#23-032
Original

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: Innovia Surgery Center
Street Address: 203 East Irving Park Road
City and Zip Code: Wood Dale, Illinois 60191
County: DuPage Health Service Area: 007 Health Planning Area: 043

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

Exact Legal Name: Innovia Surgery Center, LLC
Street Address: 3 Golf Center Road #356
City and Zip Code: Hoffman Estates, Illinois 60169
Name of Registered Agent: State Registry Ltd.
Registered Agent Street Address: 3 Golf Center Road #356
Registered Agent City and Zip Code: Hoffman Estates, Illinois 60169
Name of Chief Executive Officer: Vera Schmidt
CEO Street Address: 1640 North Arlington Heights Road, Suite 110
CEO City and Zip Code: Arlington Heights, Illinois 60004
CEO Telephone Number: 847-255-7400

Type of Ownership of Applicants

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

1. Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
2. Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Vera Schmidt
Title: Chief Operations Officers
Company Name: Innovia Surgery Center
Address: 1640 North Arlington Heights Road, Suite 110, Arlington Heights, Illinois 60004
Telephone Number: 847-255-7400
E-mail Address: veras@innoviasurgery.com
Fax Number:

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:

Facility/Project Identification

Facility Name: Innovia Surgery Center
Street Address: 203 East Irving Park Road
City and Zip Code: Wood Dale, Illinois 60191
County: DuPage Health Service Area: 007 Health Planning Area: 043

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

Exact Legal Name: Advantage Surgical Holdings LLC
Street Address: 203 East Irving Park Road
City and Zip Code: Wood Dale, Illinois 60191
Name of Registered Agent: State Registry Ltd.
Registered Agent Street Address: 3 Golf Center Road #356
Registered Agent City and Zip Code: Hoffman Estates, Illinois 60169
Name of Chief Executive Officer: Vera Schmidt
CEO Street Address: 1640 North Arlington Heights Road, Suite 110
CEO City and Zip Code: Arlington Heights, Illinois 60004
CEO Telephone Number: 847-255-7400

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Telephone Number: 847-255-7400
E-mail Address: veras@innoviasurgery.com
Fax Number:

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 after permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**]

Name: Vera Schmidt
Title: Chief Operations Officers
Company Name: Innovia Surgery Center
Address: 1640 North Arlington Heights Road, Suite 110, Arlington Heights, Illinois 60004
Telephone Number: 847-255-7400
E-mail Address: veras@innoviasurgery.com
Fax Number:

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Arizona – Illinois, L.P.
Address of Site Owner: 3 Golf Center Road, Suite 356 Hoffman Estates, Illinois 60169
Street Address or Legal Description of the Site: 203 East Irving Park Road, Wood Dale, Illinois 60191 **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: Innovia Surgery Center, LLC
Address: 203 East Irving Park Road, Wood Dale, Illinois 60191

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

5. Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
6. 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.
7. **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.

Innovia Surgery Center, LLC and Advantage Surgical Holdings LLC (collectively, the "Applicants') seek authority from the Illinois Health Facilities and Services Review Board (the "State Board") to add general dentistry to its existing ambulatory surgical treatment center located at 203 East Irving Park Road, Wood Dale, Illinois 60191 (the "Surgery Center"). The Surgery Center includes two operating rooms, which are housed in approximately 3,850 gross square feet of clinical space. No construction or other alterations to the Surgery Center will be required to add general dentistry.

Procedures to be performed at the Surgery Center after permit issuance will include general dentistry, obstetrics/gynecology, otolaryngology, pain management, plastic surgery, podiatry, interventional radiology, and urology.

This project constitutes a non-substantive project because it will not result in the establishment of a health care facility.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	$1,244,242		$1,244,242
Other Costs to Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	**$1,244,242**		**$1,244,242**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	$1,244,242		$1,244,242
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$1,244,242**		**$1,244,242**

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs
Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $_____
Fair Market Value: $_____

The project involves the establishment of a new facility or a new category of service
☐ Yes ☒ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is $ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☒ None or not applicable ☐ Preliminary
☐ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): December 31, 2023

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☒ Financial Commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable?
☐ Cancer Registry – **NOT APPLICABLE**
☐ APORS – **NOT APPLICABLE**
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the departments 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]

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON-REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization – NOT APPLICABLE

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available. Include observation days in the patient day totals for each bed service.** Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME:		**CITY:**			
REPORTING PERIOD DATES:		**From:**		**to:**	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long-Term Care					
Specialized Long-Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:					

#23-032

Innovia
SURGERY CENTER

203 E. Irving Park Road
Wood Dale, IL 60191
(847) 385-0700
www.InnoviaSurgery.com

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors.
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist).
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist).
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Innovia Surgery Center, LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Vera Schmidt
PRINTED NAME

Chief of Operations
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 5th day of July 2023

Signature of Notary

Seal

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

SIGNATURE

Joanna Lyszkowski
PRINTED NAME

ASC Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 5th day of July 2023

Signature of Notary

Seal

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

*Insert the EXACT legal name of the applicant

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- in the case of a corporation, any two of its officers or members of its Board of Directors.
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist).
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist).
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Advantage Surgical Holdings LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Vinod Goyal, M.D.
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 5th day of July 2023

Signature of Notary

Seal

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

SIGNATURE

Vijay Goyal, M.D.
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 5th day of July 2023

Signature of Notary

Seal

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*Insert the EXACT legal name of the applicant

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

- A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
- 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.
- 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 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.
    - 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.
    - A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
    - A certified listing of each applicant with one or more unsatisfied judgements against him or her.
    - 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.
- 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.**
- 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:

1. 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.

2. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.

3. The project involves the conversion of existing space that results in excess square footage.

4. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.

2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area, or function.

3. Evidence that the shell space is being constructed due to:
1. Requirements of governmental or certification agencies; or
2. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.

4. Provide:
1. Historical utilization for the area for the latest five-year period for which data is available; and
2. 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:

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.

The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and

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.

4.

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). After identifying the applicable review criteria for each category of service involved, read the criteria, and provide the required information APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

G. Non-Hospital Based Ambulatory Surgery

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

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

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

APPLICABLE REVIEW CRITERIA	Establish New ASTC or Service	Expand Existing Service
1110.235(c)(2)(B) – Service to GSA Residents	X	X

1110.235(c)(3) – Service Demand – Establishment of an ASTC or Additional ASTC Service	X	
1110.235(c)(4) – Service Demand – Expansion of Existing ASTC Service		X
1110.235(c)(5) – Treatment Room Need Assessment	X	X
1110.235(c)(6) – Service Accessibility	X	
1110.235(c)(7)(A) – Unnecessary Duplication/Maldistribution	X	
1110.235(c)(7)(B) – Maldistribution	X	
1110.235(c)(7)(C) – Impact to Area Providers	X	
1110.235(c)(8) – Staffing	X	X
1110.235(c)(9) – Charge Commitment	X	X
1110.235(c)(10) – Assurances	X	X

APPEND DOCUMENTATION AS ATTACHMENT 25, 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):

1. **Section 1120.120 Availability of Funds – Review Criteria**
2. **Section 1120.130 Financial Viability – Review Criteria**
3. **Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)**

VII. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document those 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]:**

_____	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.
$1,244,242	d)	Debt – a statement of the estimated terms and conditions (including the debt time, variable or permanent interest rates over the debt time, 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.
$1,244,242	**TOTAL FUNDS AVAILABLE**

APPEND DOCUMENTATION AS ATTACHMENT 34, 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:
"A" Bond rating or better
All the project's capital expenditures are completely funded through internal sources
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
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 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:

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	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

1. 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 each community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all 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)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			

Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information MUST be furnished for ALL projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care must be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

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

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

Section I, Identification, General Information, and Certification
Applicants

Certificates of good standing for Innovia Surgery Center, LLC and Advantage Surgical Holdings LLC (collectively, the "Applicants") are attached at Attachment - 1.

Innovia Surgery Center, LLC is the operator/licensee of the ambulatory surgical treatment center.

As the entity with final control over the operator/licensee, Advantage Surgical Holdings LLC is named as an applicant for this certificate of need application.

Attachment - 1

File Number 1001401-8

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, **Alexi Giannoulias,** *Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

INNOVIA SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JUNE 25, 2021, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 7TH *day of* JULY *A.D.* 2023 .

Authentication #: 2318803090 verifiable until 07/07/2024
Authenticate at: https://www.ilsos.gov

SECRETARY OF STATE

File Number 0967243-5

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, **Alexi Giannoulias,** *Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

ADVANTAGE SURGICAL HOLDINGS LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JANUARY 06, 2021, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 7TH *day of* JULY *A.D.* 2023 .

SEAL OF THE STATE OF ILLINOIS
AUG. 26TH 1818

Authentication #: 2318803566 verifiable until 07/07/2024
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

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

A copy of the lease between Innovia Surgery Center, LLC f/k/a Advantage Healthcare, Ltd. and Arizona Illinois L.P. is attached at Attachment – 2.

LEASE AGREEMENT

The lease is made between **Arizona Illinois L.P.** herein called "Lessor" and **Advantage Health Care, Ltd.** herein called the "Lessee".

Lessee hereby offers to lease space from Lessor, the premises is situated in the city of Wood Dale, County of Dupage, State of Illinois, described as **203 E Irving Park Road, Wood Dale, IL.**

1. **Terms and Rent.** Lessor shall lease the above premises for a term of twelve years **commencing on April 2, 2020,** or upon completion of purchase/transaction of the building, whichever is sooner; and terminating 15 years from the date of commencement. The annual rental of $103,932.58 payable in equal installments of $8,661.05 on the first day of each month for that month's rental, during the term of the lease.

2. **Use.** Lessee shall use and occupy the premises for medical use and general office use, permitted within the zoning.

3. **Care and Maintenance of Premises.** Lessee shall, at his own expense and at all times; maintain the premises in good and safe condition, normal wear and tear expected. Lessee shall be responsible for all repairs required except the roof, exterior walls & structural foundation.

4. **Utilities.** All applications and connections for necessary utility services on the demised premises shall be made in the name of the Lessee only, and Lessee shall be solely liable for utility charges as they come due, including those for electricity and telephone services.

5. **Security Deposit.** Lessee shall deposit with Lessor the sum of $8,661.05 as security deposit.

6. **Changes to Lease.** Changes to the lease agreement can be made at any time by mutual agreement of both parties.

7. **Option to Renew.** Lessee at its sole option shall have option to renew for ten (10) three (3) year periods each commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be adjusted to reflect the change in the Consumer Price Index at the beginning of each new lease term after the expiration of the initial lease term.

8. **Real Estate Taxes & CAM.** Lessee shall be responsible for Taxes, Maintenance and CAM.

9. **Default.** A notice of 15 days shall be given for any default by either party and an additional time period of 15 days shall be allowed to cure such default.

10. **Notices.** Any notice shall be sent via certified mail with return receipt requested, or any other address so notified.

To Lessor: Arizona Illinois, L.P
909 W Euclid Ave.
Arlington Heights IL 60006-1025

To Lessee: Advantage Health Care, Ltd.
203 E Irving Park Road
Wood Dale, IL 60191

Authorized Representative

Missouri Arizona Properties, Ltd
General Partner
Arizona Illinois, L.P.
Lessor

Authorized Representative

Advantage Health Care, Ltd.

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

The Illinois Certificate of Good Standing for Innovia Surgery Center, LLC is attached at Attachment – 3.

File Number 1001401-8

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, **Alexi Giannoulias,** *Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

INNOVIA SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JUNE 25, 2021, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 7TH *day of* JULY *A.D.* 2023 .

Authentication #: 2318803090 verifiable until 07/07/2024
Authenticate at: https://www.ilsos.gov

SECRETARY OF STATE

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

The organizational chart for Innovia Surgery Center, LLC is attached at Attachment – 4.

Chief Operating Officer
Medical Director
Executive Director
Administrative Director / Administrator
Insurance
Billing
Accounts Receivable
Pre-Certification
Fire & Safety
Office Manager
Policy & Procedure
Medical Affairs
Regulatory Affairs
Nurse Practitioners
Health Educators
Marketing
Supervising Nurse
Purchasing
Contractor Services
Medical Records
Accounts Receivable
Payroll
Diagnostic Services
Lab
Ultrasound
Medical Purchasing
Biomedical Waste
Risk Management
Surgical Suites
QA/QI UR
Pre-Operative

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

The proposed project is for the addition of general dentistry to an existing ambulatory surgical treatment center ("ASTC"). There will be no construction or modernization associated with the proposed project. Accordingly, this criterion is not applicable.

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

The proposed project is for the addition of general dentistry to an existing ASTC. There will be no construction or modernization associated with the proposed project. Accordingly, this criterion is not applicable.

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

Table 1120.110			
Project Cost	**Clinical**	**Non-Clinical**	**Total**
Fair Market Value of Leased Space or Equipment			
General Dentistry Equipment	$75,000		$75,000
Real Estate Lease	$1,169,242		$1,169,242
Total Project Costs	**$1,244,242**		**$1,244,242**

Attachment - 9

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

Cost Space Table							
		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	Cost	Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ASTC	$1,244,242	3,850				3,850	
Total Clinical	**$1,244,242**	**3,850**				**3,850**	
NON CLINICAL							
Administration							
Total Non-clinical							
TOTAL	**$1,244,242**	**3,850**				**3,850**	

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

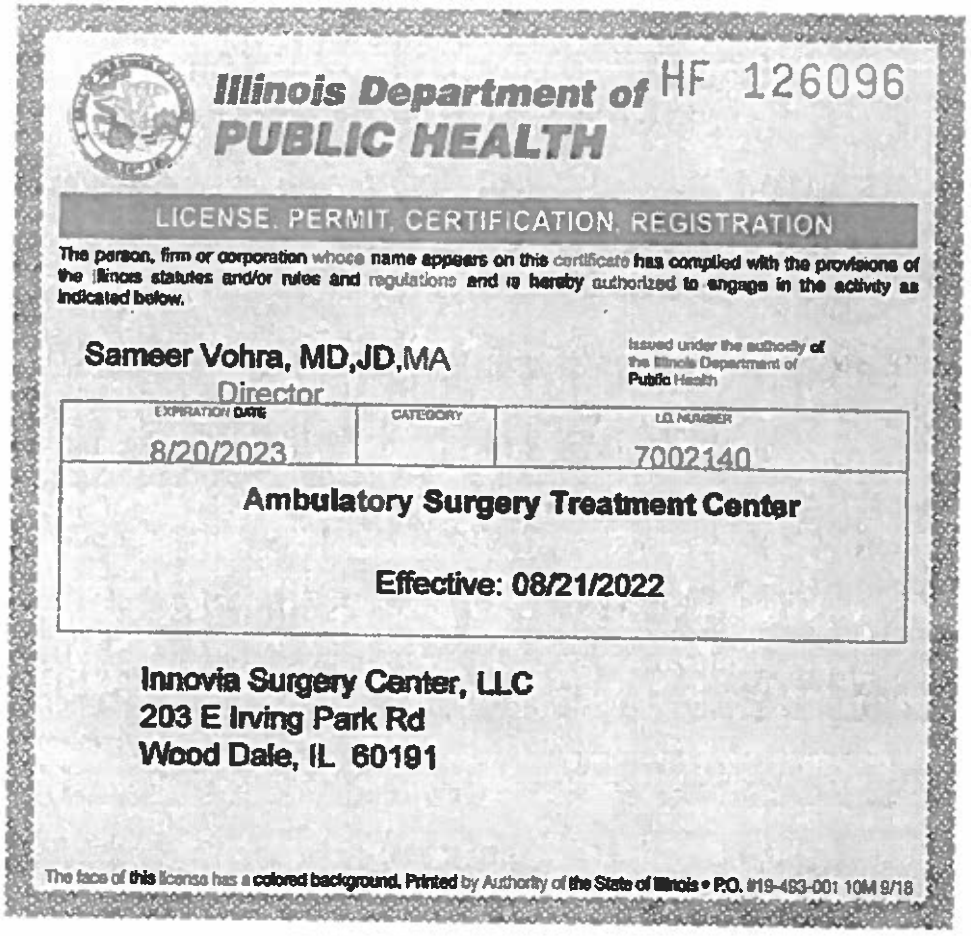
Background of the Applicant

The Applicants operate Innovia Surgery Center, LLC. Copies of the current license and accreditation are attached at Attachment – 11A.

A letter from Vera Schmidt, Chief of Operations, Innovia Surgery Center, LLC certifying no adverse action has been taken against any facility owned and/or operated by the Applicants during the three years prior to filing this application is attached at Attachment – 11B.

An authorization permitting the State Board and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11B.

The Applicant has not previously submitted an application for permit during this calendar year. Accordingly, this criterion is not applicable.



Illinois Department of PUBLIC HEALTH

HF 126096

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.

Sameer Vohra, MD,JD,MA
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
8/20/2023		7002140

Ambulatory Surgery Treatment Center

Effective: 08/21/2022

Innovia Surgery Center, LLC
203 E Irving Park Rd
Wood Dale, IL 60191

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 8/20/2023

Lic Number 7002140

Date Printed 8/5/2022

Innovia Surgery Center, LLC

203 E Irving Park Road
Wood Dale, IL 60191-2045

FEE RECEIPT NO.

AAAHC

ACCREDITATION ASSOCIATION
for AMBULATORY HEALTH CARE, INC.

ACCREDITATION NOTIFICATION

August 4, 2022

Organization #			19945	**Program Type**	Ambulatory Surgery Center
Decision Recipient			Mrs. Vera Schmidt, MT	**CCN**	14C0001179
Organization Name			Innovia Surgery Center, LLC		
Address			203 E Irving Park Rd		
City	**State**	**Zip**	Wood Dale	IL	60191-2045

Dear Innovia Surgery Center, LLC,

As an ambulatory surgery center (ASC) that has undergone the AAAHC/Medicare Deemed Status Survey, your ASC has demonstrated its compliance with the AAAHC Standards and all Medicare Conditions for Coverage (CfC).

Survey Date	7/14/2022-7/15/2022	**Deficiency Level**	Standard
Type of Survey	Re-accreditation/Medicare Deemed Status		
Acceptable PoC Received	8/4/2022	**Correction Method**	Self Attestation, Plan of Action, Document Review

Congratulations!

The AAAHC Accreditation Committee recommends your ASC for participation in the Medicare Deemed Status program. The Centers for Medicare and Medicaid Services (CMS) has the final authority to determine participation and effective dates in Medicare Deemed Status in accordance with the regulations at 42 CFR 489.13.

Accreditation Type	**Full Accreditation**	**Recommend Medicare Deemed Status**	**Yes**
Accreditation Term Begins	8/1/2022	**Accreditation Term Expires**	7/31/2025

Special CC: **CMS CO - Baltimore**
CMS Location 5 - Chicago

Accreditation Renewal Code: EDBED17119945

Next Steps

1. Leadership and staff of your ASC should take time to thoroughly review your Survey Report and Plan of Correction (PoC).
   - Subsequent surveys by AAAHC will seek evidence that deficiencies from this survey were addressed within the timeframes of your PoC.
   - The Summary Table provides an overview of compliance for each chapter applicable to your organization.

2. AAAHC requires **notification of any changes** within your organization in accordance with policies and procedures in the front section of the *Accreditation Handbook*. Visit the AAAHC website "I want to" section and select "Notify AAAHC of a change in my organization" and follow instructions.
3. AAAHC Standards, policies and procedures are reviewed and revised on an ongoing basis. You are invited to participate in the review through the periodic public comment process. Your organization will be notified when the proposed changes are available for review. You may also check the AAAHC website for details.
4. Accredited ASCs are required to maintain operations in compliance with the current AAAHC policies and Standards, which include the CMS Conditions for Coverage. Updates are published in the AAAHC *Handbooks*. Any mid-year updates are announced and posted to the AAAHC website, www.aaahc.org.
5. In order to ensure uninterrupted accreditation, your ASC should submit the *Application for Survey* approximately five months prior to the expiration of your term of accreditation. In states for which accreditation is mandated by law, the *Application* should be submitted six months in advance to ensure adequate time for review and scheduling the survey.
   NOTE: You will need the Accreditation Renewal Code found above to submit your renewal application.

Additional Information

Throughout your term of accreditation, AAAHC will communicate announcements via e-mail to the primary contact for your organization. Please be sure to notify us (notifyeast@aaahc.org) should this individual or his her contact information change.

If you have questions or comments about the accreditation process, please contact AAAHC Accreditation Services at 847.853.6060. We look forward to continuing to partner with you to deliver safe, high-quality health care.

Innovia
SURGERY CENTER

203 E. Irving Park Road
Wood Dale, IL 60191
(847) 385-0700
www.InnoviaSurgery.com

July 3, 2023

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

Dear Chair Savage:

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

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

Sincerely,

Vera Schmidt
Chief of Operations
Innovia Surgery Center, LLC

Subscribed and sworn to me
This 5th day of July, 2023

Notary Public

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

#23-032

Innovia
SURGERY CENTER

203 E. Irving Park Road
Wood Dale, IL 60191
(847) 385-0700
www.InnoviaSurgery.com

July 3, 2023

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

Dear Chair Savage:

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

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

Sincerely,

Vijay Goyal, M.D.
Manager,
Advantage Surgical Holdings LLC

Subscribed and sworn to me
This 5th day of July, 2023

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

Notary Public

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

Purpose of the Project

1. The Applicants seeks authority from the Illinois Health Facilities and Services Review Board (the "State Board") to add general dentistry to its existing surgery center. The primary purpose of this project is to improve access to dental procedures to disabled Medicaid patients within the Applicants' geographic service area and to increase utilization at Innovia Surgery Center ("Innovia"), which currently has capacity. Dentists are not licensed to administer Moderate sedation (MAC) or General Anesthesia (GA). When wisdom teeth are extracted, a dentist will give an injection of valium and/or nitrous oxide which is neither MAC or GA. Many patients, especially children and adults with disabilities, need to have GA for dental procedures, which administered by physician or certified registered nurse anesthesiologist (CRNA) working with the physician. Accordingly, these procedures can only be performed in a hospital or licensed surgery center where GA can be administered. In a July 30, 2022 letter to the Centers for Medicare and Medicaid Services (CMS), the American Dental Association, American Academy of Pediatric Dentists, and American Association of Oral and Maxillofacial Surgeons expressed significant concerns related to pediatric and adult patient access to dental rehabilitation surgery, primarily affecting high-risk Medicaid and commercial patients, who require a operating setting for the performance of extensive dental procedures. The lack of operating room access often results in wait times of 6-12 months. See Attachment – 12A. Dr. Singhal, the referring dentist for the proposed project, is on staff at Ascension Alexian Brothers and Advocate Sherman Hospital is experiencing similar challenges, resulting in a wait list of over 200 patients requiring GA for dental procedures, most of whom are Medicaid beneficiaries. Accordingly, the Project will address a core access issue for these patients in a safe environment that is acceptable to the patient.

   As shown in Table 1110.110(b) below, the Applicants identified 30 existing or approved health care facilities located within 10 miles of Innovia. Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.[1] This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2023 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in hospital outpatient departments (HOPDs) are almost twice as high as in surgery centers.[2]

Table 1110.110(b)
Facilities within 10 Miles of Innovia Surgery Center

Facility Name	Address	City	Straight-Line Distance (Miles)
Dupage Eye Surgery Center	2015 N Main St	Wheaton	8.69
DMG Surgical Center	2725 S Technology Drive	Lombard	8.65
The Oak Brook Surgical Centre	2425 W 22nd St	Oak Brook	8.07

[1] Elisabeth Rosenthal, *As Hospital Prices Soar, a Stitch Tops $500*, N.Y. TIMES, Dec. 2, 2013
[2] Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 161 (Mar. 15, 2023) *available at* https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf (last visited July 5, 2023).

Table 1110.110(b) Facilities within 10 Miles of Innovia Surgery Center			
Facility Name	**Address**	**City**	**Straight-Line Distance (Miles)**
Loyola Surgery Center	1S224 Summit	Oakbrook Terrace	5.04
OrthoTec Surgery Center	340 W Butterfield Rd	Elmhurst	6.82
Rush Oak Brook Surgery Center	2011 York Rd	Oak Brook	8.12
Elmhurst Outpatient Surgery Center	1200 S York Rd	Elmhurst	7.09
Children's Outpatient Services at Westchester	2301 Enterprise Dr	Westchester	8.70
River Forest Surgery Center	7427 W Lake Street	River Forest	9.82
Elmwood Park Same Day Surgery	1614 North Harlem Ave	Elmwood Park	9.40
Advanced Ambulatory Surgical Center	2333 N Harlem Ave	Chicago	9.08
Belmont/Harlem Surgery Center	3101 N Harlem Ave	Chicago	8.80
Schaumburg Surgery Center	929 W Higgins Road	Schaumburg	9.00
Aiden Center for Day Surgery	1580 W Lake Street	Addison	2.88
Illinois Hand & Upper Extremity Center	515 West Algonquin Road	Arlington Heights	5.91
Northwest Surgicare	1100 W Central Rd	Arlington Heights	7.24
Northwest Community Day Surgery Center	675 W Kirchhoff Rd	Arlington Heights	7.42
Northwest Endo Center	1415 S Arlington Heights Road	Arlington Heights	6.59
Northwest Community Outpatient Surgery Center	1455 Golf Rd	Des Plaines	7.68
Lakeshore Gastroenterology & Liver Disease Institute	150 River Road	Des Plaines	7.52
Uropartners Surgery Center, LLC	2750 S River Rd	Des Plaines	6.25
Golf Surgical Center, LLC	8901 Golf Road	Des Plaines	9.05
UChicago Medicine AdventHealth GlenOaks	701 Winthrop Ave	Glendale Heights	5.47
Elmhurst Memorial Hospital	155 E Brush Hill Rd	Elmhurst	7.26
Gottlieb Memorial Hospital	701 W North Ave	Melrose Park	7.76
Alexian Brothers Medical Center	800 W Biesterfield Rd	Elk Grove Village	3.59
Northwest Community Hospital	800 W Central Road	Arlington Heights	7.22
Advocate Lutheran General Hospital	1775 Dempster Street	Park Ridge	8.36
Ascension Resurrection Medical Center	7435 W Talcott Ave	Chicago	8.46

While there are 23 licensed ASTCs within the Innovia 10-mile geographic service area ("GSA"), no surgery center is approved for general dentistry. Innovia serves an economically disadvantaged community with a significant minority population, and the planned addition of general dentistry will serve disabled Medicaid patients. According to the 2020 U.S. Census Bureau estimate, 6% of residents of the Innovia GSA live at or below the Federal Poverty Level ("FPL").[3] Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Further, the inability to administer MAC or GA in Dr. Singhal's office to disabled

[3] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months *available at* https://data.census.gov/cedsci/table?q=poverty%20illinois&g=0400000US17&tid=ACSST1Y2018.S1701&t=Poverty (last visited July 7, 2023).

Medicaid patients is a barrier to care. Innovia seeks to improve access to much needed dental procedures to this vulnerable population. Accordingly, there are no options within the Innovia GSA for its most vulnerable patients.

Innovia has a proven track record of serving low-income patients. Innovia is Medicaid certified. In 2021, nearly 50% of its patients were Medicaid beneficiaries (compared to 4% for HSA 7). For patients with a demonstrated hardship who do not qualify for Medicaid, Innovia provides highly discounted rates.

2. Innovia serves patients in the northwest suburbs of Chicago within a 10-mile radius of the ambulatory surgical treatment center. A map of the market area of Innovia is attached at Attachment – 12B. Travel times from Innovia to the GSA borders are as follows:

   East: Approximate 10 mile radius to Harwood Heights
   Southeast: Approximate 10 mile radius to River Forest
   South: Approximate 10 mile radius to Oak Brook
   Southwest: Approximate 10 mile radius time to West Chicago
   West: Approximate 10 mile radius to Hanover Park
   Northwest: Approximate 10 mile radius to Hoffman Estates
   North: Approximate 10 mile radius to Arlington Heights
   Northeast: Approximate 10 mile radius to Niles

3. The Applicants identified 30 existing or approved health care facilities located within 10 miles of Innovia. Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.[4] This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2023 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in hospital outpatient departments (HOPDs) are almost twice as high as in surgery centers.[5]

   While there are 23 licensed ASTCs within the Innovia 10-mile geographic service area "(GSA"), no surgery center is approved for general dentistry. Innovia serves an economically disadvantaged community with a significant minority population, and the planned addition of general dentistry will serve disabled Medicaid patients. According to the 2020 U.S. Census Bureau estimate, 6% of residents of the Innovia GSA live at or below the Federal Poverty Level ("FPL").[6] Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Further, the inability to administer MAC or GA in Dr. Singhal's office to disabled Medicaid patients is a barrier to care. Innovia seeks to improve access to much needed dental procedures to this vulnerable population. Accordingly, there are no options within the Innovia GSA for its most vulnerable patients.

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

[5] Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 161 (Mar. 15, 2023) *available at* https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf (last visited July 5, 2023).

[6] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months *available at* https://data.census.gov/cedsci/table?q=poverty%20illinois&g=0400000US17&tid=ACSST1Y2018.S1701&t=Poverty (last visited July 7, 2023).

4. Sources

American Dental Association, American Academy of Pediatric Dentists, and American Association of Oral and Maxillofacial Surgeons, Meeting Request: Dental Operating Room Access for Covered Dental Procedures (Jun. 30, 2022) *available at* https://www.aaoms.org/docs/govt_affairs/issue_letters/AAPD_ADA_AAOMS_mtg_request_letter_to_CMS_June_30_D1008594.pdf (last visited July, 7, 2023).

Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 161 (Mar. 15, 2023) *available at* https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf (last visited July 5, 2023)).

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

5. The goal of this project is to improve access to dental procedures to disabled Medicaid residents residing in the Innovia GSA and to increase utilization at Innovia, which has capacity

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June 30, 2022

Meena Seshamani, MD, PhD
Deputy Administrator and Director
Center for Medicare
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Mr. Daniel Tsai
Deputy Administrator and Director
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Sent via Electronic Mail

Re: Meeting Request; Dental Operating Room Access for Covered Dental Procedures

Dear Dr. Seshamani and Mr. Tsai:

On behalf of our organizations' dentist members, we would like to request a timely teleconference meeting to address the dental community's significant concerns regarding pediatric and adult patient access to dental rehabilitation surgery in hospital outpatient and ambulatory surgical center (ASC) locations. Limitations in access have been exacerbated by the COVID-19 pandemic, primarily affecting high-risk Medicaid and commercially insured patients who, due to their particular medical conditions and other circumstances, require an operating room (OR) setting for the performance of extensive dental procedures.

Earlier this year, members of the Consortium for Citizens with Disabilities Health Care Task Force and the American Academy of Pediatrics echoed the concerns raised by our organizations and requested that CMS address this pressing problem (attached). In May, 25 members of Congress sent a letter to Administrator Brooks-LaSure (attached) emphasizing the urgency of the dental access problem and its consequences on health equity. The letter asked CMS to address the problem this year and to move forward with a solution.

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The lack of OR access for needed and covered dental procedures often results in wait times of 6-12 months for these patients, many of whom are children whose daily activities and school performance are often significantly affected in the interim. We attribute most of this access challenge to the lack of a sustainable billing mechanism for hospitals and ASCs to report dental surgical services in both Medicare and Medicaid. We believe that the hardship experienced by our patients could be considerably alleviated by the issuance of a new HCPCS code for dental surgical procedures performed under general anesthesia and payment for the new code at a rate that reflects the costs involved, based on Medicare data.

We have been attempting to resolve the problem with Medicare's Hospital and Ambulatory Policy Group (HAPG) since November of 2020, but thus far, while we have had some great conversations, no action has been taken. Because the primary patient groups affected are covered by Medicaid, but jurisdiction over HCPCS coding and Medicare payment are within the jurisdiction of the CMS Center for Medicare, we believe that the involvement of both Centers is necessary to chart a course forward.

The problem is twofold: First, dental rehabilitation surgical services for complex dental patient cases that require OR access do not have specific CPT codes. Today, CPT coding options are limited to an unlisted/miscellaneous code (CPT 41899), and hospital outpatient departments are paid for this code at a rate of $203.64, less than one tenth of the average cost ($2,334.87). In part, as the result of the inadequacy of Medicare payment, hospitals are reluctant to schedule dental surgical cases. Second, because Medicare regulations do not allow miscellaneous codes to be included on the ASC List of Covered Surgical Procedures, these dental surgical services are not covered in ASCs, which otherwise could do much to address the patient hardship resulting from the lack of hospital OR access. While Medicare's coverage of dental surgical procedures is admittedly limited, these issues impact almost all of those Medicare patients whose dental surgery is performed ancillary to a covered surgical procedure. Our organizations are not otherwise requesting any expansion of Medicare dental services to address this situation.

Even more significantly, Medicaid programs often either adopt Medicare payment rates or utilize them as a benchmark, and both Medicaid and commercial payers generally utilize Medicare's ASC list to determine which procedures are eligible for coverage. The lack of appropriate payment and the absence of these procedures on the ASC list, therefore, has a significant ripple effect on OR access for Medicaid patients. Dental services for children are required to be covered under Medicaid, and therefore the great majority of patients impacted by the lack of

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specific coding and adequate payment for dental surgical services performed under general anesthesia are Medicaid-covered children.

We believe the issuance of a new HCPCS code and establishment of a Medicare payment rate that adequately reflects the costs involved would go a long way toward alleviating the obstacles faced by our members and help support our ongoing engagement with state Medicaid programs.

We look forward to having the opportunity to discuss these important issues and proposed solutions. Please contact Julie Allen at 202-494-4115 or Julie.Allen@PowersLaw.com for additional information and to schedule a timely teleconference meeting.

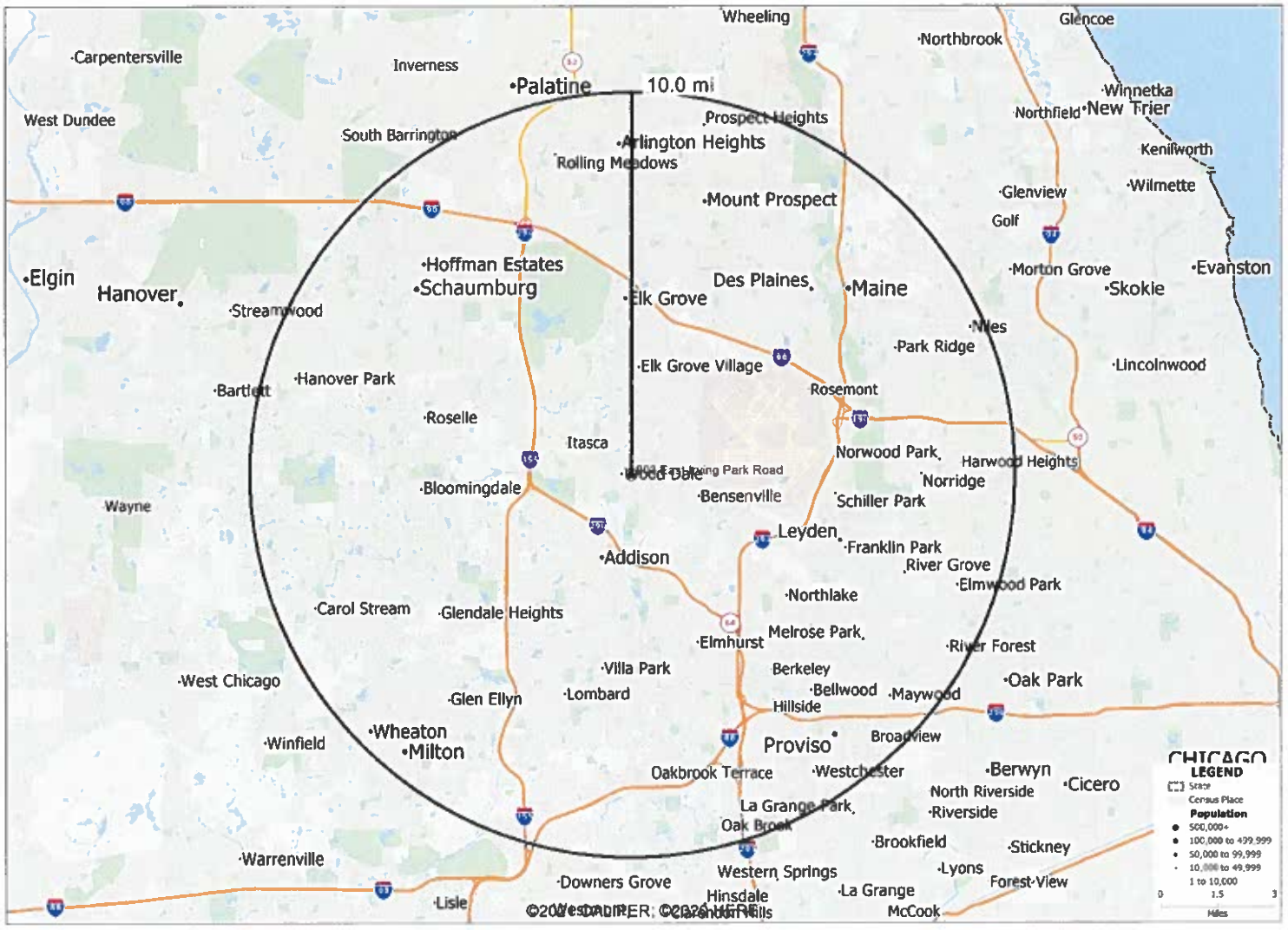
Sincerely yours,

American Academy of Pediatric Dentistry
American Association of Oral and Maxillofacial Surgeons
American Dental Association

Cc: Dr. Natalia Chalmers, CMS Office of the Administrator
Ms. Carol Blackford, CMS HAPG
Dr. Ryan Howe, CMS HAPG
Mr. Andrew Snyder, CMS CMCS

Attachments

Innovia Surgery Center Geographic Service Area



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

Alternatives

The Applicants explored several options prior to determining to add general dentistry to its ASTC. The options considered are as follows:

Do nothing;

Utilize existing facilities;

Add general dentistry to the existing ASTC.

After exploring these options, which are discussed in more detail below, the Applicants decided to add general dentistry to its ASTC. A review of each of the options considered and the reasons they were rejected follows.

Do Nothing

The first alternative considered was to maintain the status quo, whereby the Applicant would continue to perform previously approved surgical specialties at Innovia. The primary purpose of this project is to improve access to dental procedures to disabled Medicaid patients within the Applicants' geographic service area and to increase utilization at Innovia Surgery Center ("Innovia"), which currently has capacity. Dentists are not licensed to administer Moderate sedation (MAC) or General Anesthesia (GA). When wisdom teeth are extracted, a dentist will give an injection of valium and/or nitrous oxide which is neither MAC or GA. Many patients, especially children and adults with disabilities, need to have GA for dental procedures, which administered by physician or certified registered nurse anesthesiologist (CRNA) working with the physician. Accordingly, these procedures can only be performed in a hospital or licensed surgery center where GA can be administered. In a July 30, 2022 letter to the Centers for Medicare and Medicaid Services (CMS), the American Dental Association, American Academy of Pediatric Dentists, and American Association of Oral and Maxillofacial Surgeons expressed significant concerns related to pediatric and adult patient access to dental rehabilitation surgery, primarily affecting high-risk Medicaid and commercial patients, who require an operating setting for the performance of extensive dental procedures. The lack of operating room access often results in wait times of 6-12 months. Dr. Singhal, the referring dentist for the proposed project, is on staff at Ascension Alexian Brothers and Advocate Sherman Hospital is experiencing similar challenges, resulting in a wait list of over 200 patients requiring GA for dental procedures, most of whom are Medicaid beneficiaries. Accordingly, the Project will address a core access issue for these patients in a safe environment that is acceptable to the patient.

The Applicants identified 30 existing or approved health care facilities located within 10 miles of Innovia. Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.[7] This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2023 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are almost twice as high as in surgery

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

centers.[8]

While there are 23 licensed ASTCs within the Innovia 10-mile GSA, no surgery center is approved for general dentistry. Innovia serves an economically disadvantaged community with a significant minority population, and the planned addition of general dentistry will serve disabled Medicaid patients. According to the 2020 U.S. Census Bureau estimate, 6% of residents of the Innovia GSA live at or below the FPL.[9] Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Further, the inability to administer MAC or GA in Dr. Singhal's office to disabled Medicaid patients is a barrier to care. Innovia seeks to improve access to much needed dental procedures to this vulnerable population.

While this alternative would result in no cost to the Applicants (compared to the nominal cost of adding the service), due to the fact no surgery center offers general dentistry, this alternative was rejected. Further, surgical providers routinely make capital investments at the level contemplated by this application so these investments are essentially ordinary course capital investments, which are well under the capital expenditure minimum for surgery centers.

There is no cost to this option.

Utilize Other Health Care Facilities

Another alternative the Applicant considered was utilizing existing health care facilities to provide an option for general dentistry. As previously stated, no surgery center within the Innovia GSA is approved for general dentistry.

While there are 7 acute care hospitals and 23 ambulatory surgical treatment centers located within the Innovia GSA. Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.[10] This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2023 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in HOPDs are almost twice as high as in surgery centers.[11] Furthermore, while Dr. Singhal, the referring dentist for the proposed project, is on staff at Ascension Alexian Brothers and Advocate Sherman Hospital, they are currently not scheduling these procedures at their hospitals, resulting in a wait list of over 200 patients requiring GA for dental procedures, most of whom are Medicaid beneficiaries.

While there are 23 licensed ASTCs within the Innovia 10-mile GSA, no surgery center is approved for general dentistry. Innovia serves an economically disadvantaged community with a significant minority population, and the planned addition of general dentistry will serve disabled Medicaid patients. According to the 2020 U.S. Census Bureau estimate, 6% of residents of the Innovia GSA live at or below the

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[8] Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 161 (Mar. 15, 2023) *available at* https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf (last visited July 5, 2023).

[9] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months *available at* https://data.census.gov/cedsci/table?q=poverty%20illinois&g=0400000US17&tid=ACSST1Y2018.S1701&t=Poverty (last visited July 7, 2023).

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

[11] Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 161 (Mar. 15, 2023) *available at* https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf (last visited July 5, 2023).

Federal Poverty Level ("FPL").[12] Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Further, the inability to administer MAC or GA in Dr. Singhal's office to disabled Medicaid patients is a barrier to care. Innovia seeks to improve access to much needed dental procedures to this vulnerable population. Accordingly, there are no options within the Innovia GSA for its most vulnerable patients.

Due to the underutilization of the surgery center and infeasibility of utilizing other providers, this alternative was rejected.

There is no cost to this option.

Add General Dentistry to the Existing ASTC

As more fully discussed above, Innovia has capacity to add more procedures. To increase utilization at the surgery center while at the same time increasing access to general dentistry in a lower cost setting, Innovia decided to request the addition of general dentistry to its existing ASTC. After weighing this low-cost option against others, it was determined that this alternative would provide the greatest benefit in terms of increased utilization and increased access to dental services.

The cost of this option is $1,244,242.

[12] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months *available at* https://data.census.gov/cedsci/table?q=poverty%20illinois&g=0400000US17&tid=ACSST1Y2018.S1701&t=Poverty (last visited July 7, 2023).

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

The Applicant proposes to add general dentistry surgical services to an existing ASTC. Pursuant to Section 1110, Appendix B of the State Board's rules, the State standard is 2,750 gross square feet per operating room for a total of 5,500 gross square feet for 2 operating rooms. The total gross square footage of the clinical space of Innovia is 3,850 of gross square feet (or 1,925 GSF per operating room). Accordingly, Innovia meets the State standard per operating room.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
ASTC	3,850	5,500	N/A	Below State Standard

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

The ASTC's annual utilization shall improve to be closer to the State Board's utilization standard. Importantly, Innovia is not adding capacity to the planning area, but is trying to increase utilization of its existing surgery center to be closer to the State Board standard by adding cases. The Applicant performed 75 procedures (or 131 surgical hours) in 2022. As documented in the physician referral letters attached at Appendix – 1, Dr. Vipul Singhal anticipates referring 260 general dentistry cases to Innovia within the first year after project completion. Based upon Dr. Singhal's current experience, additional estimated surgical hours, including prep and cleanup, in the first year after project completion are as follows:

Surgical Specialty	Projected Referrals	Estimated Surgical Time	Estimated Total Surgical Hours After First Year Project Completion
OB/Gynecology	538	1.75 hours	945
General Dentistry	260	2 hours	520
Total	**798**		**1,465**

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

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

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

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

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

1. Attached at Attachment – 25A is a map outlining the intended GSA for Innovia. As set forth in Criterion 1110.110(b), the surgery center will serve patients residing in and around Wood Dale. Accordingly, the intended primary GSA consists of those areas within a 10-mile radius from Innovia.

2. Pursuant to Section 1100.510(d) of the State Board's rules, the normal drive time should be based upon the location of the applicant facility. Innovia is located in Wood Dale, and therefore the intended GSA is the radius of 10 miles from Innovia. A list of all zip codes located, in whole or in part, within a 10-mile radius of Innovia as well as the 2021 U.S. Census estimates for each zip code is provided in Table 1110.235(c)(2)(B)(i).

Table 1110.235(c)(2)(B)(i)
Population within Geographic Service Area

Zip Code	City	Population
60004	Arlington Heights	52,334
60005	Arlington Heights	29,622
60007	Elk Grove Village	33,048
60008	Rolling Meadows	23,191
60016	Des Plaines	62,140
60018	Des Plaines	29,161
60056	Mount Prospect	56,912
60068	Park Ridge	39,531
60070	Prospect Heights	15,875
60101	Addison	37,765
60104	Bellwood	18,785
60106	Bensenville	20,694
60108	Bloomingdale	23,703
60126	Elmhurst	47,822
60131	Franklin Park	18,409
60133	Hanover Park	37,545
60137	Glen Ellyn	38,648
60139	Glendale Heights	33,520
60143	Itasca	11,673
60148	Lombard	53,072
60153	Maywood	23,547
60154	Westchester	16,837
60155	Broadview	8,005
60157	Medinah	2,553
60160	Melrose Park	25,417
60162	Hillside	8,286
60163	Berkeley	5,307
60164	Melrose Park	21,719

Attachment – 25A

Table 1110.235(c)(2)(B)(i) Population within Geographic Service Area		
Zip Code	**City**	**Population**
60165	Stone Park	4,611
60169	Hoffman Estates	34,188
60171	River Grove	10,571
60172	Roselle	24,407
60173	Schaumburg	14,016
60176	Schiller Park	11,680
60181	Villa Park	30,488
60187	Wheaton	30,465
60191	Wood Dale	14,136
60193	Schaumburg	40,150
60194	Schaumburg	20,467
60195	Schaumburg	4,865
60305	River Forest	11,742
60523	Oak Brook	10,173
60630	Chicago	55,591
60631	Chicago	30,589
60634	Chicago	77,520
60656	Chicago	28,665
60706	Harwood Heights	24,272
60707	Elmwood Park	41,309
60714	Niles	31,208
Total		**1,346,234**

United States Census Bureau, 2021: ACS 5-Year Estimates Data Profiles *available at* https:// https://data.census.gov/table?tid=ACSDP1Y2021.DP05 (last visited Jul. 5, 2023).

3. Pursuant to Section 1100.510(d) of the State Board's rules, the intended geographic service area shall be a 10-mile radius time from the proposed ambulatory surgical treatment center. As set forth throughout this application, Innovia serves Wood Dale and the surrounding areas within a 10-mile radius of the surgery center. Travel times to and from Innovia to the GSA borders are as follows:

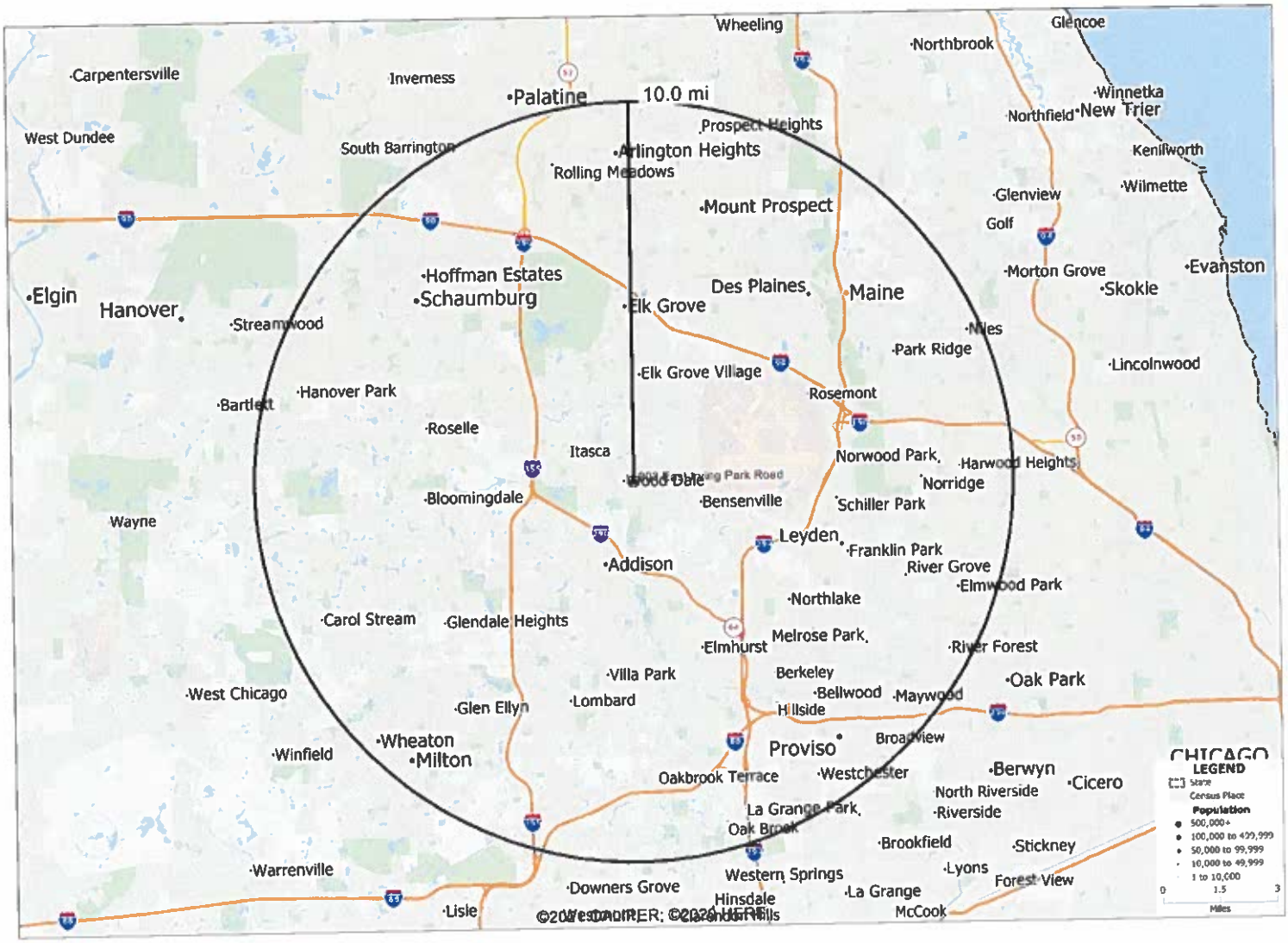
East: Approximate 10 mile radius to Harwood Heights
Southeast: Approximate 10 mile radius to River Forest
South: Approximate 10 mile radius to Oak Brook
Southwest: Approximate 10 mile radius time to West Chicago
West: Approximate 10 mile radius to Hanover Park
Northwest: Approximate 10 mile radius to Hoffman Estates
North: Approximate 10 mile radius to Arlington Heights
Northeast: Approximate 10 mile radius to Niles

4. Patient origin information by zip code for Dr. Singhal's admissions for the last 12- month period is proved in Table 1110.235(c)(2)(B)(ii) below. As shown in the table below, over 70 percent of the historical patients reside within the Innovia geographic service area.

Table 1110.235(c)(2)(B)(ii)
Patient Origin by Zip Code

Zip Code	City	Patients
60004	Arlington Heights	120
60505	Aurora	15
60010	Barrington	11
60089	Buffalo Grove	5
60110	Carpentersville	6
60013	Cary	5
60014	Crystal Lake	9
60016	Des Plaines	30
60025	Glenview	1
60160	Melrose Park	2
60056	Mount Prospect	16
60060	Mundelein	3
60074	Palatine	14
60070	Prospect Heights	4
60008	Rolling Meadows	23
60446	Romeoville	3
60193	Schaumburg	8
60090	Wheeling	10
Total		**285**

Innovia Surgery Center Geographic Service Area



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

The physician referral letter providing the number of patients referred to health care facilities within the past 12 months and the projected number of referrals to the surgery center is attached at Appendix - 1. A summary of the physician referral letter is provided in Table 1110.235(c)(3) below.

Table 1110.235(c)(3)		
Hospital/ASTC	**Cases Performed in the Last 12 Months**	**Anticipated Referrals to Innovia**
Ascension Alexian Brothers	200	190
Advocate Sherman Hospital	85	70
Total	**285**	**260**

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

1. Pursuant to Section 1100.640(c) of the State Board's rules, ambulatory surgical treatment centers should operate 1,500 per room per year (including setup and cleanup time). Innovia currently has two operating rooms with a capacity for 3,000 hours per year. In 2021, 540 surgical procedures (or 945 surgical hours) were performed at Innovia. Based on Dr. Singhal's referral letter, the Applicants projects 798 cases (or 1,465 surgical hours) will be referred to Innovia.

2. The Applicants estimate the average length of time will be 1.5 surgical hours and 30 minutes for prep and clean up for a total of 2 hours per general dentistry procedure.

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

The primary purpose of this project is to improve access to dental procedures to disabled Medicaid patients within the Applicants' geographic service area and to increase utilization at Innovia, which currently has capacity. Dentists are not licensed to administer MAC or GA. When wisdom teeth are extracted, a dentist will give an injection of valium and/or nitrous oxide which is neither MAC or GA. Many patients, especially children and adults with disabilities, need to have GA for dental procedures, which administered by physician or certified registered nurse anesthesiologist (CRNA) working with the physician. Accordingly, these procedures can only be performed in a hospital or licensed surgery center where GA can be administered. In a July 30, 2022 letter to the Centers for Medicare and Medicaid Services (CMS), the American Dental Association, American Academy of Pediatric Dentists, and American Association of Oral and Maxillofacial Surgeons expressed significant concerns related to pediatric and adult patient access to dental rehabilitation surgery, primarily affecting high-risk Medicaid and commercial patients, who require an operating setting for the performance of extensive dental procedures. The lack of operating room access often results in wait times of 6-12 months. Dr. Singhal, the referring dentist for the proposed project, is on staff at Ascension Alexian Brothers and Advocate Sherman Hospital is experiencing similar challenges, resulting in a wait list of over 200 patients requiring GA for dental procedures, most of whom are Medicaid beneficiaries. Accordingly, the Project will address a core access issue for these patients in a safe environment that is acceptable to the patient.

Furthermore, utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.[13] This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2023 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in hospital outpatient departments (HOPDs) are almost twice as high as in surgery centers.[14]

While there are 23 licensed ASTCs within the Innovia 10-mile GSA, no surgery center is approved for general dentistry. Innovia serves an economically disadvantaged community with a significant minority population, and the planned addition of general dentistry will serve disabled Medicaid patients. According to the 2020 U.S. Census Bureau estimate, 6% of residents of the Innovia GSA live at or below the FPL.[15] Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Further, the inability to administer MAC or GA in Dr. Singhal's office to disabled Medicaid patients is a barrier to care. Innovia seeks to improve access to much needed dental procedures to this vulnerable population. Accordingly, there are no options within the Innovia GSA for its most vulnerable patients.

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

[14] Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 161 (Mar. 15, 2023) *available at* https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf (last visited July 5, 2023).

[15] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months *available at* https://data.census.gov/cedsci/table?q=poverty%20illinois&g=0400000US17&tid=ACSST1Y2018.S1701&t=Poverty (last visited July 7, 2023).

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

1. **Unnecessary Duplication of Services**

a. Innovia will remain in its current location at 203 East Irving Park Road, Wood Dale, Illinois. A map of the Innovia's market area is attached at Attachment – 25A. A list of all zip codes located, in whole or in part, within a 10-mile radius of Innovia as well as the 2021 U.S. Census estimates figures for each zip code is provided in Table 1110.235(c)(7)(A).

Table 1110.235(c)(7)(A)(i)
Population within Geographic Service Area

Zip Code	City	Population
60004	Arlington Heights	52,334
60005	Arlington Heights	29,622
60007	Elk Grove Village	33,048
60008	Rolling Meadows	23,191
60016	Des Plaines	62,140
60018	Des Plaines	29,161
60056	Mount Prospect	56,912
60068	Park Ridge	39,531
60070	Prospect Heights	15,875
60101	Addison	37,765
60104	Bellwood	18,785
60106	Bensenville	20,694
60108	Bloomingdale	23,703
60126	Elmhurst	47,822
60131	Franklin Park	18,409
60133	Hanover Park	37,545
60137	Glen Ellyn	38,648
60139	Glendale Heights	33,520
60143	Itasca	11,673
60148	Lombard	53,072
60153	Maywood	23,547
60154	Westchester	16,837
60155	Broadview	8,005
60157	Medinah	2,553
60160	Melrose Park	25,417
60162	Hillside	8,286
60163	Berkeley	5,307
60164	Melrose Park	21,719
60165	Stone Park	4,611
60169	Hoffman Estates	34,188
60171	River Grove	10,571

Table 1110.235(c)(7)(A)(i) Population within Geographic Service Area		
Zip Code	**City**	**Population**
60172	Roselle	24,407
60173	Schaumburg	14,016
60176	Schiller Park	11,680
60181	Villa Park	30,488
60187	Wheaton	30,465
60191	Wood Dale	14,136
60193	Schaumburg	40,150
60194	Schaumburg	20,467
60195	Schaumburg	4,865
60305	River Forest	11,742
60523	Oak Brook	10,173
60630	Chicago	55,591
60631	Chicago	30,589
60634	Chicago	77,520
60656	Chicago	28,665
60706	Harwood Heights	24,272
60707	Elmwood Park	41,309
60714	Niles	31,208
Total		**1,346,234**

United States Census Bureau, 2021: ACS 5-Year Estimates Data Profiles *available at* https:// https://data.census.gov/table?tid=ACSDP1Y2021.DP05 (last visited Jul. 5, 2023).

b. A list of all existing and approved surgery centers located within the Innovia geographic service is provided in Table 1110.235(c)(7)(A)(ii) below.

Table 1110.235(c)(7)(A)(ii) Facilities within 10 Miles of Innovia Surgery Center			
Facility Name	**Address**	**City**	**Straight-Line Distance (Miles)**
Dupage Eye Surgery Center	2015 N Main St	Wheaton	8.69
DMG Surgical Center	2725 S Technology Drive	Lombard	8.65
The Oak Brook Surgical Centre	2425 W 22nd St	Oak Brook	8.07
Loyola Surgery Center	1S224 Summit	Oakbrook Terrace	5.04
OrthoTec Surgery Center	340 W Butterfield Rd	Elmhurst	6.82
Rush Oak Brook Surgery Center	2011 York Rd	Oak Brook	8.12
Elmhurst Outpatient Surgery Center	1200 S York Rd	Elmhurst	7.09
Children's Outpatient Services at Westchester	2301 Enterprise Dr	Westchester	8.70
River Forest Surgery Center	7427 W Lake Street	River Forest	9.82

Table 1110.235(c)(7)(A)(ii) Facilities within 10 Miles of Innovia Surgery Center			
Facility Name	**Address**	**City**	**Straight-Line Distance (Miles)**
Elmwood Park Same Day Surgery	1614 North Harlem Ave	Elmwood Park	9.40
Advanced Ambulatory Surgical Center	2333 N Harlem Ave	Chicago	9.08
Belmont/Harlem Surgery Center	3101 N Harlem Ave	Chicago	8.80
Schaumburg Surgery Center	929 W Higgins Road	Schaumburg	9.00
Aiden Center for Day Surgery	1580 W Lake Street	Addison	2.88
Illinois Hand & Upper Extremity Center	515 West Algonquin Road	Arlington Heights	5.91
Northwest Surgicare	1100 W Central Rd	Arlington Heights	7.24
Northwest Community Day Surgery Center	675 W Kirchhoff Rd	Arlington Heights	7.42
Northwest Endo Center	1415 S Arlington Heights Road	Arlington Heights	6.59
Northwest Community Outpatient Surgery Center	1455 Golf Rd	Des Plaines	7.68
Lakeshore Gastroenterology & Liver Disease Institute	150 River Road	Des Plaines	7.52
Uropartners Surgery Center, LLC	2750 S River Rd	Des Plaines	6.25
Golf Surgical Center, LLC	8901 Golf Road	Des Plaines	9.05
UChicago Medicine AdventHealth GlenOaks	701 Winthrop Ave	Glendale Heights	5.47
Elmhurst Memorial Hospital	155 E Brush Hill Rd	Elmhurst	7.26
Gottlieb Memorial Hospital	701 W North Ave	Melrose Park	7.76
Alexian Brothers Medical Center	800 W Biesterfield Rd	Elk Grove Village	3.59
Northwest Community Hospital	800 W Central Road	Arlington Heights	7.22
Advocate Lutheran General Hospital	1775 Dempster Street	Park Ridge	8.36
Ascension Resurrection Medical Center	7435 W Talcott Ave	Chicago	8.46

2. Maldistribution of Services

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

a. Ratio of operating rooms to population.

As shown in Table 1110.235(c)(7)(B)(i), the ratio of population to operating/procedure rooms is 84% of the State Average.

TABLE 110.235(c)(7)(B)(ii) Ratio of Surgical/Treatment Rooms to Population				
	Population	**Operating/ Procedure Rooms**	**Rooms to Population**	**Standard Met?**
Geographic Service Area	1,346,234	233	1:5,778	YES
State	12,671,469	2,626	1:4,825	

b. Historical Utilization of Existing Health Care Facilities

There are 30 existing or approved health care facilities located within 10 miles of Innovia. Utilizing hospitals for procedures that can be safely performed in an outpatient surgery center is not an efficient use of scarce health care resources. A 2013 article in the New York Times noted the escalation in health care costs is largely attributed to high prices charged by hospitals.[16] This article highlighted that hospitals are the most powerful players in a health care system that has little or no price regulation in the private market. Prices set by hospitals are discretionary and not connected to underlying costs or market prices. Further, according to the March 2023 MedPac Report to Congress, Medicare payment rates for most ambulatory surgical procedures performed in hospital outpatient departments (HOPDs) are almost twice as high as in surgery centers.[17]

While there are 23 licensed ASTCs within the Innovia 10-mile GSA, no surgery center is approved for general dentistry. Innovia serves an economically disadvantaged community with a significant minority population, and the planned addition of general dentistry will serve disabled Medicaid patients. According to the 2020 U.S. Census Bureau estimate, 6% of residents of the Innovia GSA live at or below the Federal Poverty Level ("FPL").[18] Lack of health care access and education, and poverty has created health inequities in this community. Health inequities are differences in population health status and health conditions arising from social and economic inequalities. Further, the inability to administer MAC or GA in Dr. Singhal's office to disabled Medicaid patients is a barrier to care. Innovia seeks to improve access to much needed dental procedures to this vulnerable population. Accordingly, there are no options within the Innovia GSA for its most vulnerable patients.

c. Sufficient Population to Provide the Necessary Volume or Caseload

The Applicant currently operates an ASTC with two operating rooms and proposes to add general dentistry to increase its utilization closer to the State Board's standard of 1,500 surgical hours per operating/procedure room. In 2021, 540 surgical procedures (or 945 surgical hours) were performed at Innovia. Based on Singhal's referral letter, the Applicants project 260 cases (or 520 surgical hours) will be referred to Innovia. Accordingly, there is sufficient population to provide the volume necessary to utilize the operating rooms proposed by the project.

3. **Impact on Other Health Care Facilities**

a. Expansion of surgical services at Innovia will not have an adverse impact on existing health care facilities in the GSA Dr. Singhal, the referring dentist for the proposed project, is on staff

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

[17] Medicare Payment Advisory Commission, Report to the Congress: Medicare Payment Policy 161 (Mar. 15, 2023) *available at* https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf (last visited July 5, 2023).

[18] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months *available at* https://data.census.gov/cedsci/table?q=poverty%20illinois&g=0400000US17&tid=ACSST1Y2018.S1701&t=Poverty (last visited July 7, 2023).

at Ascension Alexian Brothers and Advocate Sherman Hospital; however, they are currently not scheduling these dental procedures at their hospitals, resulting in a wait list of over 200 patients requiring GA for dental procedures, most of whom are Medicaid beneficiaries. Further No existing ASTC within the Innovia GSA is approved for general dentistry.

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

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

Innovia is staffed in accordance with all IDPH and Medicare staffing requirements.

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

1. A list of the procedures to be performed at Innovia with the proposed charge is provided in Table 1110.235(c)(9) below.

Table 1110.235(c)(9)	
CPT Code	**Description**
D3220	Therapeutic pulpotomy (excluding final restoration) – removal of pulp coronal to the dentinocemental junction and application of medicament
D2930	Prefabricated stainless steel crown-primary tooth
D7140	Extraction, erupted tooth or exposed root (elevation and/or forceps removal)
D7210	Surgical removal of erupted tooth requiring removal of bone and/or sectioning of tooth, and including elevation of mucoperiosteal flap if indicated
D2330	Resin-Based Composite – One Surface, Anterior
D2331	Resin-Based Composite – Two Surfaces, Anterior
D2332	Resin-Based Composite – Three Surfaces, Anterior
D2335	Resin-Based Composite – Four or More Surfaces or Involving Incisal Angle (Anterior)
D2391	Resin-Based Composite – One Surface, Posterior
D2392	Resin-Based Composite – Two Surfaces, Posterior
D2393	Resin-Based Composite – Three Surfaces, Posterior
D2394	Resin-Based Composite – Four or More Surfaces Posterior
D3240	Pulpal therapy (resorbable filling)-posterior, primary tooth (excluding final restoration)
D2929	prefabricated porcelain/ceramic crown – primary tooth

2. A letter from Vera Schmidt, Chief of Operations, Innovia Surgery Center, LLC committing to maintain the charges listed in Table 1110.235(c)(9) is attached at Attachment – 25G.

#23-032

Innovia
SURGERY CENTER

203 E. Irving Park Road
Wood Dale, IL 60191
(847) 385-0700
www.InnoviaSurgery.com

July 3, 2023

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

Re: Charge Commitment

Dear Chair Savage:

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

Sincerely,

Vera Schmidt
Chief of Operations
Innovia Surgery Center, LLC

Subscribed and sworn to me
This 5th day of JULY, 2023

Notary Public

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

Section V, Service Specific Review Criteria
Non-Hospital Based Ambulatory Surgery

Criterion 1110.235(c)(10), Assurances

Attached at Attachment – 25H is a letter from Vera Schmidt, Chief of Operations, Innovia Surgery Center, LLC, certifying that a peer review program exists or will be implemented for ASTC services.

#23-032

Innovia
SURGERY CENTER

203 E. Irving Park Road
Wood Dale, IL 60191
(847) 385-0700
www.InnoviaSurgery.com

July 3, 2023

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

Dear Chair Savage:

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

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

Sincerely,

Vera Schmidt
Chief of Operations
Innovia Surgery Center, LLC

Subscribed and sworn to me
This 5th day of JULY, 2023

Notary Public

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

Section VI, Availability of Funds
Criterion 1120.120

The lease between Innovia Surgery Center f/k/a Advantage Healthcare, Ltd. and Arizona Illinois L.P. are attached at Attachments – 34A.

LEASE AGREEMENT

The lease is made between **Arizona Illinois L.P.** herein called "Lessor" and **Advantage Health Care, Ltd.** herein called the "Lessee".

Lessee hereby offers to lease space from Lessor, the premises is situated in the city of Wood Dale, County of Dupage, State of Illinois, described as **203 E Irving Park Road, Wood Dale, IL.**

1. **Terms and Rent.** Lessor shall lease the above premises for a term of twelve years **commencing on April 2, 2020,** or upon completion of purchase/transaction of the building, whichever is sooner; and terminating 15 years from the date of commencement. The annual rental of $103,932.58 payable in equal installments of $8,661.05 on the first day of each month for that month's rental, during the term of the lease.

2. **Use.** Lessee shall use and occupy the premises for medical use and general office use, permitted within the zoning.

3. **Care and Maintenance of Premises.** Lessee shall, at his own expense and at all times; maintain the premises in good and safe condition, normal wear and tear expected. Lessee shall be responsible for all repairs required except the roof, exterior walls & structural foundation.

4. **Utilities.** All applications and connections for necessary utility services on the demised premises shall be made in the name of the Lessee only, and Lessee shall be solely liable for utility charges as they come due, including those for electricity and telephone services.

5. **Security Deposit.** Lessee shall deposit with Lessor the sum of $8,661.05 as security deposit.

6. **Changes to Lease.** Changes to the lease agreement can be made at any time by mutual agreement of both parties.

7. **Option to Renew.** Lessee at its sole option shall have option to renew for ten (10) three (3) year periods each commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be adjusted to reflect the change in the Consumer Price Index at the beginning of each new lease term after the expiration of the initial lease term.

8. **Real Estate Taxes & CAM.** Lessee shall be responsible for Taxes, Maintenance and CAM.

9. **Default.** A notice of 15 days shall be given for any default by either party and an additional time period of 15 days shall be allowed to cure such default.

10. **Notices.** Any notice shall be sent via certified mail with return receipt requested, or any other address so notified.

To Lessor: Arizona Illinois, L.P
909 W Euclid Ave.
Arlington Heights IL 60006-1025

To Lessee: Advantage Health Care, Ltd.
203 E Irving Park Road
Wood Dale, IL 60191

Authorized Representative

Missouri Arizona Properties, Ltd
General Partner
Arizona Illinois, L.P.
Lessor

Authorized Representative

Advantage Health Care, Ltd.

Section VII, 1120.130(b) Financial Viability
Financial Viability

1. Financial viability ratios for the most recent three years for which financial statements are available and for the first full year after Project completion are provided in Table 1120.130(b) below.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:	**2020**	**2021**	**2022**	**2024**
Current Ratio	6.84	N/A	1.73	N/A
Net Margin Percentage	0.5%	4.2%	-137.2%	30.4%
Percent Debt to Total Capitalization	0%	0%	21468%	0%
Projected Debt Service Coverage	N/A	N/A	-4.69	N/A
Days Cash on Hand	4	4	2	66
Cushion Ratio	N/A	N/A	0	N/A

2. The financial viability ratio worksheet is attached at Attachment – 36A.

3. Copies of the most recent three years of financial statements as well as the 2024 pro forma financial statements are attached at Attachment – 36B.

Innovia Surgery Center
Financial Viability Ratios

	Standard	2020	2021	2022	2024
Current Ratio					
Current Assets		$8,213	$2,578	$3,481	$84,036
Current Liabilities		$1,200	$0	$2,009	$0
Current Ratio	**> 1.5**	**6.84**	**N/A**	**1.73**	**N/A**
Net Margin Percentage					
Net Income		$ 4,063	$ 29,545	$ (340,296)	$ 201,650
Net Operating Revenues		$ 771,807	$ 710,148	$ 247,979	$ 663,498
Net Margin Percentage	**> 2.5%**	**0.5%**	**4.2%**	**-137.2%**	**30.4%**
Long-Term Debt to Capitalization					
Long-Term Debt		$0	$0	$316,010	$0
Equity		-$3,787	$25,758	-$314,538	$84,036
Long-Term Debt to Capitalization	**< 80%**	**0%**	**0%**	**21468%**	**0%**
Projected Debt Service Coverage					
Net Income		$ 40,063	$ 29,545	$ (340,296)	$ 201,650
Depreciation/Amortization		-	-	-	-
Interest Expense		-	-	8,000	-
Interest Expense and Principal Payments		-	-	70,858	-
Projected Debt Service Coverage	**> 1.50**	**N/A**	**N/A**	**(4.69)**	**N/A**
Days Cash on Hand					
Cash		$ 8,213	$ 7,759	$ 3,481	$ 84,036
Investments		$0	$0	$0	$0
Board Designated Funds		$0	$0	$0	$0
Operating Expense		$ 730,788	$ 678,099	$ 585,453	$ 461,848
Depreciation		-	-	-	-
Days Cash on Hand	**> 45 Days**	**4**	**4**	**2**	**66**
Cushion Ratio					
Cash		$ 8,213	$ 7,759	$ 3,481	$ 84,036
Investments		$0	$0	$0	$0
Board Designated Funds		$0	$0	$0	$0
Interest Expense and Principal Payments		$0	$0	$70,858	$0
Cushion Ratio	**> 3.0**	**N/A**	**N/A**	**0**	**N/A**

INNOVIA SURGERY CENTER, LLC

OPERATING STATEMENT

FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2020

Net revenue	771,807
Expenses	
Advertising	27,564
Employee contracting	289,040
Outside services	8,727
Professional medical fees	52,605
Equipment rental	38,506
Depreciation	-
Insurance	650
Rent	132,323
Utilities	9,121
Telephone	951
Office expense	26,753
Postage and shipping	1,484
Drugs and professional supplies	65,663
Lab fees	7,439
Laundry and uniform	14,930
Cleaning	9,935
Repairs and maintenance	11,559
Landscaping and snow removal	11,575
Legal and accounting	15,500
Licenses and fees	1,605
Dues and subscriptions	1,267
Charitable contributions	381
Bank/credit card fees	3,210
Total expenses	730,788
Operating income	41,019
Interest expense	-
Taxes	956
Net income	40,063

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

INNOVIA SURGERY CENTER, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2020

ASSETS

Current assets	
Cash	8,213
Accounts receivable, net	-
Prepaid expenses and other	-
Total net current assets	8,213
Property and equipment	
Property and equipment	66,005
Accumulated depreciation	(66,005)
Total net property and equipment	-
Other assets	-
Total Assets	8,213

LIABILITIES AND CAPITAL

Current Liabilities	
Accounts payable	-
Employee contracting payable	-
Other	12,000
Total Current Liabilities	12,000
Loans	-
Total Liabilities	12,000
Capital	
Paid in capital	1,000
Retained earnings	(4,787)
Total Capital	(3,787)
Total Liabilities & Capital	8,213

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

INNOVIA SURGERY CENTER, LLC

OPERATING STATEMENT

FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

Net revenue	710,148
Expenses	
Advertising	9,425
Employee contracting	305,375
Outside services	5,571
Professional medical fees	10,664
Equipment rental	7,985
Depreciation	-
Insurance	5,893
Rent	109,540
Utilities	13,330
Telephone	801
Office expense	21,969
Postage and shipping	773
Drugs and professional supplies	46,005
Lab fees	5,016
Laundry and uniform	5,045
Cleaning	27,320
Repairs and maintenance	35,176
Landscaping and snow removal	8,070
Legal and accounting	51,877
Licenses and fees	2,850
Dues and subscriptions	358
Charitable contributions	870
Bank/credit card fees	4,186
Total expenses	678,099
Operating income	32,049
Interest expense	-
Taxes	2,504
Net income	29,545

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

INNOVIA SURGERY CENTER, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2021

ASSETS

Current assets	
Cash	7,759
Accounts receivable, net	-
Prepaid expenses and other	17,999
Total net current assets	25,758
Property and equipment	
Property and equipment	66,005
Accumulated depreciation	(66,005)
Total net property and equipment	-
Other assets	-
Total Assets	25,758

LIABILITIES AND CAPITAL

Current Liabilities	
Accounts payable	-
Employee contracting payable	-
Other	-
Total Current Liabilities	-
Loans	
Total Liabilities	-
Capital	
Paid in capital	1,000
Retained earnings	24,758
Total Capital	25,758
Total Liabilities & Capital	25,758

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

INNOVIA SURGERY CENTER, LLC

OPERATING STATEMENT

FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2022

Net revenue	247,979
Expenses	
Advertising	14,500
Employee contracting	115,153
Outside services	16,476
Professional medical fees	14,400
Equipment rental	-
Depreciation	-
Insurance	792
Rent	144,512
Utilities	12,739
Telephone	-
Office expense	74,851
Postage and shipping	-
Drugs and professional supplies	17,635
Lab fees	2,317
Laundry and uniform	-
Cleaning	5,940
Repairs and maintenance	19,275
Landscaping and snow removal	8,780
Legal and accounting	130,609
Licenses and fees	3,183
Dues and subscriptions	499
Charitable contributions	3,792
Bank/credit card fees	-
Total expenses	585,453
Operating income	(337,474)
Interest expense	-
Taxes	2,822
Net income	(340,296)

Prepared by Ingold Associates, Ltd.
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Hoffman Estates, IL 60169

INNOVIA SURGERY CENTER, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2022

ASSETS

Current assets	
Cash	3,481
Accounts receivable, net	-
Prepaid expenses and other	-
Total net current assets	3,481
Property and equipment	
Property and equipment	66,005
Accumulated depreciation	(66,005)
Total net property and equipment	-
Other assets	-
Total Assets	3,481

LIABILITIES AND CAPITAL

Current Liabilities	
Accounts payable	-
Employee contracting payable	-
Other	2,009
Total Current Liabilities	2,009
Loans	316,010
Total Liabilities	318,019
Capital	
Paid in capital	1,000
Retained earnings	(315,538)
Total Capital	(314,538)
Total Liabilities & Capital	3,481

Prepared by Ingold Associates, Ltd.
James F. Ingold, CPA, MBA
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Hoffman Estates, IL 60169

INNOVIA SURGERY CENTER, LLC

OPERATING STATEMENT

FORECAST FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2024

Net revenue	663,498
Expenses	
Advertising	-
Employee contracting	141,346
Outside services	17,992
Professional medical fees	15,704
Equipment rental	27,950
Depreciation	-
Insurance	832
Rent	73,632
Utilities	13,936
Telephone	-
Office expense	81,744
Postage and shipping	-
Drugs and professional supplies	19,240
Lab fees	2,496
Laundry and uniform	-
Cleaning	6,448
Repairs and maintenance	21,008
Landscaping and snow removal	9,568
Legal and accounting	26,000
Licenses and fees	3,432
Dues and subscriptions	520
Charitable contributions	-
Bank/credit card fees	-
Total expenses	461,848
Operating income	201,650
Interest expense	-
Taxes	-
Net income	201,650

Prepared by Ingold Associates, Ltd.
James F. Ingold, CPA, MBA
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Hoffman Estates, IL 60169

INNOVIA SURGERY CENTER, LLC
BALANCE SHEET
PROJECTION AS OF DECEMBER 31, 2024

ASSETS

Current assets	
Cash	84,036
Accounts receivable, net	-
Prepaid expenses and other	-
Total net current assets	84,036
Property and equipment	
Property and equipment	66,005
Accumulated depreciation	(66,005)
Total net property and equipment	-
Other assets	-
Total Assets	84,036

LIABILITIES AND CAPITAL

Current Liabilities	
Accounts payable	-
Employee contracting payable	-
Other	-
Total Current Liabilities	-
Loan from V. Goyal	-
Total Liabilities	-
Capital	
Paid in capital	1,000
Retained earnings	83,036
Total Capital	84,036
Total Liabilities & Capital	84,036

Prepared by Ingold Associates, Ltd.
James F. Ingold, CPA, MBA
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Hoffman Estates, IL 60169

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

A letter from Vera Schmidt, Chief of Operations, Innovia Surgery Center, certifying the estimated project costs and related costs will be funded in total by borrowing is attached at Attachment – 37A.

#23-032

Innovia
SURGERY CENTER

203 E. Irving Park Road
Wood Dale, IL 60191
(847) 385-0700
www.InnoviaSurgery.com

July 3, 2023

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

Re: Reasonableness of Financing Arrangements

Dear Chair Savage:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1120.140(a) that the total estimated project costs and related costs will be funded in total by That the total estimated project costs and related costs will be funded in total or in part by borrowing because a portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 1.5 times, or 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.

Sincerely,

Vera Schmidt
Chief of Operations
Innovia Surgery Center, LLC

Subscribed and sworn to me
This 5th day of JULY, 2023

Notary Public

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

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

A letter from Vera Schmidt, Chief of Operations, Innovia Surgery Center, certifying the estimated project costs and related costs will be funded in total by borrowing is attached at Attachment – 37A.

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

1. This project will not include any construction. Accordingly, this criterion is not applicable.

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below) CLINICAL	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)	
CLINICAL									
Contingency									
TOTAL CLINICAL									
NON-CLINICAL									
Admin									
Contingency									
TOTAL NON-CLINICAL									
TOTAL									
* Include the percentage (%) of space for circulation									

2. As shown in Table 1120.310(c) below, the project costs are below the State Standard.

Table 1120.310(c)			
	Proposed Project	**State Standard**	**Above/Below State Standard**
Fair Market Value of Leased Space or Equipment	$1,244,242	No State Standard	No State Standard

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

Operating Expenses:	$461,848
Procedures:	798 procedures
Operating Expense per Procedure:	$578.76 per procedure

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

Capital Costs (2024):	$0
Procedures (2024):	798 procedures
Capital Costs per Procedure:	$0 per procedure

Section IX, Safety Net Impact Statement

The proposed project is non-substantive as it involves the addition of general dentistry to an existing ASTC. Accordingly, this criterion is not applicable.

Section X, Charity Care Information

The table below provides charity care information for the most recent three years for Advantage.

CHARITY CARE			
	2020	**2021**	**2022**
Net Patient Revenue	**$439,689**	**$506,271**	**$35,115**
Amount of Charity Care (charges)	$64,000	$75,940	$0
Cost of Charity Care	$64,000	$75,940	$0

Appendix I – Physician Referral Letter

Attached as Appendix - 1 is the referral letter from Dr. Vipul Singhal projecting 260 patients will be referred to Innovia within 12 to 24 months of project completion.

Appendix - 1

Vipul Singhal, DMD, FICD, FACD
605 W. Euclid Ave
Arlington Heights, IL 60004

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

Dear Chair Savage:

I am a Dentist. I am writing in support of the expansion of surgical services at Innovia Surgery Center. General dentistry surgical cases will constitute the majority of my work in the future.

Over the past twelve months (from January 1. 2022 to December 31. 2022). for the zip codes listed on Exhibit 1. I performed a total of 285 outpatient surgical procedures at the following hospitals and surgery centers. With the expansion of surgical specialties at Innovia Surgery Center. I expect to refer my cases as noted below. Of the total cases, 70 % percent will reside within the proposed geographic service area of Innovia Surgery Center.

Hospital / Licensed ASTC	Hospital and Licensed ASTC (number of cases) Most recent 12 months	Projected Referrals to [Name of Surgery Center] after Project Completion
ALEXIAN BROTHERS -ELK GROVE VILLAGE	200	190
ADVOCATE SHERMAN – ELGIN	85	70
Total	285	260

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

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

I support the establishment Innovia Surgery Center.

Sincerely,

Vipul Singhal, DMD, FICD, FACD
605 W. Euclid Ave
Arlington Heights, IL 60004

Subscribed and sworn to me
This 6th day of JULY, 2023

Notary Public

OFFICIAL SEAL
HELENA PETROVIC
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 5/24/2025

Exhibit 1

Referrals by Patient Zip Code

Zip Code	Number of pt's
60004	120
60505	15
60010	11
60089	5
60110	6
60013	5
60014	9
60016	30
60025	1
60160	2
60056	16
60060	3
60074	14
60070	4
60008	23
60446	3
60193	8
60090	10
TOTAL:	**285**

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

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