

E-032-24
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ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: 1800 McDonough Road Surgery Center, LLC d/b/a Ashton Center for Day Surgery		
Street Address: 1800 McDonough Road, # 100		
City and Zip Code: Hoffman Estates, IL 60192		
County: Cook	Health Service Area: 7	Health Planning Area: 031

Legislators

State Senator Name: Cristina Castro
State Representative Name: Anna Moeller

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

Exact Legal Name: 1800 McDonough Road Surgery Center, LLC
Street Address: 1800 McDonough Rd, Ste 100
City and Zip Code: Hoffman Estates, IL 60192
Name of Registered Agent: Paul A. Gillman
Registered Agent Street Address: 330 N. Wabash Ave, Suite 1700
Registered Agent City and Zip Code: Chicago, IL 60661
Name of Chief Executive Officer: Kianoosh Jafari
CFO Street Address: 1800 McDonough Rd, # 100
CFO City and Zip Code: Hoffman Estates, IL 60192
CFO Telephone Number: 847-742-7272

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Barry Salzman
Title: Chairman
Company Name: SBO OPCO Holdings, LLC
Address: 1101 Perimeter Drive, Suite 125, Schaumburg, IL 60173
Telephone Number: (516) 448-9499
E-mail Address: bsalzman@suburbanortho.com
Fax Number: N/A

Additional Contact [Person who is also authorized to discuss the Application]

Name: Ernessa Brawley
Title: Attorney
Company Name: BakerHostetler
Address: 1170 Peachtree Street, Suite 2400, Atlanta, Georgia 30309
Telephone Number: 404-256-8421
E-mail Address: ebrawley@bakerlaw.com
Fax Number: N/A

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: 1800 McDonough Road Surgery Center, LLC d/b/a Ashton Center for Day Surgery		
Street Address: 1800 McDonough Road, # 100		
City and Zip Code: Hoffman Estates, IL 60192		
County: Cook	Health Service Area: 7	Health Planning Area: 031

Legislators

State Senator Name: Cristina Castro
State Representative Name: Anna Moeller

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

Exact Legal Name: SBO MSO, LLC
Street Address: 1101 Perimeter Drive, Suite 125
City and Zip Code: Schaumburg, IL 60173
Name of Registered Agent: National Registered Agents, Inc.
Registered Agent Street Address: 208 SO LASALLE ST, SUITE 814
Registered Agent City and Zip Code: Chicago, IL 60604
Name of Chief Financial Officer: Timothy Long
CFO Street Address: 1101 Perimeter Drive, Suite 125
CFO City and Zip Code: Schaumburg, IL 60173
CFO Telephone Number: (630) 349-4199, Ext 1003

Type of Ownership of Applicants

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

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
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Address: 1170 Peachtree Street, Suite 2400, Atlanta, Georgia 30309
Telephone Number: 404-256-8421
E-mail Address: ebrawley@bakerlaw.com
Fax Number: N/A

Post Exemption Contact

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

Name: Johny Antony
Title: Administrator
Company Name: Ashton Center for Day Surgery
Address: 1800 McDonough Road, Suite 100, Hoffman Estates, IL 60192
Telephone Number: 847.742.7272
E-mail Address: JAntony@Oakbrooksurgical.com
Fax Number:

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: 1800 McDonough Road Properties, LLC
Address of Site Owner: 2607 W. 22 nd Street, Ste 48, Oak Brook, IL 60523
Street Address or Legal Description of the Site: 1800 McDonough Road, Hoffman Estates, IL 60192
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.

Current Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: 1800 McDonough Road Surgery Center, LLC d/b/a Ashton Center for Day Surgery
Address: 1800 McDonough Road, Suite 100, Hoffman Estates, IL 60192
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/>
<input type="checkbox"/> Other

Operating Identity/Licensee after the Project is Complete

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: 1800 McDonough Road Surgery Center, LLC d/b/a Ashton Center for Day Surgery

Address: 1800 McDonough Road, Suite 100, Hoffman Estates, IL 60192

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

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

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

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

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. 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.

1800 McDonough Road Surgery Center d/b/a Ashton Center for Day Surgery (the "ASC") is a multi-specialty ambulatory surgical treatment center located in Hoffman Estates, Illinois. In the proposed transaction, *Jafari Investments, LLC.*, will sell its 57.5% membership interest in the ASC to SBO MSO, LLC. SBO MSO, LLC will purchase the entirety of the 57.5% membership interest held by Jafari Investments, LLC. The remaining current owners in the ASC will retain their 42.5% of membership interest of the ASC and are not subject to the terms of the proposed transaction. SBO MSO, LLC intends to provide continuing support to the ASC through operational oversight and the development of long-term strategies that enhance service delivery at the ASC.

The parties seek to finalize this transaction on or before December 31, 2024. Therefore, the parties request review and approval of the proposed transaction by the Health Facilities and Services Review Board.

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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price:	N/A	
Fair Market Value:	\$ <u>N/A</u>	

Project Status and Completion Schedules

Outstanding Permits: Does the facility have any projects for which the State Board issued a permit that is not complete? Yes ___ No X. If yes, indicate the projects by project number and whether the project will be complete when the exemption that is the subject of this application is complete.

This transaction will not involve any projects at the ASC.

Anticipated exemption completion date (refer to Part 1130.570): December 31, 2024

State Agency Submittals

Are the following submittals up to date as applicable:

- Cancer Registry
- APORS
- All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
- All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the Application being deemed incomplete.

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 1800 McDonough Road 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.

John Antony
SIGNATURE

Johnny Antony
PRINTED NAME

Administrator
PRINTED TITLE

Dr. Ankur Chhadia
SIGNATURE

Dr. Ankur Chhadia
PRINTED NAME

Member
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of November 2021

[Signature]
Signature of Notary

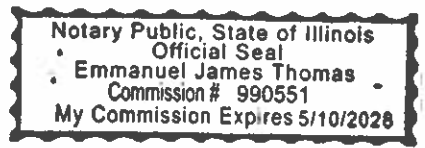
Seal

Notarization:
Subscribed and sworn to before me
this 22 day of November 2021

[Signature]
Signature of Notary

Seal

*Insert the EXACT legal name of the applicant




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 SBO MSO, 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

Timothy Long
PRINTED NAME


Chief Financial Officer
PRINTED TITLE


SIGNATURE

Dr. Ankur Chhadia
PRINTED NAME

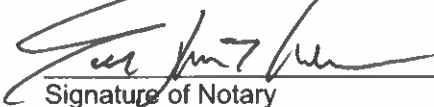
Member
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 22 day of November 2024


Signature of Notary

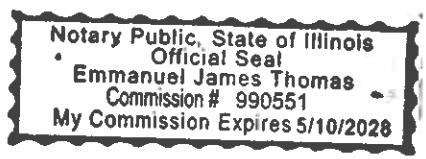
Seal

Notarization:
Subscribed and sworn to before me
this 22 day of November 2024


Signature of Notary

Seal

*Insert the EXACT legal name of the applicant



SECTION II. BACKGROUND.

BACKGROUND OF APPLICANT

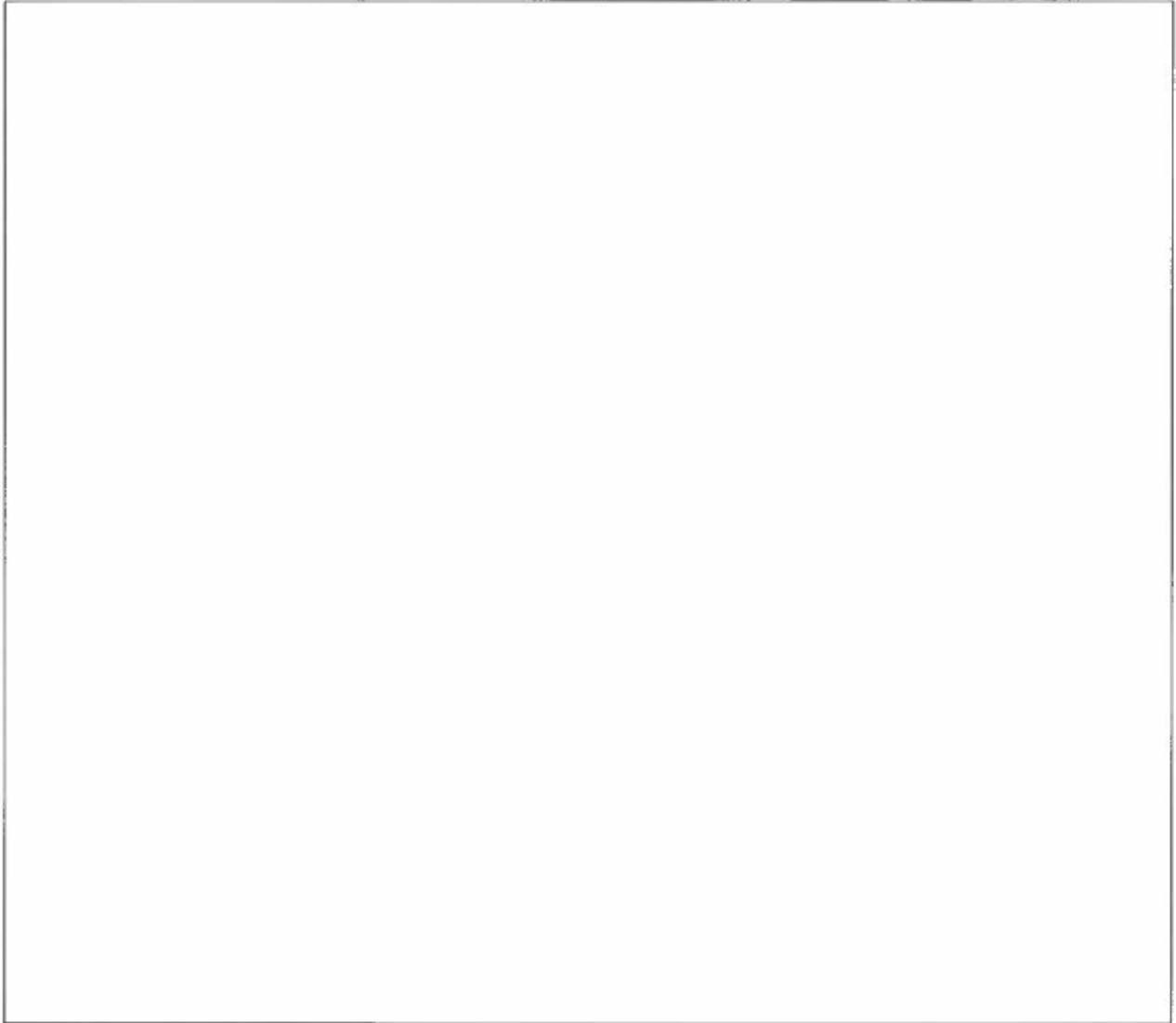
1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. 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. 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.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 5.

SECTION III. CHANGE OF OWNERSHIP (CHOW)

Transaction Type. Check the Following that Applies to the Transaction:

- Purchase resulting in the issuance of a license to an entity different from current licensee.
- Lease resulting in the issuance of a license to an entity different from current licensee.
- Stock transfer resulting in the issuance of a license to a different entity from current licensee.
- Stock transfer resulting in no change from current licensee.
- Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee.
- Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee.
- Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity.
- Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets.
- Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility.
- Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee.
- Change of ownership among related persons resulting in a license being issued to an entity different from the current licensee
- Change of ownership among related persons that does not result in a license being issued to an entity different from the current licensee.
- Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets and explain in "Narrative Description."



1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.
2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.
3. READ the applicable review criteria outlined below and **submit the required documentation (key terms) for the criteria:**

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 04/2021 Edition**

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X
1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;	X
1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(9)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.	X
APPEND DOCUMENTATION AS <u>ATTACHMENT 6</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION IV. CHARITY CARE INFORMATION

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 7.

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

APPEND DOCUMENTATION AS ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	
2	Site Ownership	
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	
5	Background of the Applicant	
6	Change of Ownership	
7	Charity Care Information	

Section 1. Identification, General Information, and Certification – Attachment 1

Certificates of Good Standing for the applicants, 1800 McDonough Road Surgical Center, LLC d/b/a Ashton Center for Day Surgery, and the proposed new member SBO MSO LLC are attached with the notation, Attachment 1.

3FF35: ? 7@F #

File Number

0220414-2



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulis, 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

1800 MCDONOUGH ROAD SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON MAY 09, 2007, 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 12TH day of NOVEMBER A.D. 2024 .

Authentication #: 2431702848 verifiable until 11/12/2025
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulis
SECRETARY OF STATE

3FF35: ? 7@F #

File Number

1264881-2



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulas, 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

SBO MSO LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 19, 2023, 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 FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS 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 12TH day of NOVEMBER A.D. 2024 .

Authentication #: 2431703688 verifiable until 11/12/2025
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulas
SECRETARY OF STATE

Section 1. Identification, General Information, and Certification – Attachment 2

Site Ownership

The proposed transaction will not result in any changes to the existing lease agreement or site ownership. This membership interest transaction will have no impact on the terms of the existing lease agreement between the landlord and licensee.

Section 1. Identification, General Information, and Certification – Attachment 3

Operating Identity/Licensee

1800 McDonough Road Surgery Center, LLC is the operating entity. The operating entity registered the trade name Ashton Center for Day Surgery for the facility. Following the transaction, 1800 McDonough Road Surgery Center, LLC will remain the operating entity for the facility, including operating under its existing trade name. The Illinois Certificate of Good Standing for 1800 McDonough Road Surgery Center, LLC is attached at Attachment – 1.

Section 1. Identification, General Information, and Certification – Attachment 4

Organizational Relationships

The organizational chart showing the current ownership structure of Ashton Center for Day Surgery, along with the post-closing ownership structure is enclosed at Attachment 4.

Below please find a list of persons with 5% or greater interest in the licensee.

Persons with 5% or greater Interest in the Licensee Pre-Close

Owner	Percentage of Ownership
Jafari Investments, LLC	57.5%
Dr. Howard Freedberg	30.5 %
Dr. Ankur Chhadia	6%
Dr. Kyle Peterson	6%

Persons with 5% or greater Interest in the Licensee Post-Close

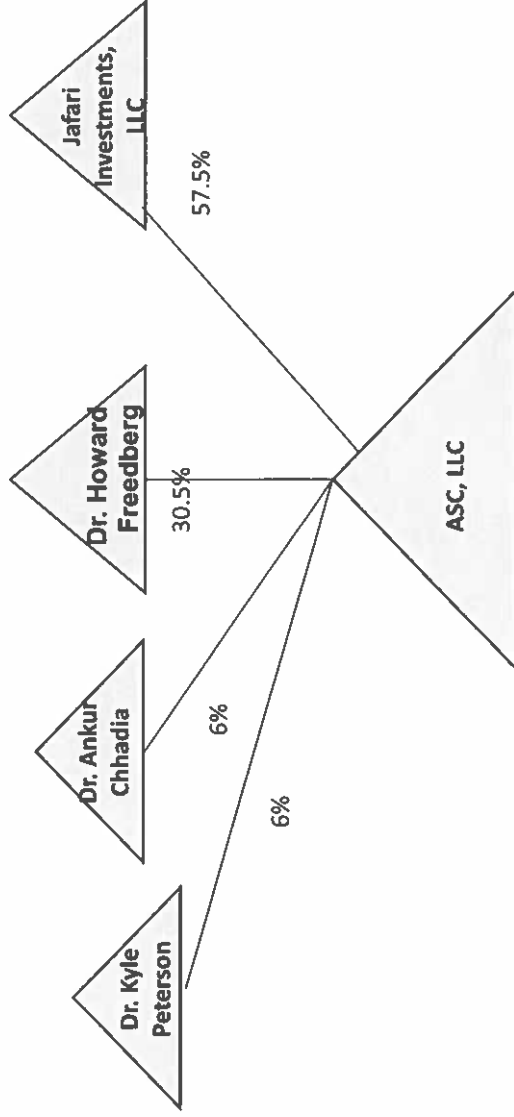
Owner	Percentage of Ownership
SBO MSO, LLC	57.5%
Dr. Howard Freedberg	30.5 %
Dr. Ankur Chhadia	6%
Dr. Kyle Peterson	6%

Persons with 5% or greater Interest in SBO MSO, LLC Post-Close

Owner	Percentage of Ownership
Dr. Howard Freedberg	11.4 %
Dr. Ankur Chhadia	21.3%
Level SBO Holdco, LLC	67.2%

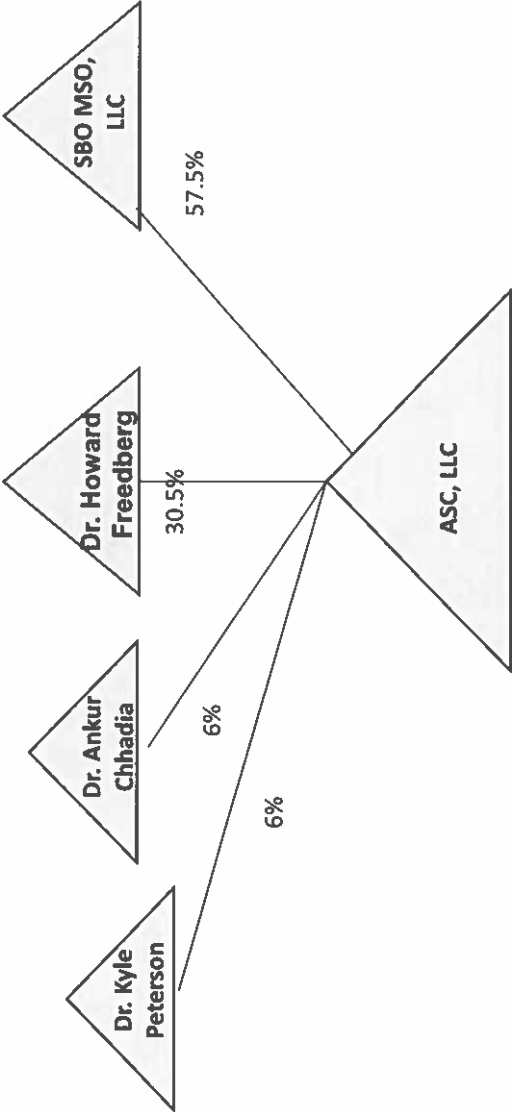
ATTACHMENT 4

Surgery Center Pre-Close Structure Chart



ATTACHMENT 4

Surgery Center Post-Close Structure Chart



Section II Background – Attachment 5

- 1. A listing of all applicable health care facilities owned or operated by the Applicant, including licensing, and certificate, if applicable.**

Applicant owns and operates only one health care facility: Ashton Center for Day Surgery, located at 1800 McDonough Road, Hoffman Estate, IL 60192.

- 2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.**

Applicant owns and operates only one health care facility: Ashton Center for Day Surgery, located at 1800 McDonough Road, Hoffman Estate, IL 60192.

- 3. 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.**

Attachment-5A is a certification that no adverse action has been taken against Ashton Center for Day Surgery in Illinois within three years preceding the filing of the application.

- 4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations**

An authorization permitting the Illinois Health Facilities and Services Review Board and the Department of access to any documents necessary to verify 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 is attached as Attachment 5A.

- 5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.**

Not Applicable.

ATTACHMENT 5A



November 20, 2024

Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Illinois Health Facilities and Services Review Board:

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 has been taken against any facility owned or operated by 1800 McDonough Road Surgery Center, LLC in the State of Illinois during the three years prior to filing this application.

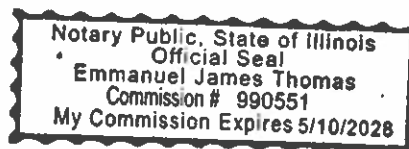
Additionally, pursuant to 77 Ill. Admin. Cod § 1110.230(a)(3)/C. I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. 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,

Johnny Antony
Administrator

Subscribed and sworn to me

This 22 day of November, 2024

Notary Public

ATTACHMENT 5A

SBO, MSO. LLC

November 20, 2024

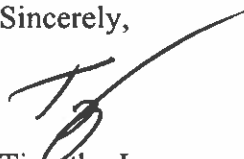
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Illinois Health Facilities and Services Review Board:

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 SBO MSO, LLC has not owned or operated a health care facility in the State of Illinois during the three years prior to filing this application.

Additionally, pursuant to 77 Ill. Admin. Cod § 1110.230(a)(3)/C, 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.

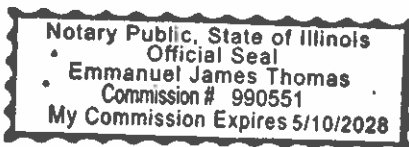
Sincerely,



Timothy Long
Chief Financial Officer

Subscribed and sworn to me

This 22 day of November, 2024


Notary Public

Section III Change of Ownership – Attachment 6
1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

Applicable Review Criteria - CHOW

1. 1130.520(b)(1)(A) - Names of the parties

The Applicants are 1800 McDonough Road Surgical Center, LLC and SBO MSO, LLC (collectively, the “Applicants”).

2. 1130.520(b)(1)(B) – Background of the parties

Each of the applicants, by their signatures to the Certification pages of this application, attest that the applicant is fit, willing, able and has the qualifications, background and character to adequately provide a proper standard of health service for the community. Each of the applicants, by their signatures to the Certification pages of this application, attest that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facilities owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.

3. 1130,520(b)(1)(C) - Structure of the transaction

1800 McDonough Road Surgical Center, LLC is currently the approved operating entity of Ashton Center for Day Surgery. Following the transaction, SBO MSO, LLC will hold a majority of the membership interest in Ashton Center for Day Surgery. 1800 McDonough Road Surgical Center, LLC will remain the operating entity for the surgical center after the transaction closes.

4. 1130.520(b)(1)(D) - Name of Licensed Entity after Transaction

1800 McDonough Road Surgical Center, LLC dba Ashton Center for Day Surgery will remain the licensee of the ASC following the transaction.

5. 1130.520(b)(1)(E) - List of ownership or membership interests in such licensed or certified entity both prior to and after transaction, including a description of the applicant’s organizational structure with a listing of controlling or subsidiary persons

An organizational structure of the current owner, as well as the post-closing organizational structure of the proposed applicants is attached at Attachment - 4.

6. 1130.520(b)(1)(F)- Fair market value of assets to be transferred

The fair market value is \$12,000,000 plus the value of 57.5% of the pre-closing accounts receivable.

7. 1130.520(b)(1)(G) - Purchase price or other forms of consideration to be provided

Purchase price is \$12,000,000 plus the value of 57.5% of the pre-closing accounts receivable.

8. 1130.520(b)(2)- Affirmations

In accordance with 77 Ill. Adm. Code §1130.520, Applicants affirm that there is no project for which permits have been Issued but which have not been completed.

9. 1130.520(b)(3)- If ownership change is for hospital, affirmation that the facility will not adopt a more restrictive charity care policy that the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain In effect for a two-year period following the change of ownership transaction.

Not applicable.

10. 1130.520(b)(4), A statement as to the anticipated benefits of the proposed changes in ownership to the community.

The community will continue to benefit from the existing service options for patients in Hoffman Estates, Illinois, providing the same high-quality, cost-effective surgical services. This acquisition will create economies of scale, further integrate clinical, administrative and support functions.

11. 1130.520(b)(5) The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change of ownership

Future service expansion opportunities will provide the community and our providers with ways to consider a more systematic continuum of care between the practice and the facility, which we believe will lead to cost savings.

12. 1130.520(b)(6)-A description of the facilities quality Improvement program mechanism that will be utilized to assure quality control.

The facility will continue to utilize its existing Quality Assurance and Performance Improvement Plan. Please see Attachment 6A for Quality Assurance and Performance Improvement Plan.

13. 1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facilities governing body.

No immediate change will occur to the existing facility governing body. It will continue to consist of the medical director and the facility administrator, in addition to the SBO MSO, LLC team.

14. 1130.520(b)(9)-A description or summary of any proposed changes to the scope of service or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition

The facility has no immediate proposed changes to the scope of services or levels of care currently provided within the facility, nor does it immediately anticipate any additional changes within the next 24 months.

GOALS:

Based on the results of the 2023 risk assessment and careful review of the 2022 QUAPI plan the previously set goals still hold relevant. Therefore; the following goals will continue to be our focus. Patients with comorbidities and healing impairments are at the highest risk; therefore, our focus will be on standard precautions and hand hygiene. Also, based on disease prevalence Influenza and COVID-19 remain at the top of this list making these the focus of infection prevention.

1. Improve hand Hygiene
2. Increase compliance with cleaning medication diaphragm prior to needle insertion
3. Influenza infection prevention
4. COVID-19 infection prevention

Hand Hygiene Plan:

- Set goals of increased compliance based on baseline data:

Baseline compliance (November 2022):	Actual 68%	Goal > 50%
1 month after initial in-service (December 2022):	Actual 79%	Goal > 70%
6 months check (May 2023):	Actual 84%	Goal > 80%
1 year 2023:	Actual 90.5%	Goal >= 90%
2 year 2024:	Actual _____%	Goal >= 92%
3 year 2025:	Actual _____%	Goal >= 93%
- Continue annual education for staff for hand hygiene. Assess based on goal criteria if additional education is needed.
- In order to obtain annual percentage- 1 month out of each quarter perform secret surveillance at least 2 days per week on different days for a 4-week time frame
- Review quarterly and adjust plan as needed
- Reassess goals annually

Increase compliance with cleaning medication diaphragm prior to needle insertion Plan:

- Set goals of increased compliance:

1 month after initial in-service (December 2022):	Actual 72%	Goal >70%
6 months check (May 2023):	Actual 86%	Goal >80%
1 year 2023:	Actual 96%	Goal >95%
2 year 2024:	Actual _____%	Goal >95%
3 year 2025:	Actual _____%	Goal >95%
- Continue annual education for staff for diaphragm cleaning. Assess based on goal criteria if additional education is needed.
- In order to obtain annual percentage- 1 month out of each quarter perform secret surveillance at least 2 days per week on different days for a 4-week time frame
- Review quarterly and adjust plan as needed
- Reassess goals annually

Influenza Infection Prevention Plan:

In order to prevent healthcare-associated infections by supporting and encouraging the employees for yearly immunization of influenza.

2022-2023 Current baseline rate:	85%
2023-2024 Goal > 85%	Actual: 86%
2024-2025 Goal > 90%	Actual: _____%
2025-2026 Goal > 95%	Actual: _____%

The organization / infection control officer shall:

- Assess employees for their vaccination status
- Make available free vaccines when available to all personnel
- Require employees to provide proof of vaccine, if received elsewhere
- Encourage compliance through education
- Monitor compliance levels
- Establish a baseline in 2022 and set compliance goals consistent with achieving 90% vaccination rate by 2025-2026
- Reassess plan yearly

COVID-19 Infection Prevention Plan:

In order to prevent healthcare-associated infections by continuing to maintain 100% compliance of COVID-19 vaccination policy.

2021-2022 Current baseline rate:	100%
2022-2023 Goal 100%	Actual: 100%
2023-2024 Goal 100%	Actual: _____%
2024-2025 Goal 100%	Actual: _____%
2025-2026 Goal 100%	Actual: _____%

The organization/ infection control officer shall:

- Assess employees for their vaccination status
- Encourage compliance through education about COVID-19, severity of symptoms, rate of spread, and benefits of COVID-19 vaccine
- Encourage the employees to communicate with their manager for onset of any COVID-19 related symptoms immediately
- Reassess plan yearly

Section IV Charity Care Information – Attachment 7

The facility does not currently offer charity care as defined in this application. However, it has incurred uncollected balances due to prolonged non-payment. Therefore there is no “Amount of Charity Care” or “Cost of Charity Care” reportable for this application.

Charity Care			
	Year 2023	Year 2022	Year 2021
Net Patient Revenue	6,708,098	7,147,704	7,941,145
Amount of Charity Care	0	0	0
Cost of Charity Care	N/A	N/A	N/A