical Director or his/her designate, following discussions with the patient and/or the patient's designee. When practical, DIC will attempt to reach an agreement with the patient or the patient designee, relating to a payment plan or reduction of charges for services to be provided, as deemed appropriate. Reasonable care, however, will not be denied if doing so will place the patient's health in jeopardy."* According to the Applicants, the proposed ASTC will apply to participate in the same Medicaid programs that DuPage Immediate Care Center is currently participating in: Blue Cross Community, Molina, Meridian, Youthcare, and Aetna Better Health (f/k/a Illinicare).

D) Alternatives to the Project

The Applicants did not consider any other alternatives to the proposed project.

VI. Size of the Project, Projected Utilization
Criterion 1110.120 (a) – Size of the Project
Criterion 1110.120 (b) – Projected Utilization

A) Size of the Project

The Applicants stated the 2 operating rooms, and 1 procedure room will be in 2,920 DGSF or 974 DGSF per room. The State Board Standard is 2,750 DGSF for surgery rooms and 1,100 DGSF for procedure rooms. The Applicants have successfully addressed this criterion.

B) Projected Utilization[2]

The Applicants are projecting 1,614 hours in the first year after project completion and 2,942 hours in the second year. These projections are based upon the physician referral letters submitted with the Application for Permit and updated with two TYPE B Modifications.[3] Should the referrals and hours materialize the Applicants can justify the rooms being proposed.

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[2] **77 IAC 1110.235 (c)(3)(A) & (B) or (C)** - Referrals to health care providers other than IDPH-licensed ASTCs or hospitals will not be included in determining projected patient volume.

[3] **77 IAC 1130.650 - Modification of an Application**

Modifications to an application are allowed during the review period, prior to final HFSRB decision. Modifications (as defined in Section 1130.140) shall be classified as Type A or **Type B.** Type A modifications shall be subject to the public hearing requirements of the Act. If requested, a hearing would occur within the time allocated for HFSRB staff review. Type A modifications consist of any of the following:

1) A change in the number of beds proposed in the project.

2) A change in the project site to a new location within the planning area. A change in site to a location outside the planning area originally identified in the application is not considered a modification. It voids the application.

3) A change in the cost of the project exceeding 10% of the original estimated project cost.

4) A change in the total gross square footage (GSF) of the project exceeding 10% of the original GSF.

5) An increase in the categories of service to be provided.

6) A change in the person who is the applicant, including the addition of one or more co-applicants to the application.

7) Any modification to a project, including modifications specified in subsections (a)(1) through (a)(6), that, by itself, would require a certificate of need (CON) permit or exemption.

b) All other modifications, including those made by an applicant in conformance with and limited to the comments, recommendations, or objections of HFSRB, are Type B modifications and are not subject to public hearing.

TABLE TWO Physician Referral Information, Number of Hours per Case, Qualified Cases and Hours					
	Physician	**Specialty**	**Hrs./ Case**	**Qualified Cases**	**Hours**
1	Sadah	Urology	1.21	125	151
2	Tiesenga	General	1.27	200	254
3	Rochel	Plastic	2.4	10	24
4	Tarsha	Gynecology	1.17	100	117
5	Chapa	Interventional Radiology	2.5	0	0
6	Schubert	Vascular	1.27	100	127
7	Toriumi	Plastic	4.5	50	225
8	Candido	Pain Management	0.87	500	435
9	Verma	Gastro	0.68	95	65
10	Jorge	General	1.27	77	98
11	Nagori	Pulmonary	0.75	13	10
12	Maghrabi	Podiatry	1.97	0	0
13	Agha	Dermatology	0.99	150	108
14	Weinberg	Ophthalmology	0.72	0	0
Total				1,420	1,614

VIII. Non-Hospital Based Ambulatory Surgical Treatment Center Services

77 ILAC 1110.235 (c)(2)(B)(i) & (ii)	–	Service to GSA Residents
77 ILAC 1110.235 (c)(3)(A) & (B) or (C)	–	Service Demand – Add Surgical Procedure
77 ILAC 1110.235 (c)(5)(A) & (B)	–	Treatment Room Need Assessment
77 ILAC 1110.235 (c)(6)	–	Service Accessibility
77 ILAC 1110.235 (c)(7)(A) through (C)	–	Unnecessary Duplication Maldistribution
77 ILAC 1110.235 (c)(8)(A) & (B)	–	Staffing
77 ILAC 1110.235 (c)(9)	–	Charge Commitment
77 ILAC 1110.235 (c)(10)(A) & (B)	–	Assurance

A) (Formula Calculation)

As stated in 77 Ill. Adm. Code 1100, no formula need determination for the number of ASTCs and the number of surgical/treatment rooms in a geographic service area has been established. Need shall be established pursuant to the applicable review criteria of this Part.

B) Service to Geographic Service Area Residents

The Applicants shall document that the primary purpose of the project will be to provide necessary health care to the residents of the geographic service area (GSA) in which the proposed project will be physically located.

i) The Applicants shall provide a list of zip code areas (in total or in part) that comprise the GSA. The GSA is the area consisting of all zip code areas that are located within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) of the project's site.
ii) The Applicants shall provide patient origin information by zip code for all admissions for the last 12-month period, verifying that at least 50% of admissions were residents of the GSA. Patient origin information shall be based upon the patient's legal residence (other than a health care facility) for the last 6 months immediately prior to admission.

The State Board does not have a need methodology for ASTCs. The primary service area for this project is a 10-mile radius of the proposed ASTC. There are 72 zip codes within the 10-mile radius with approximately 1.26 million residents.

The Applicants physician referral letters did not provide patient origin information by zip code for the latest 12 months as required. The Applicants stated in response to this lack of zip code information that the majority of the physicians providing letters did not have the ability to efficiently develop a patient origin analysis of their past cases. The Applicants state those physicians without that ability were given a list of all the ZIP Code areas/communities located within the project's GSA and were asked to estimate the percentage of their patients that resided in the GSA. Those estimates ranged from 0% to 80%. The Applicants state they are confident that, by the second year of the ASTC's operation, well in excess of 50% of the patients treated in the ASTC will be residents of the GSA. According to the Applicants this belief is based on the absolute anticipation that a high percentage of the patients referred to the surgeons who will ultimately perform the cases in the proposed ASTC will be referred by Summit Center for Health primarily through its subsidiary DuPage Immediate Care, Ltd. DuPage Immediate Care, Ltd is active urgent care center, treating approximately 32,000 patients a year, that is in the same building that will house the ASTC. During 2022, nearly 80% of the patients seen/treated at DuPage Immediate Care, Ltd resided in the GSA (2022 Zip Code specific patient origin analysis for DuPage Immediate Care, Ltd can be found at pages 48-49 of the Application for Permit).

Based upon the lack of zip code information the Board Staff was unable to determine if 50% of the referrals to IDPH licensed Hospitals and ASTCs were residents of the 10-mile GSA and therefore were unable to determine if the proposed ASTC would serve the residents of the 10-mile GSA.

3) Service Demand – Establishment of ASTC Service
5) Treatment Room Need Assessment

*The applicant shall document that the proposed project is necessary to accommodate **the service demand** experienced annually by the applicant, over the **latest 2-year period,** as evidenced by historical and projected referrals.*

The Applicants referral letters were for the years 2020 and 2021. The Board asks for the latest two-year period. Board Staff questioned why 2022 information was not provided. The Applicants stated, *"most of the physician "pledge" letters contain the surgeon's 2020 and 2021 utilization because in most instances the letters were prepared during 2022, making full-year 2022 data unavailable."* (Application for Permit received February 10, 2023, by the State Board). Should the projected referrals materialize, the Applicants can justify the 2 operating rooms and the 1 procedure room.

6) Service Accessibility

The proposed ASTC services being established or added are necessary to improve access for residents of the GSA. The Applicant shall document ***that at least one*** *of the following conditions exists in the GSA:*

A) There are no other IDPH-licensed ASTCs within the identified GSA of the proposed project.

B) The other IDPH-licensed ASTC and hospital surgical/treatment rooms used for those ASTC services proposed by the project within the identified GSA are utilized at or above the utilization level specified in 77 Ill. Adm. Code 1100.

C) The ASTC services or specific types of procedures or operations that are components of an ASTC service are not currently available in the GSA or that existing underutilized services in the GSA have restrictive admission policies.

D) *The proposed project is a cooperative venture sponsored by 2 or more persons, at least one of which operates an existing hospital. Documentation shall provide evidence that:*

I) The existing hospital is currently providing outpatient services to the population of the subject GSA.

ii) The existing hospital has sufficient historical workload to justify the number of surgical/treatment rooms at the existing hospital and at the proposed ASTC, based upon the treatment room utilization standard specified in 77 Ill. Adm. Code 1100.

iii) The existing hospital agrees not to increase its surgical/treatment room capacity until the proposed project's surgical/treatment rooms are operating at or above the utilization rate specified in 77 Ill. Adm. Code 1100 for a period of at least 12 consecutive months; and

iv) The proposed charges for comparable procedures at the ASTC will be lower than those of the existing hospital.

As can be seen in the table at the end of this report there are 23 ASTCs in the 10-mile GSA and four hospitals. These 23 ASTCs operating/procedure room average utilization is approximately 54%. The four hospitals operating/procedure rooms average utilization is 63%. All of the surgical specialties proposed by this project are available within the 10-mile GSA and this project is not a cooperative venture with a hospital. The Applicants have not met the requirements of this criterion.

7) Unnecessary Duplication/Maldistribution

A) The Applicants shall document that the project will not result in an unnecessary duplication. The Applicants shall provide the following information for the proposed GSA zip code areas identified in subsection (c)(2)(B)(i):

i) the total population of the GSA (based upon the most recent population numbers available for the State of Illinois); and

ii) the names and locations of all existing or approved health care facilities located within the GSA that provide the ASTC services that are proposed by the project.

B) The Applicants shall document that the project will not result in maldistribution of services. Maldistribution exists when the GSA has an excess supply of facilities and ASTC services characterized by such factors as, but not limited to:

i) a ratio of surgical/treatment rooms to population that exceeds one and one-half times the State average.

ii) historical utilization (for the latest 12-month period prior to submission of the application)

for existing surgical/treatment rooms for the ASTC services proposed by the project that are below the utilization standard specified in 77 Ill. Adm. Code 1100; or

iii) insufficient population to provide the volume or caseload necessary to utilize the surgical/treatment rooms proposed by the project at or above utilization standards specified in 77 Ill. Adm. Code 1100.

C) The Applicants shall document that, within 24 months after project completion, the proposed project:

i) will not lower the utilization of other area providers below the utilization standards specified in 77 Ill. Adm. Code 1100; and

ii) will not lower, to a further extent, the utilization of other GSA facilities that are currently (during the latest 12-month period) operating below the utilization standards.

Maldistribution-10 Mile GSA

A maldistribution (surplus) occurs when the number of operating procedure rooms per population is 1.5 times the State of Illinois operating procedure rooms per population.

There are approximately 1,257,874 residents in the 10-mile GSA. There is a total of 178 operating procedure rooms in this 10-mile GSA. The ratio of operating procedure rooms to population in this 10-mile GSA is 1 room per 7,067 residents. There are 2,064 operating procedure rooms in the State of Illinois. The population in the State of Illinois is approximately 12,580,000 residents. The ratio of operating procedure rooms to population in the State of Illinois is 1 room per 6,095 residents. Based upon this comparison there is not a surplus of operating procedure rooms in the State of Illinois.

TABLE THREE
Operating Procedure Room per Population

	Operating/Procedure Rooms	Population	Rooms to Population
State of Illinois	2,064	12,580,000	1 room to 6,095 residents
10-mile GSA	178	1,257,874	1 room to 7,067 residents

Unnecessary Duplication of Service

As shown in the Table at the end of this report there are 23 ASTCs and 4 Hospitals within the 10-mile GSA. As seen in the Table the surgical specialties proposed for this ASTC are available within the GSA and the 23 ASTCs average utilization is 54%. The existing ASTCs and hospitals are underutilized. An unnecessary duplication of service will result with the addition of this ASTC.

Impact on Other Providers

The Applicants do not believe the proposed project will impact any of the ASTC or hospitals in the GSA as only one physician has performed surgeries at a hospital in the GSA.

8) Staffing

A) Staffing Availability

The Applicants shall document that relevant clinical and professional staffing needs for the proposed project were considered and that the staffing requirements of licensure and The Joint Commission or other nationally recognized accrediting bodies can be met. In addition, the Applicants shall document that necessary staffing is available by providing letters of interest from prospective staff members, completed applications for employment, or a narrative explanation of how the proposed staffing will be achieved.

B) Medical Director

It is recommended that the procedures to be performed for each ASTC service are under the direction of a physician who is board certified or board eligible by the appropriate professional standards organization or entity that credentials or certifies the health care worker for competency in that category of service.

The Applicants state the ASTC will be staffed, at minimum, consistent with all IDPH licensure requirements and the applicable requirements of The Joint Commission. The Applicants stated the Office Based Surgery Center is currently accredited by The Joint Commission, and the current staff is anticipated to continue in their current positions, following IDPH licensure if the project is approved. According to the Applicants should additional staff be required, recruitment will be done through normal channels, such as advertisements/notices in appropriate professional publications. Ibrahim Majzoub, MD, currently serves as the ASTC's Medical Director, and will continue in that role.

9) Charge Commitment

In order to meet the objectives of the Act, which are to improve the financial ability of the public to obtain necessary health services; and to establish an orderly and comprehensive health care delivery system that will guarantee the availability of quality health care to the general public; and cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process [20 ILCS 3960/2], the Applicants shall submit the following:

A) a statement of all charges, except for any professional fee (physician charge); and

B) a commitment that these charges will not increase, at a minimum, for the first 2 years of operation unless a permit is first obtained pursuant to 77 Ill. Adm. Code 1130.310(a).

The Applicants provided their current office-based charge statement at pages 65-128 of the Application for Permit and have attested that the charges will not increase for a two-year period should the proposed project be approved.

10) Assurances

A) The Applicants shall attest that a peer review program exists or will be implemented that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for the ASTC services, and if outcomes do not meet or exceed those standards, that a quality improvement plan will be initiated.

B) The Applicants shall document that, in the second year of operation after the project completion date, the annual utilization of the surgical/treatment rooms will meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100. Documentation shall include, but not be limited to, historical utilization trends, population growth, expansion of professional staff or programs (demonstrated by signed contracts with additional physicians) and the provision of new procedures that would increase utilization.

The Applicants stated a peer review program will be implemented and according to the Applicants by the by the second year of operation following the project's completion date, the annual utilization of the operating rooms and procedure treatment room will meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100.

IX. Financial Viability and Economic Feasibility

A) Availability of Funds
B) Financial Viability
C) Reasonableness of Debt Financing
D) Terms of Debt Financing

The Applicants have qualified for the financial waiver because the project is being funded from cash. The Applicants provided Summit Center for Health, LLC 2021 unaudited income statement and balance sheet which they consider to be proprietary and has been included in the material forwarded to the State Board Members. Also submitted was Deposit Account Information for Ibrahim Majzoub and Rania Agha. That information is also included in the packet of State Board Material. Based upon that information the Proposed Project appears to be feasible.

E) Reasonableness of Project Costs

Preplanning costs are $1,500 and are less than 1% of the modernization, contingency, and equipment costs. This appears reasonable when compared to the State Board Standard of 1.8%.

Site Preparation costs are $1,500 and is 2.6% of modernization and contingency costs. This appears reasonable when compared to the State Board Standard of 5%.

Modernization contracts and contingencies are $57,850 or $19.81 per GSF. This is reasonable when compared to the State Board Standard of $307.05 per GSF.

Architectural and Engineering Fees are $7,000 and are 12.10%. This appears reasonable when compared to the State Board Standard of 16.16%.

Movable or Other Equipment is $350,000 and is $116,667 per room. This appears reasonable when compared to the State Board Standard of $551,212.

The State Board does not have standards for the items listed below.

Consulting and Other Fees	$60,000
FMV of Space	$1,203,156

F) Projected Operating Costs
The projected operating costs per case is $1,222 per case.

G) Total Effect of the Project on Capital Costs
The projected Capital Costs per case is $55 per case.

TABLE FOUR ASTCS within the Proposed GSA Surgical Specialties and Utilization						
	Facility	**City**	**Surgical Specialties**	**Rooms**	**Hours**	**Utilization**
1	Aiden Cir. For Day Surg	Addison	general surgery, orthopedic, pain management, plastic surgery, podiatry	6	145	1.29%
2	Amb. Surgery Center of Downers Grove	Downers Grove	OB/gynecology	4	2,285	30.47%
3	NW Cadence Amb. Surgery Ctr.	Warrenville	gastroenterology, ophthalmology, orthopedic, pain management, podiatry	4	5,420	72.27%
4	Chicago Prostate Cancer Surg. Ctr.	Westmont	orthopedic, podiatry	4	5,533	73.77%
5	Chicago Vascular ASC	Westmont	vascular	3	4,748	84.41%
6	Children's Memorial Westchester	Westchester	dermatology, gastroenterology, general surgery, ophthalmology, oral/maxillofacial, orthopedic, otolaryngology, pain management, plastic surgery, urology	3	4,402	78.26%
7	DMG Surgical Center	Lombard	gastroenterology, general surgery, OB/GYN, ophthalmology, orthopedic, otolaryngology, pain management, plastic surgery, podiatry, urology	11	21,154	102.56%
8	DuPage Eye Surgery Ctr.	Wheaton	ophthalmology	6	3,494	31.06%
9	Elmhurst Outpt. Surgery Ctr.	Elmhurst	gastroenterology, general surgery, laser eye surgery, ophthalmology, orthopedic, otolaryngology, pain management, plastic surgery, podiatry, urology.	8	6,436	42.91%
10	Elmwood Park Surgery Center	Elmwood Park	neurological, orthopedic, pain management	3	206	3.66%
11	Hinsdale Surgical Center	Hinsdale	gastroenterology, laser eye surgery, OB/GYN, oral/maxillofacial, ophthalmology, orthopedic, otolaryngology, pain management, plastic surgery, podiatry, urology	5	5,671	60.49%
12	Illinois Back and Neck	Elmhurst	orthopedic, pain management	1	1,217	64.91%
13	lnnovia Surgery Center	Wood Dale	OB/gynecology, otolaryngology, pain management, plastic surgery, interventional radiology, and urology	2	131	3.49%
14	Loyola Amb. Surg. Center	Oakbrook Terrace	general surgery, neurological, orthopedic, otolaryngology, pain management, podiatry	3	948	16.85%
15	Loyola U. Surgery Center	Maywood	gastroenterology, general surgery, laser eye surgery, neurological, OB/GYN, ophthalmology, oral/maxillofacial, orthopedic, otolaryngology, pain management, plastic surgery, podiatry, urology.	8	11,212	74.75%

TABLE FOUR
ASTCS within the Proposed GSA
Surgical Specialties and Utilization

	Facility	City	Surgical Specialties	Rooms	Hours	Utilization
16	Midwest Ctr. For Day Surg.	Downers Grove	gastroenterology, laser eye surgery, OB/GYN, oral/maxillofacial, ophthalmology, orthopedic, otolaryngology, pain management, plastic surgery, podiatry, urology.	6	4,238	37.67%
17	Novamed Surgery Ctr.	River Forest	laser eye, ophthalmology, plastic surgery	2	1,913	51.01%
18	Oak Brook Surgical Ctr.	Oak Brook	general surgery, OB/GYN, ophthalmology orthopedic, pain management, plastic surgery, podiatry, urology.	5	2,603	27.77%
19	Ophthalmology Surg. Ctr.	Itasca	ophthalmology	3	2,050	36.44%
20	Orthotec Surgery Center	Elmhurst	orthopedic, podiatry	1	807	43.04%
21	Rush Oak Brook Surg. Ctr.	Oak Brook	gastroenterology, general surgery, neurological, orthopedic, otolaryngology. pain management, plastic surgery, podiatry	8	8,997	59.98%
22	Salt Creek Surgery Center	Westmont	orthopedic, pain management, podiatry	4	8,498	113.31%
23	United Urology Centers	LaGrange	urology	1	4	0.21%
	Total			101	102,112	53.92%

1. Information from 2022 ASTC Survey Data.

TABLE FIVE Hospitals within the Proposed GSA and Utilization				
Hospitals	**City**	**Rooms**	**2022**	**Utilization**
UChicago Advent Hospital Hinsdale	Hinsdale	19	19,457	54.62%
UChicago Advent Hospital LaGrange	LaGrange	20	5,390	14.37%
Advocate Good Samaritan	Downers Grove	17	24,959	78.30%
Elmhurst Memorial Hospital	Elmhurst	21	40,529	102.93%
Total		**77**	**90,335**	**62.57%**

23-013 Summit Center for Surgery - Oak Brook Terrace