

RECEIVED

AUG 31 2026

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT****HEALTH FACILITIES &
SERVICES REVIEW BOARD****SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION****This Section must be completed for all projects.****Facility/Project Identification**

Facility Name: Duly Health and Care of Northern Illinois – St. Charles Medical Office Building		
Street Address: 131 South Randall Road		
City and Zip Code: St. Charles 60174		
County: Kane	Health Service Area: 008	Health Planning Area: A-11

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

Exact Legal Name: DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois
Street Address: 1100 West 31st Street
City and Zip Code: Downers Grove, 60515
Name of Registered Agent: Illinois Corporation Service Company
Registered Agent Street Address: 801 Adlai Stevenson Drive
Registered Agent City and Zip Code: Springfield, 62703
Name of President: Christina Bratis, M.D.
President Street Address: 3010 Highland Parkway, Suite 800
President City and Zip Code: Downers Grove, 60515
President Telephone Number: 630-469-9200

Type of Ownership of Applicants

☐ Non-profit Corporation	☐ Partnership
☒ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship ☐ Other
o Corporations and limited liability companies must provide an Illinois certificate of good standing .	
o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.	
APPEND DOCUMENTATION AS ATTACHMENT 1, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Juan Morado Jr. and Mark J. Silberman
Title: CON Counsel
Company Name: Benesch Friedlander Coplan & Aronoff LLP
Address: 71 South Wacker Drive, Suite 1600
Telephone Number: (312) 212-4949
E-mail Address: JMorado@Beneschlaw.com and MSilberman@Beneschlaw.com
Fax Number: (312) 767-9192

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
This Section must be completed for all projects.

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

Exact Legal Name: DMG Practice Management Solutions LLC
Street Address: 3010 Highland Parkway, Suite 800
City and Zip Code: Downers Grove, IL 60515
Name of Registered Agent: Corporation Service Company
Registered Agent Street Address: 251 Little Falls Drive
Registered Agent City and Zip Code: Wilmington, DE 19808
Name of Manager: Daniel Greenleaf
Manager Street Address: 3010 Highland Parkway, Suite 800
Manager City and Zip Code: Downers Grove, IL 60515
Manager Telephone Number: 630 469 9200

Type of Ownership of Applicants

☐ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☒ Limited Liability Company	☐ Sole Proprietorship ☐ Other
○ 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: Juan Morado, Jr. and Mark J. Silberman
Title: CON Counsel
Company Name: Benesch Friedlander Coplan & Aronoff LLP
Address: 71 S. Wacker Drive, Suite 1600
Telephone Number: (312) 212-4949
E-mail Address: JMorado@Beneschlaw.com and MSilberman@Beneschlaw.com
Fax Number: (312) 767-9192

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: Christina Bratis, MD
Title: President
Company Name: DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois
Address: 3010 Highland Parkway, Suite 800, Downers Grove IL, 60515
Telephone Number: 630-469-9200
E-mail Address: christina.bratis@duly.com

Site Ownership [Provide this information for each applicable site]

Exact Legal Name of Site Owner: WCFX Real Estate Holdings, LLC
Address of Site Owner: 5490 Park Place, Rosemont, IL 60018-3732
Street Address or Legal Description of the Site: Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee [Provide this information for each applicable facility and insert after this page]

Exact Legal Name: DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois	
Address: 3010 Highland Parkway, Suite 800 Downers Grove, IL 60515	
☐ Non-profit Corporation	☐ Partnership
☒ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship ☐ Other
- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - o 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.

DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois and DMG Practice Management Solutions LLC (the "Applicants") propose the establishment of the Duly St. Charles Medical Office Building ("Duly St. Charles MOB"), an approximately 74,795 gross square foot medical office building at 131 S. Randall Road, St. Charles, IL 60174. This building will entail new construction of the core and shell by the building owner and the additional new construction to be completed by the Applicants for the medical office building.

This project is classified as non-substantive, in that it does not involve the establishment of any category of services. However, it requires an expenditure in excess of the capital expenditure threshold, thus making it reviewable by the Review Board.

The proposed MOB will consist of ninety-two (92) examination rooms, Cancer Institute, multispecialty clinical imaging, pharmacy, lab, infusion, and office space, and specialty services including:

- Oncology
- Cardiology
- Urology
- Optometry
- Gastroenterology
- Neurology
- Obstetrics/Gynecology
- Ear, Nose & Throat
- Dermatology

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	-	\$1,725,014	\$1,725,014
Off Site Work	-	-	-
New Construction Contracts	\$8,260,624	\$5,831,140	\$14,091,764
Modernization Contracts			
Contingencies	\$743,456	\$524,803	\$1,268,259
Architectural/Engineering Fees	\$750,000	\$750,000	\$1,500,000
Consulting and Other Fees	\$249,136	\$175,864	\$425,000
Movable or Other Equipment (not in construction contracts)	\$12,928,304	\$1,449,625	\$14,377,929
Bond Issuance Expense (project related)	-	-	-
Net Interest Expense During Construction (project related)	-	-	-
Fair Market Value of Leased Space or Equipment	\$17,594,320	\$12,419,756	\$30,014,076
Other Costs to Be Capitalized	\$1,016,558	\$717,584	\$1,734,142
Acquisition of Building or Other Property (excluding land)	-	-	-
TOTAL USES OF FUNDS	\$41,542,398	\$23,593,785	\$65,136,184
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$23,948,078	\$11,174,029	\$35,122,108
Pledges	-	-	-
Gifts and Bequests	-	-	-
Bond Issues (project related)	-	-	-
Mortgages	-	-	-
Leases (fair market value)	\$17,594,320	\$12,419,756	\$30,014,076
Governmental Appropriations	-	-	-
Grants	-	-	-
Other Funds and Sources	-	-	-
TOTAL SOURCES OF FUNDS	\$41,542,398	\$23,593,785	\$65,136,184
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: NOT APPLICABLE
Fair Market Value: NOT APPLICABLE

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 \$6,867,000

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): August 1, 2028

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]

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Diagnostic Radiology Center	\$6,878,728	-	7,260	7,260	-	-	-
Primary and Specialty Care Exam Rooms, Cancer Center, (inclusive of 92 total Exam Rooms), 44 Treatment Rooms, Pharmacy, Lab, and Infusion	\$29,040,358	-	30,650	30,650	-	-	-
Physical Therapy	\$3,586,224	-	3,785	3,785			
Immediate Care	\$2,037,089	-	2,150	2,150			
Total Clinical	\$41,542,398		43,845	43,845	-	-	-
NON-REVIEWABLE							
Administrative Space	\$23,593,785	-	30,950	30,950	-	-	-
Total Non-clinical	\$23,593,785	-	30,950	30,950	-	-	-
TOTAL	\$65,136,184	-	74,795	74,795	-	-	-
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:					

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 DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois and DMG Practice Management Solutions, 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

Paul Merrick, M.D.
PRINTED NAME

Chairman/Authorized Representative
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 26th day of August

Jennifer C. Linsner
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

SIGNATURE

Christina Bratis, M.D.
PRINTED NAME

President/Authorized Representative
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 26th day of August

Jennifer C. Linsner
Signature of Notary

Seal



OFFICIAL SEAL
JENNIFER C. LINSNER
Notary Public, State of Illinois
Commission No. 1035489
My Commission Expires
July 20, 2030

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted, or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction, and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant can submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

1. Identify **ALL** the alternatives to the proposed project:

Alternative options **must** include:

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

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

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Radiation Oncology (CT/SPECT)	600	1,800 GSF / Unit	-1200 GSF	YES
Multispecialty Diagnostic Imaging (MRI, 2 X-Ray, CT, PET/CT, DEXA, 2 General Ultrasound)	3,200 GSF (MRI-750 GSF, X-Ray- 700 GSF, CT-500 GSF, PET/CT- 700GSF, Dexa- 150 GSF, 2 Ultrasound- 400 GSF)	9,300 GSF 1,800 GSF/Unit (CT, PET/CT), 1800 GSF (MRI); 1,300 GSF/ Unit (X-Ray); 1300 GSF (Dexa); 900 GSF/ Unit (Ultra-Sound)	-6,100 GSF	YES
Women's Health and Prenatal Services 1 OB/GYN Ultrasound	200 GSF	900 GSF/ Unit (Ultra-Sound)	-700 GSF	YES
Breast Health Oncology (2 Mammography, 2 Breast Ultrasound)	400 GSF	1800 GSF/ Unit (2 Ultra-Sound)	-1,400 GSF	YES

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					
	DEPARTMENT / SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
YEAR 1	CT/SPECT	1,027 Procedures	1,027 Procedures	>0 Procedures	YES
	1 General Mammography	1,717 Visits	1,717 Visits	>0 Visits	YES
	1 Mammography Breast Biopsy System	194 Visits	194 Visits	>0 Visits	YES
	2 General Ultrasound	603 Visits	603 Visits	>3,100 Visits	NO
	2 Breast Health Ultrasound	1,859 Visits	1,859 Visits	>3,100 Visits	NO
	1 OB/GYN Ultrasound	727 Visits	727 Visits	>0 Procedures	YES
	MRI	1,131 Procedures	1,131 Procedures	>0 Procedures	YES
	2 X-ray	6,278 Procedures	6,278 Procedures	>6,500 Procedures	NO
	CT	1,595 Procedures	1,595 Procedures	>0 Visits	YES
	PET/CT	108 Visits	108 Visits	>0 Procedures	YES
	DEXA	420 Procedure	420 Procedure	>0 Procedures	YES
YEAR 2	CT/SPECT	1,027 Procedures	1,078 Procedures	>0 Procedures	YES
	1 General Mammography	1,717 Visits	1,803 Visits	>0 Visits	YES
	1 Mammography Breast Biopsy System	194 Visits	204 Visits	>0 Visits	YES
	2 General Ultrasound	603 Visits	633 Visits	>3,100 Visits	NO
	2 Breast Health Ultrasound	1,859 Visits	1,952 Visits	>3,100 Visits	NO
	1 OB/GYN Ultrasound	727 Visits	763 Visits	>0 Procedures	YES
	MRI	1,131 Procedures	1,181 Procedures	>0 Procedures	YES
	2 X-ray	6,278 Procedures	6,592 Procedures	>6,500 Procedures	YES
	CT	1,595 Procedures	1,675 Procedures	>0 Visits	YES
	PET/CT	108 Visits	113 Visits	>0 Procedures	YES
	DEXA	420 Procedure	441 Procedure	>0 Procedures	YES

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area, or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing the establishment, expansion, or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion, and modernization). 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:

M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:

2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
☒ Imaging: 2 General Ultrasound, 2 Breast Ultrasound, 1 OB/GYN Ultrasound, 2 X-Ray, 2 Mammography, DEXA, MRI, CT, CT/SPECT, PET/CT	0	14

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

Project Type	Required Review Criteria
New Services or Facility or Equipment	(b) – Need Determination – Establishment
Service Modernization	(c)(1) – Deteriorated Facilities
	AND/OR
	(c)(2) – Necessary Expansion
	PLUS
	(c)(3)(A) – Utilization – Major Medical Equipment
	OR
	(c)(3)(B) – Utilization – Service or Facility
APPEND DOCUMENTATION AS <u>ATTACHMENT 31</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

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

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

SECTION 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]:

\$35,122,108	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.
\$30,014,076	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.
\$65,136,184	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 – WAIVER MET

All the applicants and co-applicants shall be identified, specifying their roles in the project funding, or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All the project's capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third-party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all the cash and equivalents must be retained in the balance sheet asset accounts to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available.
- 2) That the selected form of debt financing will not be at the lowest net cost available but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors.
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

- 1) Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (List below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Imaging and Diagnostic Spaces	\$188.40	-	43,845	-	-	-	\$8,260,624	-	\$8,260,624
Contingency	\$16.95	-	43,845	-	-	-	\$743,456	-	\$743,456
TOTALS	\$205.35	-	43,845	-	-	-	\$9,004,080	-	\$9,004,080

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET IMPACT STATEMENT – NOT APPLICABLE

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)	2022	2023	2024
Inpatient	-	-	-
Outpatient	-	-	-
Total	-	-	-
Charity (cost in dollars)			
Inpatient	-	-	-
Outpatient	-	-	-
Total	-	-	-
MEDICAID			
Medicaid (# of patients)	2022	2023	2024
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 XI. CHARITY CARE INFORMATION – NOT APPLICABLE

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			
	2022	2023	2024
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 XII. SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM

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

1. Applicant: Duly Health and Care of Northern Illinois – St. Charles Medical Office Building
(Name)

131 S. Randall Road St. Charles Illinois 60174 (630) 469-9200
(Address) (City) (State) (ZIP Code) (Telephone Number)

2. Project Location: 131 S. Randall Road St. Charles Illinois
(Address) (City) (State)

Kane St. Charles
(County) (Township) (Section)

3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go to NFHL Viewer** tab above the map. You can print a copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.
If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes___ No X?

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN? NO

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

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

FIRM Panel Number: _____ Effective Date: _____

Name of Official: _____ Title: _____

Business/Agency: _____ Address: _____

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

Signature: _____ Date: _____

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

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

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1.	Applicant Identification including Certificate of Good Standing	26-28
2.	Site Ownership	29-39
3.	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership	40-41
4.	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	42
5.	Flood Plain Requirements	43-44
6.	Historic Preservation Act Requirements	45-49
7.	Project and Sources of Funds Itemization	50-65
8.	Financial Commitment Document if required	66-67
9.	Cost Space Requirements	68
10.	Discontinuation	n/a
11.	Background of the Applicant	69-81
12.	Purpose of the Project	82-115
13.	Alternatives to the Project	116
14.	Size of the Project	117
15.	Project Service Utilization	118-122
16.	Unfinished or Shell Space	n/a
17.	Assurances for Unfinished/Shell Space	n/a
Service Specific:		
18.	Master Design and Related Projects	n/a
19.	Medical Surgical Pediatrics, Obstetrics, ICU	n/a
20.	Comprehensive Physical Rehabilitation	n/a
21.	Acute Mental Illness	n/a
22.	Open Heart Surgery	n/a
23.	Cardiac Catheterization	n/a
24.	In-Center Hemodialysis	n/a
25.	Non-Hospital Based Ambulatory Surgery	n/a
26.	Selected Organ Transplantation	n/a
27.	Kidney Transplantation	n/a
28.	Subacute Care Hospital Model	n/a
29.	Community-Based Residential Rehabilitation Center	n/a
30.	Long Term Acute Care Hospital	n/a
31.	Clinical Service Areas Other than Categories of Service	123-126
32.	Freestanding Emergency Center Medical Services	n/a
33.	Birth Center	n/a
Financial and Economic Feasibility:		
34.	Availability of Funds	127
35.	Financial Waiver	n/a
36.	Financial Viability	128
37.	Economic Feasibility	129-130
38.	Safety Net Impact Statement	131
39.	Charity Care Information	n/a
40.	Flood Plain Information	132-133

ATTACHMENT 1

Certificate of Good Standing

Included with this attachment are:

1. The Certificate of Good Standing for DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois
2. The Certificate of Good Standing for DMG Practice Management Solutions LLC

ATTACHMENT 1
Certificate of Good Standing
for DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois

File Number **4887-921-7**



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

DU PAGE MEDICAL GROUP, LTD., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 22, 1968, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authorization # 2823104012 verifiable until 08/19/2027
Authenticate at <https://www.isca.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 19TH day of AUGUST A.D. 2026 .


SECRETARY OF STATE

ATTACHMENT 1
Certificate of Good Standing
for DMG Practice Management Solutions LLC

Delaware
The First State

Page 1

I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DMG PRACTICE MANAGEMENT SOLUTIONS LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FOURTH DAY OF AUGUST, A.D. 2026.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "DMG PRACTICE MANAGEMENT SOLUTIONS LLC" WAS FORMED ON THE NINTH DAY OF DECEMBER, A.D. 2015.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

5903346 8300

SR# 20264166907

You may verify this certificate online at corp.delaware.gov/authver.shtml



C. B. Sanchez

Charuni Patibanda-Sanchez, Secretary of State

Authentication: 204914292

Date: 08-24-26

ATTACHMENT 2

Site Ownership

The real property on which the proposed Medical Office Building will be located is currently owned by WCFX Real Estate Holdings, LLC, as evidenced by the 2025 real estate tax bill, which is attached. The Applicant has entered into a letter of intent with Peerless Development for the development of the proposed Medical Office Building. A copy of the letter of intent is enclosed with this attachment.

ATTACHMENT 2 Property Tax Bill

Kane County Property Tax Inquiry 09/32/2024 006 2025

[New Search](#)
[County Links](#)

To view current assessment information, use the Tax Year dropdown to select the current year.

Property Information

Parcel Number 09-32-230-006 Tax Year 2025 (Payable 2026) ▼	Site Address 131 S RANDALL RD ST CHARLES, IL 60174 Tax Code SC107 -	Owner Name & Address WCFX REAL ESTATE HOLDINGS LLC 5490 PARK PL ROSEMONT, IL 60018-3732 Tax Status Taxable
Sale Status None	Property Class 0060 - Commercial	Net Taxable Value 179,574
Township ST CHARLES	Acres 0.0000	Total Tax \$12,594.30

Pay Taxes
Print Tax Bill

Mailing Address
WCFX REAL ESTATE HOLDINGS LLC
5490 PARK PL
ROSEMONT, IL 60018-3732

Legal Description (not for use in deeds or other transactional documents)
ZYLSTRA CENTER LT 9

Billing

Instalment	Date Due	Tax Billed	Penalty Billed	Cost Billed	Drainage Billed	Total Billed	Amount Paid	Date Paid	Total Unpaid
1	06/01/2026	\$6,297.15	\$0.00	\$0.00	\$0.00	\$6,297.15	\$6,297.15	5/27/2026	\$0.00
2	09/01/2026	\$6,297.15	\$0.00	\$0.00	\$0.00	\$6,297.15	\$0.00		\$6,297.15
Total		\$12,594.30	\$0.00	\$0.00	\$0.00	\$12,594.30	\$6,297.15		\$6,297.15

Payment History

Tax Year	Total Billed	Total Paid	Amount Unpaid
2025	\$12,594.30	\$6,297.15	\$6,297.15
2024	\$12,282.32	\$12,282.32	\$0.00
2023	\$11,852.18	\$11,852.18	\$0.00
2022	\$11,911.34	\$11,911.34	\$0.00
2021	\$11,468.62	\$11,468.62	\$0.00

[Show 15 More \(15\)](#)

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 34BC0504-8193-8D21-805E-5CA78E60B6F6



8/12/2026
Peter Ziarno
Peter.Ziarno@duly.com
Duly Health and Care

Re: 131 Randall Road, St. Charles LOI

Dear Peter,

Below are the general terms and conditions under which Peerless Development ("Landlord" or "Developer") proposes that Midwest Physician Administrative Services, LLC d/b/a Duly Health and Care ("Tenant" or "Duly") lease space in an existing office building at 131 Randall Road, St. Charles, IL (Lot 7 and Lot 8 only). This Letter of Intent ("LOI") is non-binding and is intended solely to outline the framework for a potential lease ("Lease").

For purposes of this LOI, "COREA" means that certain Construction, Operation and Reciprocal Easement Agreement for Zylstra Center, Oak Street and Randall Road, St. Charles, Illinois, recorded as document number 2008K051113, as amended or otherwise applicable to the Property, including Costco Wholesale Corporation's rights thereunder.

No legal obligations shall arise unless and until a definitive lease agreement is executed by both parties. The parties further agree that any Lease will be contingent upon approval of a Certificate of Need ("CON") permit by the Illinois Health Facilities and Services Review Board.

1. Property / Premises

Tenant shall lease a minimum of 65,000 rentable square feet up to approximately 79,000 rentable square feet across 2 floors (the "Premises") in an existing office building located at 131 Randall Road, St. Charles, IL (the "Property"), as shown in Exhibit A. The Property and Premises include Lot 7 and Lot 8 only.

If a portion of Lot 9 is required to meet parking or landscaping requirements, Landlord will include that portion of Lot 9 as part of the Property, at no additional cost.

2. Tenant Improvements & Landlord Work

Landlord shall provide a Tenant Improvement Allowance ("TIA") of \$250/RSF for the initial interior buildout. Square footage to be determined based on Tenant's program. Tenant may draw on the TIA monthly pursuant to standard construction escrow.

ATTACHMENT 2

Lease Letter of Intent

procedures. Tenant may use its preferred architect, project manager, and contractors for design and construction.

Construction Management of Tenant Interiors:

Tenant may choose to have Landlord provide construction management services for the Tenant Improvement build-out and will pay to Landlord a construction management fee of 1.75% of actual construction costs incurred in connection therewith, payable in accordance with a draw schedule to be mutually agreed upon in the Lease. Alternatively, Tenant may elect to self-manage Tenant Improvement build-out (including utilizing a third-party manager of its choosing). If Tenant elects to self-manage, Landlord shall cooperate with Tenant's project manager on coordination of the Tenant Improvement build-out at no cost to Tenant.

Landlord Work:

Landlord will reserve a budget of up to \$5,500,000 (the "Landlord's Work Budget") for the completion of Landlord's Work, as mutually agreed upon by the parties in writing. "Landlord's Work" will include necessary base building improvements, improvements to the parking lot, or any other Landlord work that is uncovered during due diligence. The Landlord's Work Budget will be reduced dollar-for-dollar to the extent actual costs incurred are less than such budgeted amount. Any actual savings realized in delivering the building below the Landlord's Work Budget shall be paid to Tenant ("Additional Tenant Allowance").

3. Base Rent

- The Tenant's rent obligation shall be calculated on the basis of a fixed rent constant of 7.85 % per annum applied to the Landlord's actual, documented costs associated with the Property (the "Rent Constant").
- Base Rent shall increase by 2.9% per annum, compounded annually, commencing on the first anniversary of the Lease Commencement Date and on each anniversary thereafter throughout the Initial Term and any Renewal Terms.
- Landlord and Tenant shall agree in writing upon a total development budget ("Total Development Budget") to be used for the calculation of rent in the Lease.

4. Lease Structure

Triple net (NNN) lease. Tenant shall pay its pro rata share of real estate taxes, common area maintenance, janitorial, property management, and all other standard NNN pass-throughs (subject to typical carve outs). Tenant shall be separately metered for utilities and may contract directly for janitorial and related services where possible.

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 34BC0504-6193-8D21-805E-5CA78E60B6F6

6. Lease Term

The initial term of the Lease shall be for a period of fifteen (15) years (the "Initial Term"), commencing on the Lease Commencement Date as defined in and determined pursuant to the Lease (the "Lease Commencement Date"), and expiring on the day immediately preceding the fifteenth (15th) anniversary thereof (the "Lease Expiration Date"), unless sooner terminated or extended in accordance with the terms and conditions of the Lease.

6. Renewal Options

Tenant shall have two (2) options to renew the Lease for additional periods of five (5) years each (each a "Renewal Term"), on the following terms:

- Rent: Base Rent during each Renewal Term shall escalate at 2.9% per annum, compounded annually from the Base Rent in effect at the expiration of the preceding Term.
- Notice: Tenant must deliver irrevocable written notice of its intent to renew no later than twelve (12) months prior to the expiration of the then-current Term.
- Assignment of Renewal Rights: Renewal rights may be assigned only in connection with an assignment permitted under Section 13 of this LOI (which will be memorialized in the forthcoming lease).

7. Developer Responsibilities

Landlord will use commercially reasonable efforts to complete the following on or before the target delivery date:

- Negotiate and execute a Purchase and Sale Agreement for the Property and close on the acquisition thereof;
- Obtain and deliver, prior to or concurrent with the Lease Commencement Date, evidence reasonably acceptable to Tenant of the Costco's limited waiver/approval for the Approved Use, including any further consent required for Tenant's Approved Use of the Premises;
- Obtain necessary governmental approvals, entitlements, zoning clearances, permits, and any approvals required under the COREA for the Approved Use of the Premises;
- Lead the architectural drawing process in coordination with a mutually approved architect and engineering team, coordinating on design and pricing throughout;
- Run a competitive bid process to ensure best available pricing and obtain a construction budget for the overall building from a mutually approved contractor;
- Oversee the Tenant Improvement build-out on behalf of Tenant, on terms to be mutually agreed upon in the Lease;
- Oversee all Landlord Work based on terms to be mutually agreed upon in the Lease;
- Provide a development budget for base building and Tenant Improvement to be mutually agreed upon in the Lease; and
- Present tenant with Pre-Development Budget for approval.

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 34BC0504-8193-8D21-805E-5CA78E60B6F6

Subject to the satisfaction of the foregoing, Landlord will deliver the Premises in their existing as-is condition upon close of acquisition, with base building systems (including roof, structure, mechanical, electrical, and plumbing) in good working order as of the Delivery Date sufficient to support the Approved Use. Landlord makes no representations or warranties with respect to the condition of the Premises beyond those expressly set forth in the Purchase and Sale Agreement and this Letter of Intent.

8. Possession Date

Tenant shall take possession of the Premises upon Landlord's acquisition of the Property, anticipated on or about January 4, 2027 (the "Delivery Date"). In the event Landlord fails to deliver the Premises to Tenant on or before the Delivery Date for any reason other than Tenant Delay or Force Majeure, Tenant shall receive a one (1) day rent credit for each day of delay beyond the Delivery Date until delivery actually occurs. Additionally, If the Delivery Date has not occurred by March 1, 2027, for any reason other than Tenant Delay or Force Majeure, Tenant may, in addition to the rent credit described above, terminate this LOI (or, if the Lease has been executed, terminate the Lease) upon written notice to Landlord, without further liability.

9. Rent Commencement

Rent shall commence on the earlier of:

- 280 Days after Base Building Delivery; or
- The date Tenant opens for business

The Lease shall become effective upon execution. The Lease shall be subject to approval of a Certificate of Need from the Illinois Health Facilities and Review Board which Tenant shall diligently pursue. If CON approval cannot be obtained by 2/1/27, either party may terminate the Lease.

10. Zoning & Entitlements

Landlord shall secure necessary entitlements and approvals from the Village of St. Charles with Tenant's reasonable cooperation.

11. Security Deposit

None required. Waived by Landlord

ATTACHMENT 2

Lease Letter of Intent

DocuSign Envelope ID: 34BC0504-8193-8D21-805E-5CA78E60B6F6

12. Signage; Alterations

Tenant shall have the right to install prominent building signage, subject to St. Charles code and permit approvals.

Tenant shall be permitted to make alterations in or to the Premises without Landlord consent so long as they do not affect the building structure or any building systems and do not cost in excess of \$100,000 in each instance. Any other alterations shall require Landlord's approval, which shall not be unreasonably withheld, conditioned, or delayed.

13. Assignment / Sublease

Tenant may assign the Lease or sublease the premises to another medical tenant with equal or better creditworthiness and guarantor, subject to Landlord's prior written consent, which will not be unreasonably withheld; provided that any assignment, sublease, replacement tenant or operator, merger, reorganization, consolidation, sale of all or substantially all assets, sale of stock or ownership interests, change of control, or similar direct or indirect transfer (each, a "Transfer") shall be subject at all times to the COREA and any required prior written approval of Costco. Landlord may withhold consent to any proposed Transfer if such Transfer would violate, jeopardize, expand, materially alter, or require approval under the COREA unless Costco's prior written approval is first obtained. Notwithstanding the foregoing, Landlord agrees that Tenant may, without Landlord's consent, assign this Lease or sublet the Premises only to an entity controlling, controlled by, or under common control with Tenant, or to an affiliate or controlled successor of Duly, in each case solely if there is no material change in the Approved Use and the Transfer is otherwise permitted under the COREA without further Costco approval or Costco's prior written approval has first been obtained.

14. Holdover

Tenant may hold over for up to six (6) months post-term at 125% of then-current rent.

- Twelve (12) months' advance written notice required.
- Tenant shall have no right to remain in possession of the Premises after the expiration of the Term. If Tenant continues in possession of the Premises after the expiration of the Term, this Lease shall continue under all the same terms and conditions hereof, except the Term shall be month-to-month (terminable by either party upon thirty (30) days' notice to the other), and the Base Rent payable by Tenant to Landlord shall be one hundred twenty-five percent (125%) of the Base Rent payable in the last full month of the then current Term, with all other sums then payable hereunder prorated on a daily basis. If such hold over extends for more than sixty (60) days, Tenant shall indemnify, defend and hold the Landlord Indemnitees harmless from and against all claims arising or resulting directly or indirectly from Tenant's failure to timely surrender the Premises, including (A) any rent payable by, or any loss, cost, or damages claimed by, any prospective tenant of the Premises, including loss of opportunity,

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 34BC0504-8193-6D21-805E-5CA78E6086F6

and (B) Landlord's damages as a result of such prospective tenant rescinding or refusing to enter into the prospective lease of the Premises by reason of such failure to timely surrender the Premises.

15. Parking

Tenant shall have unrestricted use of all parking areas associated with the property at no additional charge throughout the Lease Term and any Renewal Terms thereof. Landlord shall provide a minimum parking capacity of 4 spaces per 1000 SF to comply with municipal ordinances, however the goal will be to provide 4.5 spaces per 1000 SF.

16. Development Fees

Development Fee: Landlord will be entitled to a one-time development fee of \$1,200,000.00 (the "Development Fee"), which shall be included in the development budget. The Development Fee shall not be increased without Tenant's prior written consent and shall be subject to the audit rights in Section 3 above.

17. Lease Timing & Pre-Development Costs

The parties shall negotiate in good faith and use commercially reasonable efforts to execute a definitive Lease agreement within ninety (90) days of the date hereof. The budget referenced herein shall be predicated upon schematic design ("SD") drawings or drawings of a more advanced design phase.

Tenant and Landlord shall split the cost 50/50 for design-related costs and expenses incurred prior to the execution of the Lease, provided that Tenant's aggregate share of such pre-Lease design costs shall not exceed one hundred thousand dollars (\$100,000.00) without Tenant's prior written consent. Following execution of the Lease, Landlord shall be responsible for the cost of any architectural, mechanical, and engineering ("MEP") drawings required in connection with obtaining the Certificate of Need.

18. Use

Permitted uses shall be limited to medical office/healthcare office use substantially consistent with services provided by Duly (the "Approved Use"), together with any other healthcare services customarily provided by multispecialty physician groups. The Approved Use performed by the Tenant and any permitted affiliate, controlled successor, assignee or subtenant, shall be subject, at all times, to the COREA, and any required

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 34BC0504-8193-8D21-805E-5CA78E6086F6

prior written approval of Costco. Prior to any entry permitted pursuant to the Lease, Landlord must (other than in the case of an emergency) provide prior written notice to Tenant of at least 48 hours. Tenant shall be permitted to use of and access to the Premises 24 hours per day, 7 days a week, 365 days a year.

19. Surrender of Premises

Tenant shall surrender the Premises in broom-clean condition. Tenant shall not be required to remove improvements, cabling, or other alterations unless specifically requested in writing by Landlord, within 3 months of Tenant's notice of non-renewal.

20. Confidentiality

This proposal and its terms shall remain confidential and may not be shared with third parties except:

- With prior written consent;
- As required by law; or
- With attorneys, advisors, and lenders for deal evaluation.

21. SNDA

The Lease may be subordinate to any mortgage or deed of trust provided that the subordination provisions set forth in the Lease shall not be effective with respect to any mortgage or deed of trust unless and until the applicable mortgagee or beneficiary thereunder agrees (on its own behalf and on behalf of any purchaser at foreclosure) not to disturb Tenant (and thereafter use commercially reasonable efforts to obtain) a non-disturbance and attornment agreement in form reasonably acceptable to Tenant.

22. Exclusivity

The Parties agree that upon execution of this letter of intent, the developer shall not directly or indirectly solicit, negotiate, or enter into any agreement with any third party concerning the Lease of the medical office space for a period of ninety (90) days.

23. Upside/Equity Participation

Tenant, which is an investment grade credit, will receive a 5% interest for signing a fifteen (15) year master lease ("Brand Equity"). Tenant will not be required to contribute any capital in return for such Brand Equity and will receive 5% of all capital distributions (from

ATTACHMENT 2

Lease Letter of Intent

DocuSign Envelope ID: 34BC0504-8193-8D21-805E-5CA78E60B6F6

net cash flow, refinancing and/or sales proceeds) on a pari passu basis after the return of capital contributed by members/investors in Landlord.

Notwithstanding the foregoing, no distributions shall be made to Tenant with respect to its Brand Equity interest unless and until the Capital Investors have received aggregate distributions equal to (i) the return of all capital contributed by the Capital Investors to Landlord, plus (ii) a fifteen percent (15%) internal rate of return on such contributed capital (the "15% IRR Hurdle"). After satisfaction of the 15% IRR Hurdle, Tenant shall be entitled to receive five percent (5%) of all further capital distributions by Landlord, including distributions of net cash flow, refinancing proceeds, and sale proceeds, with the remaining ninety-five percent (95%) distributed to the Capital Investors, in each case on a pari passu basis.

24. Legal Effect

This LOI is non-binding and for discussion purposes only. No legal obligations shall exist unless and until a definitive lease agreement is executed by both parties with the exception of confidentiality and exclusivity. Until the execution of the lease agreement, each party specifically reserves the right to withdraw from or terminate negotiations at any time, for any reason or no reason, and neither party shall have any liability of any kind to the other by reason of such withdrawal or termination.

If these terms are acceptable, Landlord will prepare a lease agreement for Tenant's review.

Sincerely,

Michael Cordaro
Peerless Development

ACCEPTED AND AGREED TO

Landlord
Accepted this ____ day of _____, 2026

By 
Name: Michael Cordaro
Title: Authorized Signatory

Tenant
Accepted this 30th day of August, 2026
By: 
Name: Chris Catalano
Title: CFO

8

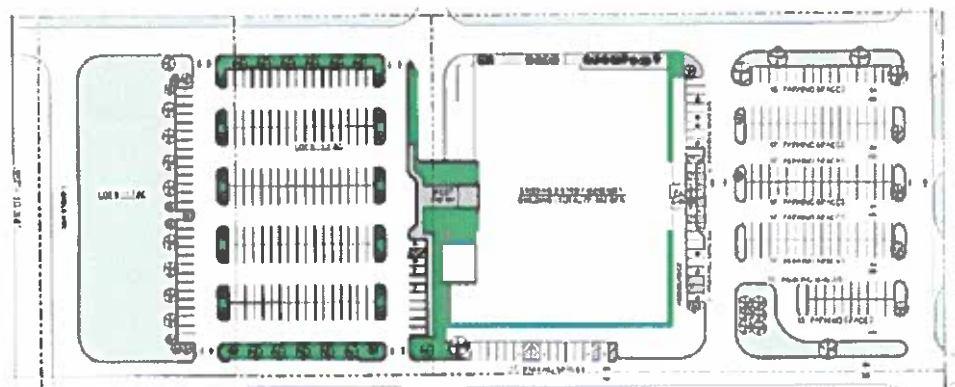
ATTACHMENT 2 Lease Letter of Intent

Docusign Envelope ID: 34BCD504-8103-8071-805F-5CA78F60RM76

Exhibit A – Site Plan*



***Only Includes Lot 7 and Lot 8 Only**



Potential Site Plan using a portion of Lot 9 for reference

ATTACHMENT 3

Operating Entity/Licensee

Medical Office Buildings are not licensed by the Illinois Department of Public Health. DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois is one of the Applicants proposing the facility and attached as evidence of the Applicant's good standing is a Certificate of Good Standing issued by the Illinois Secretary of State for that entity.

ATTACHMENT 3
Certificate of Good Standing
DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois

File Number 4887-921-7



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

DU PAGE MEDICAL GROUP, LTD., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 22, 1968, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

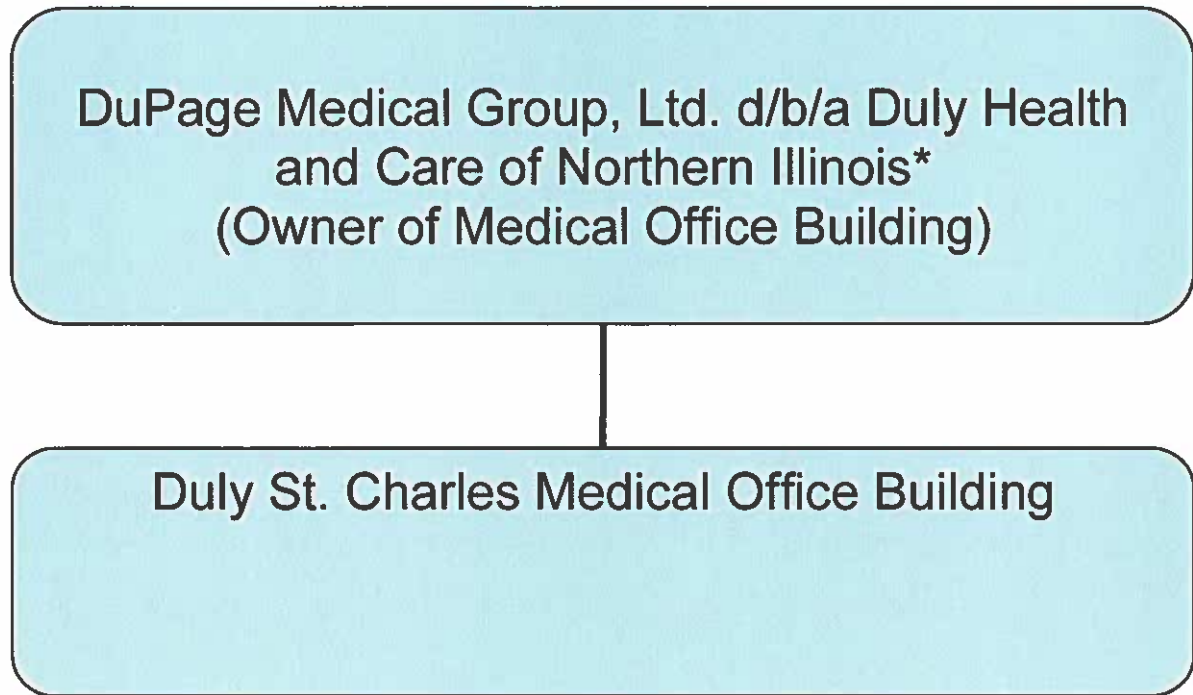


Authorization # 2823104012 verifiable until 08/18/2027
Authorized at <https://www.illinois.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 19TH day of AUGUST A.D. 2026 .


SECRETARY OF STATE

ATTACHMENT 4
Organizational Chart



*DMG Practice Management Solutions, LLC is listed as an Applicant because DuPage Medical Group Ltd.'s financial statements are consolidated with those of DMG Practice Management Solutions, LLC.



August 21, 2026

John P. Kniery
Board Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, Floor 2
Springfield, IL 62761

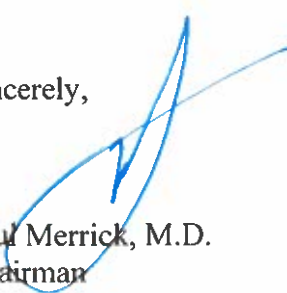
Re: Duly Health and Care of Northern Illinois – St. Charles Medical Office Building - Flood Plain Requirements

Dear Mr. Kniery:

As representative of DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois, I, Paul Merrick, M.D., affirm that our proposed site for the Duly St. Charles Medical Office Building complies with Illinois Executive Order #2005-5. The site located at 131 S. Randall Rd., St. Charles, IL 60174 is not located in a flood plain, as evidence, please find enclosed a map from the Federal Emergency Management Agency ("FEMA").

I hereby certify this is true and is based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

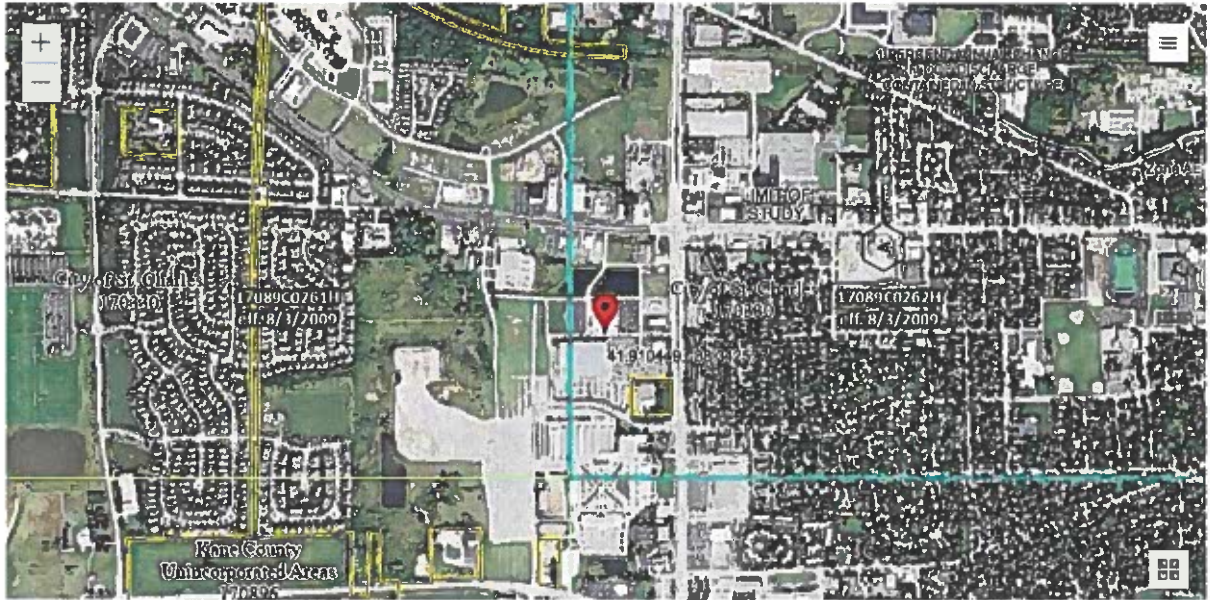
Sincerely,



Paul Merrick, M.D.
Chairman
Duly Health and Care of Northern Illinois

ATTACHMENT 5

Flood Plain Requirements



ATTACHMENT 6

Historic Preservation Letter

The Applicant submitted a request for determination to the Illinois Department of Natural Resources – Preservation Services Division on August 22, 2026, a copy of which is included as an attachment. A final determination has not yet been received. The Applicant affirms, through execution of the certification page included with this application, that the project will not be financially committed unless and until clearance is received from the Department.

ATTACHMENT 6
Historic Preservation Letter

August 22, 2026

VIA USPS

Jeffrey Kruchten
Chief Archaeologist
Preservation Services Division
Illinois Historic Preservation Office Illinois Department of Natural Resources
1 Natural Resources Way
Springfield, IL 62702
SHPO.Review@illinois.gov

Re: Certificate of Need Application for Medical Office Building

Dear Jeffrey:

I am writing on behalf of my client, Duly Health and Care of Northern Illinois – St. Charles Medical Office Building, to request a review of the project area pursuant to Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et seq.). Duly St. Charles MOB is in the process of submitting an application for a Certificate of Need to the Illinois Health Facilities and Services Review Board to establish a new medical office building offering multispecialty treatment and diagnostic services located at 131 S. Randall Rd., St. Charles, IL 60174.

The medical office building will consist of 92 exam rooms, 44 treatment rooms, associated recovery and testing areas, and administrative space. For your reference, enclosed are photographs of the existing facility, an aerial map, and a topographic map (Attachments 1–3) depicting the general location and project area.

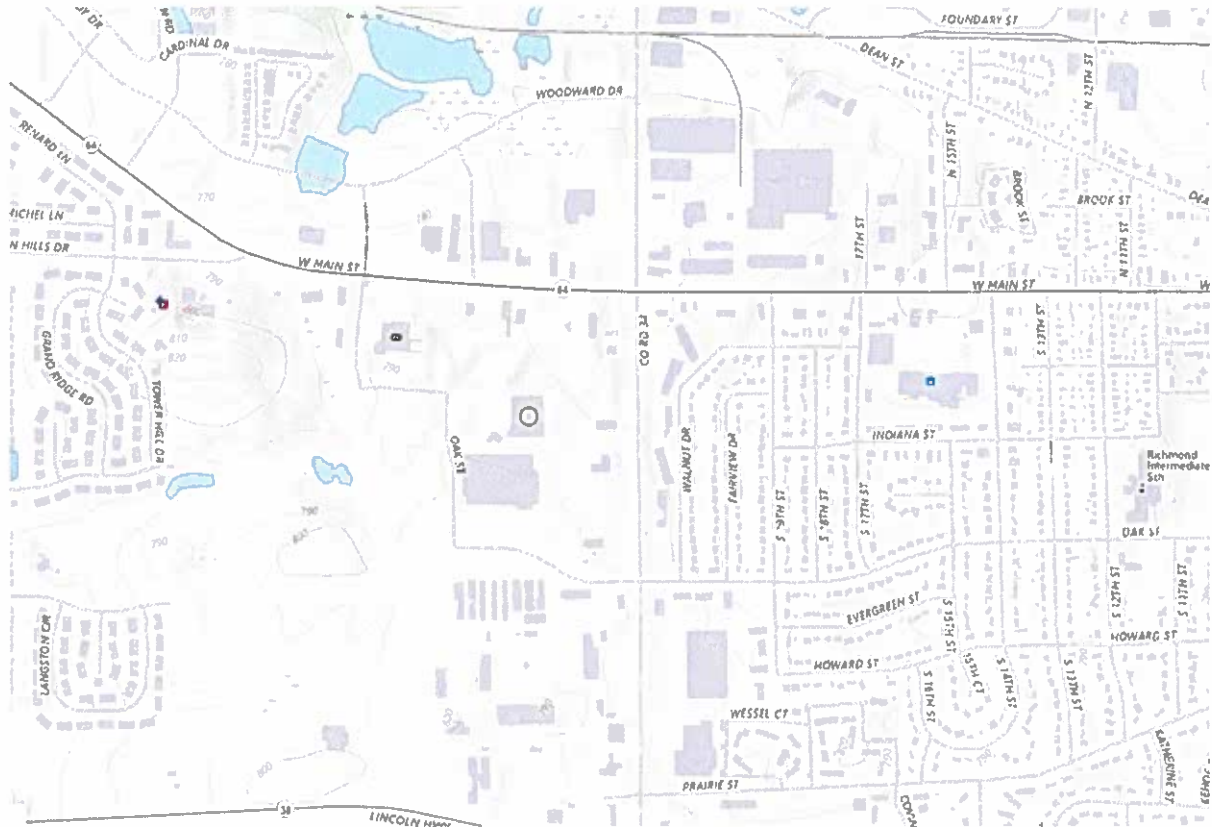
We respectfully request your review of the project area and issuance of a determination letter at your earliest convenience. Thank you in advance for your time and consideration of this request.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP


Juan Morado, Jr.

Topographic Map (131 S. Randall Road, St. Charles, IL 60174)



ATTACHMENT 6 Historic Preservation Letter

Aerial View (131 S. Randall Road, St. Charles, IL 60174)



***Only Includes Lot 7 and Lot 8 Only**

ATTACHMENT 6
Historic Preservation Letter

Street View (131 S. Randall Road, St. Charles, IL 60174)



ATTACHMENT 7

Project Costs and Sources of Funds

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	-	-	-
Site Survey and Soil Investigation	-	-	-
Site Preparation	-	\$1,725,014	\$1,725,014
Off Site Work	-	-	-
New Construction Contracts	\$8,260,624	\$5,831,140	\$14,091,764
Modernization Contracts			
Contingencies	\$743,456	\$524,803	\$1,268,259
Architectural/Engineering Fees	\$750,000	\$750,000	\$1,500,000
Consulting and Other Fees	\$249,136	\$175,864	\$425,000
Movable or Other Equipment (not in construction contracts)	\$12,928,304	\$1,449,625	\$14,377,929
Bond Issuance Expense (project related)	-	-	-
Net Interest Expense During Construction (project related)	-	-	-
Fair Market Value of Leased Space or Equipment	\$17,594,320	\$12,419,756	\$30,014,076
Other Costs to Be Capitalized	\$1,016,558	\$717,584	\$1,734,142
Acquisition of Building or Other Property (excluding land)	-	-	-
TOTAL USES OF FUNDS	\$41,542,398	\$23,593,785	\$65,136,184
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$23,948,078	\$11,174,029	\$35,122,108
Pledges	-	-	-
Gifts and Bequests	-	-	-
Bond Issues (project related)	-	-	-
Mortgages	-	-	-
Leases (fair market value)	\$17,594,320	\$12,419,756	\$30,014,076
Governmental Appropriations	-	-	-
Grants	-	-	-
Other Funds and Sources	-	-	-
TOTAL SOURCES OF FUNDS	\$41,542,398	\$23,593,785	\$65,136,184
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

ATTACHMENT 7

Project Costs and Sources of Funds

New Construction Contracts – The total new construction contract costs are \$14,091,764 of which \$8,260,624 is attributable to clinical space and \$5,831,140 is attributable to nonclinical support space.

The clinical portion of construction costs reflects the specialized requirements of outpatient clinical environments, including exam rooms, treatment rooms, patient care areas, and associated mechanical, electrical, plumbing, and life-safety systems necessary to support clinical operations. These costs also reflect medical grade infection control standards, accessibility requirements, and clinical workflow design. Construction costs will also include costs related to the demolition and updating of the core and shell of the building.

The clinical costs associated with the project account for \$188.40 per GSF of clinical space.

Contingencies – The total contingency costs are \$1,268,259, of which \$743,456 is attributable to clinical components and \$524,803 to non-clinical components. The clinical portion of the contingency represents approximately 9% of new construction costs.

Clinical contingencies are intended to address potential variability related to clinical build-out, including coordination of medical equipment interfaces, compliance with healthcare-specific codes, and minor scope adjustments necessary to preserve clinical functionality.

Architectural, Engineering, and Professional Fees – Architectural and engineering fees total \$1,500,000, with \$750,000 attributable to clinical components and \$750,000 attributable to nonclinical components. When evaluated against the Capital Development Board's Centralized Fee Negotiation Professional Services and Fees Handbook, the clinical portion of the A&E and professional fees fall within acceptable percentage ranges for new construction projects of this scale and type and are consistent with industry standards for outpatient clinical facilities. The fees are equal to 8% of the combined clinical costs for the construction and contingency budget lines.

Consulting and Other Fees – Consulting and other professional fees total \$425,000, of which \$249,136 supports clinical functions.

These professional services are necessary to support clinical programming, medical planning, engineering coordination, regulatory compliance, and licensure requirements applicable to outpatient clinical facilities. Clinical professional fees reflect the additional complexity associated with healthcare design, including life-safety systems, infection control considerations, and coordination of clinical workflows.

Equipment Costs – The Movable and other equipment costs not included in construction contracts total \$14,377,929, of which \$12,928,304 is attributable to clinical equipment and \$1,449,625 to nonclinical equipment.

Clinical equipment costs include diagnostic, treatment, and patient-care-related equipment necessary to support outpatient clinical services. These costs are directly related to the proposed clinical programs and do not include nonessential or unrelated equipment. The nonclinical equipment component (\$1,449,625) includes furniture, furnishings, information technology, signage, and other support equipment necessary to operate the facility but not directly involved in patient diagnosis or treatment. While nonclinical in nature, these items support the overall functionality and efficiency of outpatient clinical operations. Below is a full list of the equipment for the project.

ATTACHMENT 7

Project Costs and Sources of Funds

Department / Area	Equipment / Item	Unit Cost	Quantity	Total Cost
IMAGING				
Diagnostic Imaging	Mammo - Diag	\$410,000.00	1	\$405,208.94
Diagnostic Imaging	Mammo - Biopsy	\$558,355.00	1	\$551,830.34
Diagnostic Imaging	Breast US	\$113,000.00	2	\$223,359.08
Diagnostic Imaging	CT	\$850,000.00	1	\$840,067.32
Diagnostic Imaging	DEXA	\$81,000.00	1	\$80,053.47
Diagnostic Imaging	X-ray	\$250,000.00	2	\$494,157.25
Diagnostic Imaging	MRI	\$2,220,000.00	1	\$2,194,058.18
Diagnostic Imaging	PET	\$2,450,000.00	1	\$2,421,370.56
Diagnostic Imaging	Spect/CT	\$800,000.00	1	\$790,651.60
Diagnostic Imaging	US	\$170,000.00	3	\$504,040.39
Diagnostic Imaging	Thyroid Probe	\$22,000.00	1	\$21,742.92
Diagnostic Imaging	Hot Lab	\$67,000.00	1	\$66,217.07
Diagnostic Imaging	IEMA Licensing	\$4,000.00	1	\$3,953.26
	Imaging Subtotal			\$8,596,710.38

LAB				
Laboratory	Roche Pure	\$260,000.00	1	\$0.00
Laboratory	Sysmex XN -2000	\$184,000.00	1	\$181,849.87
Laboratory	Seimens CA660	\$60,000.00	1	\$0.00
Laboratory	Cepheid	\$60,000.00	1	\$0.00
Laboratory	Piccolo	\$15,000.00	2	\$29,649.43

Laboratory	Clinitek	\$15,000.00	1	\$14,824.72
Laboratory	Centrifuges	\$5,000.00	2	\$9,883.14
	Lab Subtotal			\$236,207.16

PHARMACY				
Pharmacy	Laminar Hood	\$0.00	1	\$0.00
Pharmacy	BSC Hood	\$0.00	1	\$0.00
Pharmacy	Helmer Refrigerators	\$7,500.00	2	\$14,824.72
Pharmacy	Stainless Steel Carts	\$417.00	6	\$2,472.76
Pharmacy	Lynx Machine	\$0.00	3	\$0.00
	Pharmacy Subtotal			\$17,297.48

ATTACHMENT 7

Project Costs and Sources of Funds

CARDIO & DERM				
Cardiology & Dermatology	Quinton QStress w treadmill	\$50,000.00	1	\$49,415.72
Cardiology & Dermatology	Philips ECHO	\$150,000.00	1	\$148,247.17
Cardiology & Dermatology	Well Counter/Dose calibrator	\$10,000.00	1	\$9,883.14
Cardiology & Dermatology	Geiger Counter	\$2,000.00	1	\$1,976.63
Cardiology & Dermatology	L Shield	\$1,000.00	2	\$1,976.63
Cardiology & Dermatology	Lead lined wate bins	\$1,500.00	2	\$2,964.94
Cardiology & Dermatology	Recliner	\$5,000.00	2	\$9,883.14
Cardiology & Dermatology	Blood Pressure Portable	\$1,000.00	2	\$1,976.63
Cardiology & Dermatology	Dose Holder	\$1,000.00	1	\$988.31
Cardiology & Dermatology	Synnge shields	\$500.00	3	\$1,482.47
Cardiology & Dermatology	Carner Box - Large	\$1,000.00	1	\$988.31
Cardiology & Dermatology	Carner Box - Small	\$1,000.00	1	\$988.31
Cardiology & Dermatology	Lead lined synnge holder	\$1,000.00	1	\$988.31
Cardiology & Dermatology	Crash Cart	\$5,000.00	1	\$4,941.57
Cardiology & Dermatology	Nordlys	\$120,000.00	1	\$118,597.74
Cardiology & Dermatology	Diamond Glow	\$20,000.00	1	\$19,766.29
Cardiology & Dermatology	Clear and Brilliant, Inc Fraxel FTX Device	\$169,395.00	1	\$167,415.53
Cardiology & Dermatology	Towel Warmer	\$325.00	1	\$321.20
	Cardio & Derm Subtotal			\$542,802.04

GENERAL FFE				
Primary Care 29 EXAM ROOMS	PC Exam Rooms Exam tables 204	\$4,695.00	18	\$83,522.46
Primary Care 29 EXAM ROOMS	PC Exam Rooms Exam tables 225	\$6,490.00	9	\$57,727.45
Primary Care 29 EXAM ROOMS	PC Exam Rooms Exam tables 626	\$9,100.00	2	\$17,987.32
Primary Care 29 EXAM ROOMS	DIAGNOSTIC SYSTEMS GREEN SERIES 777 INTEG	\$1,950.00	29	\$55,889.18
Primary Care 29 EXAM ROOMS	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	29	\$4,585.78
Primary Care 29 EXAM ROOMS	Cuff, Bp Adult Large Long Wa	\$10.00	4	\$39.53
Primary Care 29 EXAM ROOMS	Cuff, Bp Child (1/ea) Wa	\$10.00	29	\$286.61
Primary Care 29 EXAM ROOMS	Cuff, Bp Child Sm (1/ea) Wa	\$10.00	29	\$286.61
Primary Care 29 EXAM ROOMS	Cuff, Bp Large Adult Flexiportreuse Wa	\$10.00	9	\$88.95
Primary Care 29 EXAM ROOMS	Cuff, Bp Sm Adlt (1/ea) Wa	\$10.00	24	\$237.20
Primary Care 29 EXAM ROOMS	EKG MAC 5, MUSE, WRLESS	\$6,500.00	2	\$12,848.09
Primary Care 29 EXAM ROOMS	Refngerator/freezer, Pharm Premier 16cuft	\$9,520.00	1	\$9,408.75
Primary Care 29 EXAM ROOMS	Thermometer, Relng/frzr Sngl Probe Acc 0.3/res 0.1	\$42.00	3	\$124.53
Primary Care 29 EXAM ROOMS	Refrngerator , Pharaceutical, Undercounter (4.6 cu. ft.)	\$1,455.00	1	\$1,438.00
Primary Care 29 EXAM ROOMS	GS600 Procedure Light with Stand W-A44600	\$690.00	3	\$2,045.81
Primary Care 29 EXAM ROOMS	Illuminator, Vag Spec Cordlessw/charging Station (1/ea)	\$190.00	4	\$751.12
Primary Care 29 EXAM ROOMS	Scale, Ped Dig W/raised Rim 44lb Capacity Pelstr	\$422.00	1	\$417.07
Primary Care 29 EXAM ROOMS	Scale, Physician Digital W/height Rod 550lb	\$450.00	29	\$12,897.50
Primary Care 29 EXAM ROOMS	Clinitek Status+ Urine Chemistry Analyzer	\$1,057.00	1	\$1,044.65
Primary Care 29 EXAM ROOMS	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	29	\$831.17
Primary Care 29 EXAM ROOMS	Trash Can McKesson 32 Quart / 8 gal. White Metal Squ	\$30.00	30	\$889.48
Primary Care 29 EXAM ROOMS	2620KG Digital Wheelchair Dual Ramp Scale with Extra	\$6,500.00	1	\$6,424.04
Primary Care 29 EXAM ROOMS	Georgia Pacific paper towel dispensers #54720	\$70.00	33	\$2,283.01
Primary Care 29 EXAM ROOMS	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	33	\$2,446.08
Primary Care 29 EXAM ROOMS	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	33	\$489.22
Primary Care 29 EXAM ROOMS	Plastic Triple Glove Box Holder	\$35.00	33	\$1,141.50
Primary Care 29 EXAM ROOMS	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
Primary Care 29 EXAM ROOMS	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
ICC 8 EXAM ROOMS, 1 PROCEDURE	AED Unit Semi-Automatic AED Plus® Electrode Pads C	\$2,750.00	1	\$2,717.86
ICC 8 EXAM ROOMS, 1 PROCEDURE	Defibrillator Electrode Pad Child	\$100.00	1	\$98.83

ATTACHMENT 7

Project Costs and Sources of Funds

ICC 8 EXAM ROOMS, 1 PROCEDURE	Ritter 272 Air Lift Stool, Obsidian	\$160.00	8	\$1,265.04
ICC 8 EXAM ROOMS, 1 PROCEDURE	Stretcher, Transport Stryker M-Series Refurb STRM104	\$3,850.00	8	\$30,440.09
ICC 8 EXAM ROOMS, 1 PROCEDURE	Wastecan, Step-On Sq Ml Wht 32qt	\$102.00	11	\$1,108.89
ICC 8 EXAM ROOMS, 1 PROCEDURE	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	10	\$286.61
ICC 8 EXAM ROOMS, 1 PROCEDURE	Complete KleenSpec Cordless Illuminator System with	\$194.78	2	\$385.01
ICC 8 EXAM ROOMS, 1 PROCEDURE	SureTemp Plus 690/692 Rectal Probe and Well Assem	\$44.86	2	\$88.67
ICC 8 EXAM ROOMS, 1 PROCEDURE	DuraShock Multi-FlexiPort Cuff Kit	\$115.69	1	\$114.34
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable Blood Pressure Cuff, No Tubes or C	\$10.00	10	\$98.83
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable Blood Pressure Cuff, No Tubes or C	\$10.00	10	\$98.83
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable BP Cuff, No Tubes or Connectors, 2	\$10.00	10	\$98.83
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable BP Cuff, No Tubes or Connectors, 4	\$10.00	10	\$98.83
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable BP Cuff, No Tubes or Connectors, 6	\$10.00	10	\$98.83
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable BP Cuff, No Tubes or Connectors, 8	\$10.00	10	\$98.83
ICC 8 EXAM ROOMS, 1 PROCEDURE	Riester / Medline Otoscope-Ophthalmoscope	\$779.26	10	\$7,701.54
ICC 8 EXAM ROOMS, 1 PROCEDURE	Ri-Focus High-Performance Battery-Operated LED Hea	\$499.22	1	\$493.39
ICC 8 EXAM ROOMS, 1 PROCEDURE	Monitor, Blood Pressure Spo2 Sure Temp and stand	\$2,616.00	10	\$25,854.31
ICC 8 EXAM ROOMS, 1 PROCEDURE	Medline RightTemp Tympanic Thermometer	\$77.53	1	\$76.62
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable BP Cuff, No Tubes or Connectors, 1	\$10.00	10	\$98.83
ICC 8 EXAM ROOMS, 1 PROCEDURE	Triage and Procedure Room Exam tables 225	\$6,490.00	2	\$12,828.32
ICC 8 EXAM ROOMS, 1 PROCEDURE	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	2	\$316.26
ICC 8 EXAM ROOMS, 1 PROCEDURE	Green Series 900 Procedure Light with Ceiling Mount, 6	\$1,820.00	1	\$1,798.73
ICC 8 EXAM ROOMS, 1 PROCEDURE	Sterilizers: Midmark M11 Steam Sterilizer	\$6,216.00	1	\$6,143.36
ICC 8 EXAM ROOMS, 1 PROCEDURE	MEDLINE SOFT-TOUCH FINGER PULSE OXIMETER	\$30.00	10	\$296.49
ICC 8 EXAM ROOMS, 1 PROCEDURE	Graham-Field Kindergarten Plastic Eye Chart EACH	\$15.00	1	\$14.82
ICC 8 EXAM ROOMS, 1 PROCEDURE	Snellen Hanging Eye Test Chart EACH	\$11.00	1	\$10.87
ICC 8 EXAM ROOMS, 1 PROCEDURE	PROBES: SD3 FETAL PROBE, 3 MHZ	\$180.00	1	\$177.90
ICC 8 EXAM ROOMS, 1 PROCEDURE	Powder-Finish Stepstool with Handrail, 350 lb. Capacity	\$60.00	2	\$118.60
ICC 8 EXAM ROOMS, 1 PROCEDURE	MEDLINE HAND HELD PULSE OXIMETER, TWO DIS	\$425.93	1	\$420.95
ICC 8 EXAM ROOMS, 1 PROCEDURE	At Home Thermofoil Overbed Table, Walnut	\$216.85	1	\$214.32
ICC 8 EXAM ROOMS, 1 PROCEDURE	Thermometer, Refrig/frzr Sngl Probe Acc 0.3/res 0.1	\$42.00	2	\$83.02
ICC 8 EXAM ROOMS, 1 PROCEDURE	Auto Defrost Pharmacy Refrigerator/Freezer Combinat	\$7,040.00	1	\$6,957.73
ICC 8 EXAM ROOMS, 1 PROCEDURE	Scale, Ped Dig W/raised Rim 44lb Capacity Pelstr	\$450.00	1	\$444.74
ICC 8 EXAM ROOMS, 1 PROCEDURE	500KL Eye Level Digital Platform Physician Scale, Wex	\$422.00	1	\$417.07

ATTACHMENT 7

Project Costs and Sources of Funds

ICC 8 EXAM ROOMS, 1 PROCEDURE	EKG,MAC 5 MUSE,WRLESS	\$6,500.00	1	\$6,424.04
ICC 8 EXAM ROOMS, 1 PROCEDURE	OptiVISOR Binocular Headband Magnifier with 8" Focal	\$96.23	1	\$95.11
ICC 8 EXAM ROOMS, 1 PROCEDURE	Synergy Dual-Frequency Stethoscope, Black	\$25.38	2	\$50.17
ICC 8 EXAM ROOMS, 1 PROCEDURE	Precision Xtra Blood Glucose Meter	\$45.56	2	\$90.06
ICC 8 EXAM ROOMS, 1 PROCEDURE	Clipper, Surgical Professional next Generation	\$65.00	1	\$64.24
ICC 8 EXAM ROOMS, 1 PROCEDURE	Charger Stand with Cord for MMM9681 (1/CS)	\$65.00	1	\$64.24
ICC 8 EXAM ROOMS, 1 PROCEDURE	FlexiPort Reusable BP Cuff, No Tubes/Connect, L Adult	\$10.00	3	\$29.65
ICC 8 EXAM ROOMS, 1 PROCEDURE	Clinitek Status+ Urine Chemistry Analyzer	\$1,057.00	1	\$1,044.65
ICC 8 EXAM ROOMS, 1 PROCEDURE	Premier 5 step LED Slit Lamp Haag-Streit Style & Power	\$5,572.00	1	\$5,506.89
ICC 8 EXAM ROOMS, 1 PROCEDURE	Reichert Tonopen AVIA Tonometer Starter Kit	\$5,934.00	1	\$5,864.66
ICC 8 EXAM ROOMS, 1 PROCEDURE	Red Steel Emergency Carts with 6 Drawers	\$5,000.00	1	\$4,941.57
ICC 8 EXAM ROOMS, 1 PROCEDURE	Blanket Warmer with Glass Door, 3.5 cu. ft.	\$4,850.00	1	\$4,793.33
ICC 8 EXAM ROOMS, 1 PROCEDURE	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
ICC 8 EXAM ROOMS, 1 PROCEDURE	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
ICC 8 EXAM ROOMS, 1 PROCEDURE	Georgia Pacific paper towel dispensers #54720	\$70.00	11	\$761.00
ICC 8 EXAM ROOMS, 1 PROCEDURE	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	11	\$815.36
ICC 8 EXAM ROOMS, 1 PROCEDURE	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps Containers	\$15.00	11	\$163.07
ICC 8 EXAM ROOMS, 1 PROCEDURE	Plastic Triple Glove Box Holder	\$35.00	11	\$380.50
ICC 8 EXAM ROOMS, 1 PROCEDURE	UC refrigerator, Avanti 3.2 Cu. Ft, Black (RM3316B)	\$300.00	1	\$296.49
ICC 8 EXAM ROOMS, 1 PROCEDURE	Medline Chrome Mayo Stand with California-Style Base	\$225.00	9	\$2,001.34
INFUSION 12 EXAM ROOMS 6	Wastecan, Step-On Sq Mil Whl 32qt	\$102.00	20	\$2,016.16
INFUSION 12 EXAM ROOMS 6	Georgia Pacific paper towel dispensers #54720	\$70.00	21	\$1,452.82
INFUSION 12 EXAM ROOMS 6	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	8	\$592.99
INFUSION 12 EXAM ROOMS 6	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps Containers	\$15.00	20	\$296.49
INFUSION 12 EXAM ROOMS 6	Plastic Triple Glove Box Holder	\$35.00	20	\$691.82
INFUSION 12 EXAM ROOMS 6	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
INFUSION 12 EXAM ROOMS 6	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
INFUSION 12 EXAM ROOMS 6	Plum 360 Infusion Pumps & Accessories	\$1,600.00	12	\$18,975.64
INFUSION 12 EXAM ROOMS 6	Treatment Recliner Standard 33" Patient Left Side Tray	\$3,000.00	12	\$35,579.32
INFUSION 12 EXAM ROOMS 6	Monitor, Blood Pressure Spo2 Sure Temp and stand Medline	\$2,616.00	15	\$38,781.46
INFUSION 12 EXAM ROOMS 6	Medline Chrome Mayo Stand with California-Style Base	\$225.00	12	\$2,668.45
INFUSION 12 EXAM ROOMS 6	Stainless Steel 6-Leg Heavy-Duty IV Pole with Quick Release	\$225.00	6	\$1,334.22

ATTACHMENT 7

Project Costs and Sources of Funds

INFUSION 12 EXAM ROOMS 6	Scale, Physician Digital W/height Rod 550lb	\$450.00	6	\$2,668.45
INFUSION 12 EXAM ROOMS 6	Health o meter Digital Platform Scales with Extra-Wide	\$3,300.00	1	\$3,261.44
INFUSION 12 EXAM ROOMS 6	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	12	\$1,897.56
INFUSION 12 EXAM ROOMS 6	Blanket Warmer with Glass Door, 20.6 cu. ft.	\$8,280.00	1	\$8,183.24
INFUSION 12 EXAM ROOMS 6	UC refrigerator, Avanti 3.2 Cu. Ft, Black (RM3316B)	\$300.00	1	\$296.49
INFUSION 12 EXAM ROOMS 6	STARSYS TALL DW MOBILE METRO CART 311-H-04	\$5,000.00	2	\$9,883.14
INFUSION 12 EXAM ROOMS 6	INFUSION Exam Rooms Exam tables 225	\$6,490.00	5	\$32,070.81
INFUSION 12 EXAM ROOMS 6	INFUSION Exam Rooms Exam tables 626	\$9,100.00	1	\$8,993.66
INFUSION 12 EXAM ROOMS 6	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	6	\$948.78
INFUSION 12 EXAM ROOMS 6	Cuff, Bp Adult Large Long Wa	\$10.00	15	\$148.25
INFUSION 12 EXAM ROOMS 6	Cuff, Bp Chld (1/ea) Wa	\$10.00	15	\$148.25
INFUSION 12 EXAM ROOMS 6	Cuff, Bp Chld Sm (1/ea) Wa	\$10.00	15	\$148.25
INFUSION 12 EXAM ROOMS 6	Cuff, Bp Large Adult Flexiportreue Wa	\$10.00	15	\$148.25
INFUSION 12 EXAM ROOMS 6	Cuff, Bp Sm Adlt (1/ea) Wa	\$10.00	15	\$148.25
INFUSION Phlebotomy 2	Blood Drawing Chair, Tall, Flip Arm, 500 lb. Capacity	\$695.00	1	\$686.88
INFUSION Phlebotomy 2	Blood Drawing Chair, Flip Arm, Upholstered, 500 lb. Ca	\$775.00	1	\$765.94
INFUSION Phlebotomy 2	Plastic Triple Glove Box Holder	\$35.00	2	\$69.18
INFUSION Phlebotomy 2	Locking Wall Cabinet for 3 gal. Sharps Container	\$70.00	2	\$138.36
INFUSION Phlebotomy 2	Narrow Pace Adjustable Workstation Cart	\$2,750.00	2	\$5,435.73
INFUSION Phlebotomy 2	Markellab Phlebotomy Draw Station 13"W x 15"L x 3"H	\$315.00	2	\$622.64
INFUSION Phlebotomy 2	Trash Can McKesson 32 Quart / 8 gal. White Metal Squ	\$70.00	2	\$138.36
ORTHO EXAM 8	ORTHO Exam Rooms Exam tables 225	\$6,490.00	7	\$44,899.13
ORTHO EXAM 8	ORTHO Exam Rooms Exam tables 626	\$9,100.00	1	\$8,993.66
ORTHO EXAM 8	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	8	\$1,265.04
ORTHO EXAM 8	Wastecan, Step-On Sq Mtl Wht 32qt	\$102.00	8	\$806.46
ORTHO EXAM 8	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	8	\$229.29
ORTHO EXAM 8	Welch Allyn 767 Mobile Aneroid Sphygmomanometer	\$157.00	2	\$310.33
ORTHO EXAM 8	Refrigerator , Pharaceutical, Undercounter (4.6 cu. ft.)	\$1,455.00	1	\$1,438.00
ORTHO EXAM 8	Scale, Physician Digital W/height Rod 550lb	\$450.00	1	\$444.74
ORTHO EXAM 8	Value Mobile Mayo Stand MDRM29	\$250.00	8	\$1,976.63
ORTHO EXAM 8	Thermometer, Refrig/frzr Sngl Probe Acc 0.3/res 0.1	\$42.00	1	\$41.51
ORTHO EXAM 8	Saw, Cast Cutter with stand and vacuum	\$3,175.00	1	\$3,137.90

ATTACHMENT 7

Project Costs and Sources of Funds

ORTHO EXAM 8	Locking Wall Cabinet for 3 gal Sharps Container	\$70.00	2	\$138.36
ORTHO EXAM 8	Georgia Pacific paper towel dispensers #54720	\$70.00	9	\$622.64
ORTHO EXAM 8	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	8	\$592.99
ORTHO EXAM 8	Plastic Triple Glove Box Holder	\$35.00	9	\$311.32
Ortho Xray	Georgia Pacific paper towel dispensers #54720	\$70.00	1	\$69.18
Ortho Xray	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	1	\$74.12
Ortho Xray	Plastic Triple Glove Box Holder	\$35.00	1	\$34.59
Ortho Xray	Adult Banatic Folding Walker, 2 Button, 650 lb. Capacity	\$65.00	1	\$64.24
Ortho Xray	Powder-Finish Stepstool with Handrail, 350 lb. Capacity	\$67.00	1	\$66.22
Ortho Xray	Bracket, Wall F/surface Wipes (12/cs)	\$20.00	1	\$19.77
Ortho Xray	STOOL, EXAM PNEUMATIC W/GLIDES PUTTY 1100	\$210.00	1	\$207.55
PHYSICAL THERAPY	923651 Fluidotherapy, Ultra 115	\$6,075.00	1	\$6,004.01
PHYSICAL THERAPY	Saunders Cervical Hometrac Deluxe	\$407.00	1	\$402.24
PHYSICAL THERAPY	ARS Rolling Stool Taupe	\$182.00	25	\$4,496.83
PHYSICAL THERAPY	C576U Status Upright Bike	\$5,650.00	1	\$5,583.98
PHYSICAL THERAPY	NUSTEP RECUMBENT CROSS TRAINER T4R	\$4,510.00	1	\$4,457.30
PHYSICAL THERAPY	FreeMotion Dual Cable Cross	\$9,250.00	1	\$9,141.91
PHYSICAL THERAPY	Performa Bar Activated 350 Table, Taupe	\$2,850.00	25	\$70,417.41
PHYSICAL THERAPY	The Deluxe Cuff Weights, Set of 7	\$82.50	1	\$81.54
PHYSICAL THERAPY	Nested Foot Stools	\$345.00	1	\$340.97
PHYSICAL THERAPY	CanDo Standard Weight Dumbbell Set w/ floor rack	\$187.00	1	\$184.81
PHYSICAL THERAPY	CLASSIC FLEXIBLE SPINE MODEL	\$198.00	1	\$195.69
PHYSICAL THERAPY	Anatomical Models, Knee	\$104.50	1	\$103.28
PHYSICAL THERAPY	Anatomical Models, Shoulder	\$104.50	1	\$103.28
PHYSICAL THERAPY	TheraBand Roller Massager+, Portable	\$16.50	1	\$16.31
PHYSICAL THERAPY	HYDRATHERM DELUXE W PACKS	\$2,238.13	1	\$2,211.98
PHYSICAL THERAPY	Hydrocollator Heating Units, Stationary - Includes 2 oversize, 1 cervical & 3 standard HotPacs	\$601.19	1	\$594.16
PHYSICAL THERAPY	Sammons Preston Joint Mobilization Belt, Joint Mobiliz	\$15.06	2	\$29.77
PHYSICAL THERAPY	Resistive Hand Exercisers, Deluxe Hand Exerciser	\$17.91	1	\$17.70
PHYSICAL THERAPY	Jamar Hydraulic Hand Evaluation Kit	\$236.50	1	\$233.74
PHYSICAL THERAPY	CanDo Digi-Flex, Set of 5 (includes display)	\$72.62	1	\$71.77

ATTACHMENT 7

Project Costs and Sources of Funds

PHYSICAL THERAPY	Rolyan Deep Prep Tissue Massage Creams, Deep Pre	\$8.58	2	\$16.96
PHYSICAL THERAPY	Performa Cloth & Foam Electrodes, Cloth, 2" Round, 40/PK	\$21.24	4	\$83.97
PHYSICAL THERAPY	Performa Cloth & Foam Electrodes, Cloth, 2.75" Round, 40/PK	\$32.70	4	\$129.27
PHYSICAL THERAPY	Sammons Preston Foam Roller, 6"x36" Round	\$11.75	2	\$23.23
PHYSICAL THERAPY	Sammons Preston Foam Roller, 6"x36" Half-Round	\$7.08	1	\$7.00
PHYSICAL THERAPY	Leukotape P Corrective Taping, Leukotape P, 1-1/2" x 15 yds, Each	\$6.41	1	\$6.34
PHYSICAL THERAPY	Cover Roll Stretch, 2" x 10 yds, Per Roll	\$9.08	1	\$8.97
PHYSICAL THERAPY	Rolyan Resistance Bands, 50 yds, Latex Free, Blueberry	\$72.04	2	\$142.40
PHYSICAL THERAPY	Rolyan Resistance Bands, 50 yds, Lemon	\$20.43	2	\$40.38
PHYSICAL THERAPY	Rolyan Resistance Bands, 50 yds, Orange	\$25.83	2	\$51.06
PHYSICAL THERAPY	Rolyan Resistance Bands, 50 yds, Lime	\$27.94	2	\$55.23
PHYSICAL THERAPY	Rolyan Resistance Bands, 50 yds, Blueberry	\$35.26	2	\$69.70
PHYSICAL THERAPY	Rolyan Resistance Bands, 50 yds, Plum	\$38.06	2	\$75.23
PHYSICAL THERAPY	ROLYAN ANTIMICROBIAL THERAPY PUTTY, SOFT,	\$3.37	1	\$3.33
PHYSICAL THERAPY	ROLYAN ANTIMICROBIAL THERAPY PUTTY, MEDIUM,	\$3.16	1	\$3.12
PHYSICAL THERAPY	ROLYAN ANTIMICROBIAL THERAPY PUTTY, MEDIUM, GREEN, 4OZ (113G)	\$3.16	1	\$3.12
PHYSICAL THERAPY	ROLYAN ANTIMICROBIAL THERAPY PUTTY, FIRM,	\$3.95	1	\$3.90
PHYSICAL THERAPY	Sammons Preston Standard Gait Belts, Red/Blue Stripes, 72", EA	\$4.94	1	\$4.88
PHYSICAL THERAPY	Sammons Preston Standard Gait Belts, Red/Blue Stripes, 72", EA	\$5.09	1	\$5.03
PHYSICAL THERAPY	Round Lumbar Roll, Soft	\$12.60	1	\$12.45
PHYSICAL THERAPY	Baseline Tactile Semmes-Weinstein Monofilaments, Hand, Set of 5	\$108.16	1	\$106.90
PHYSICAL THERAPY	JAMAR HAND EVALUATION KIT 2 WITH 60 LB PINCH GAUGE	\$749.97	1	\$741.21
PHYSICAL THERAPY	Horseshoe Table 72" x 48" Dove/Silver	\$891.00	1	\$880.59

ATTACHMENT 7

Project Costs and Sources of Funds

PHYSICAL THERAPY	Straight Staircase, Maple Laminate	\$1,888.81	1	\$1,866.74
PHYSICAL THERAPY	RECOVERY SERIES ENCOMPASS POWERTOWER	\$5,722.48	1	\$5,655.61
PHYSICAL THERAPY	MANOSPLINT DIGITAL HEAT PAN 56 LITER	\$3,740.00	1	\$3,696.30
PHYSICAL THERAPY	Matrix T3xm Medical Treadmill	\$6,920.10	1	\$6,839.24
PHYSICAL THERAPY	Georgia Pacific paper towel dispensers #54720	\$70.00	6	\$415.09
PHYSICAL THERAPY	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	6	\$444.74
PHYSICAL THERAPY	Plastic Triple Glove Box Holder	\$35.00	6	\$207.65
PHYSICAL THERAPY	Ergotron 29"-45" Adjustable Desk 24-811-F13	\$625.00	14	\$8,647.75
ENT EXAM 5, Audiology Exam 1, Audi	Audiobooth	\$201,146.00	1	\$198,795.51
ENT EXAM 5, Audiology Exam 1, Audi	Audiology Exam Room Procedure Chair 630	\$11,840.00	1	\$11,701.64
ENT EXAM 5, Audiology Exam 1, Audi	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	1	\$158.13
ENT EXAM 5, Audiology Exam 1, Audi	EndoCaddy Double Tube Holder	\$2,515.00	1	\$2,485.61
ENT EXAM 5, Audiology Exam 1, Audi	ENT Procedure Chair, Cabinet, light, Warmer, foot ped.	\$22,161.00	5	\$109,510.19
ENT EXAM 5, Audiology Exam 1, Audi	Scopes (16), Tele pack, camera, lightsource, monitor	\$67,595.00	2	\$133,610.24
ENT EXAM 5, Audiology Exam 1, Audi	OPMI pico microscope System	\$28,968.00	1	\$28,629.49
ENT EXAM 5, Audiology Exam 1, Audi	Wastecan, Step-On Sq Mtl Wht 32qt	\$102.00	8	\$806.46
ENT EXAM 5, Audiology Exam 1, Audi	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	7	\$200.63
ENT EXAM 5, Audiology Exam 1, Audi	Sterilizers: Midmark M11 Steam Sterilizer	\$6,216.00	1	\$6,143.36
ENT EXAM 5, Audiology Exam 1, Audi	Auto Defrost Pharmacy Refrigerator/Freezer Combinati	\$7,040.00	1	\$6,957.73
ENT EXAM 5, Audiology Exam 1, Audi	Thermometer, Refrig/Freezr Sngl Probe Acc 0.3/res 0.1	\$42.00	2	\$83.02
ENT EXAM 5, Audiology Exam 1, Audi	Georgia Pacific paper towel dispensers #54720	\$70.00	7	\$484.27
ENT EXAM 5, Audiology Exam 1, Audi	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	7	\$518.87
ENT EXAM 5, Audiology Exam 1, Audi	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	6	\$88.95
ENT EXAM 5, Audiology Exam 1, Audi	Plastic Triple Glove Box Holder	\$35.00	7	\$242.14
OB GYN EXAM 6, Procedure 1, NST 1	Exam Room, Procedure Room, US Room, NST Table	\$6,490.00	8	\$51,313.29
OB GYN EXAM 6, Procedure 1, NST 1	Exam Room Tables 626	\$9,100.00	1	\$8,993.66
OB GYN EXAM 6, Procedure 1, NST 1	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	7	\$1,106.91
OB GYN EXAM 6, Procedure 1, NST 1	Cuff, Bp Adult Large Long Wa	\$10.00	2	\$19.77
OB GYN EXAM 6, Procedure 1, NST 1	Cuff, Bp Child (1/ea) Wa	\$10.00	2	\$19.77
OB GYN EXAM 6, Procedure 1, NST 1	Cuff, Bp Child Sm (1/ea) Wa	\$10.00	2	\$19.77
OB GYN EXAM 6, Procedure 1, NST 1	Cuff, Bp Large Adult Flexiport reuse Wa	\$10.00	2	\$19.77
OB GYN EXAM 6, Procedure 1, NST 1	Cuff, Bp Sm Adlt (1/ea) Wa	\$10.00	2	\$19.77

ATTACHMENT 7

Project Costs and Sources of Funds

OB GYN EXAM 6, Procedure 1, NST 1	Georgia Pacific paper towel dispensers #54720	\$70.00	10	\$691.82
OB GYN EXAM 6, Procedure 1, NST 1	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	10	\$741.24
OB GYN EXAM 6, Procedure 1, NST 1	Locking ABS Plastic Cabinet for Medline 5-qt Sharps C	\$15.00	10	\$148.25
OB GYN EXAM 6, Procedure 1, NST 1	Plastic Triple Glove Box Holder	\$35.00	10	\$345.91
OB GYN EXAM 6, Procedure 1, NST 1	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
OB GYN EXAM 6, Procedure 1, NST 1	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
OB GYN EXAM 6, Procedure 1, NST 1	MICROSCOPES: G380 BINOCULAR HEAD MICROSC	\$1,279.00	1	\$1,264.05
OB GYN EXAM 6, Procedure 1, NST 1	STERILIZERS: MIDMARK M11 STEAM STERILIZER	\$6,216.00	1	\$6,143.36
OB GYN EXAM 6, Procedure 1, NST 1	PROBES: SD3 FETAL PROBE, 3 MHZ	\$180.00	2	\$355.79
OB GYN EXAM 6, Procedure 1, NST 1	Monitor, Blood Pressure Spo2 Sure Temp and stand	\$2,616.00	3	\$7,756.29
OB GYN EXAM 6, Procedure 1, NST 1	Voluson Signature 20 Ultrasound w/ OB/GYN Software	\$95,500.00	1	\$94,384.03
OB GYN EXAM 6, Procedure 1, NST 1	3 MAG NON-PHOTO UPRIGHT SCOPE	\$10,165.00	1	\$10,046.22
OB GYN EXAM 6, Procedure 1, NST 1	Cooper F9 Fetal Monitor	\$7,490.00	1	\$7,402.48
OB GYN EXAM 6, Procedure 1, NST 1	LEEP System w/Smoke evacuator & connector	\$8,853.00	1	\$8,749.55
OB GYN EXAM 6, Procedure 1, NST 1	Wastecan, Step-On Sq Mt Wht 32qt	\$102.00	10	\$1,008.08
OB GYN EXAM 6, Procedure 1, NST 1	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	9	\$257.95
OB GYN EXAM 6, Procedure 1, NST 1	500KL Eye Level Digital Platform Physician Scale, Weigh	\$422.00	7	\$2,919.48
Urology 6 Exam, 1 Procedure	Thermometer, Suretemp Plus W/oral Prob	\$131.62	1	\$130.08
Urology 6 Exam, 1 Procedure	Bovie Generator, Hi Frequency Electrosurgical w/ foots	\$2,975.00	1	\$2,940.24
Urology 6 Exam, 1 Procedure	EXAM ROOM TABLE 225 BARRIER-FREE	\$6,490.00	6	\$38,484.97
Urology 6 Exam, 1 Procedure	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	7	\$1,106.91
Urology 6 Exam, 1 Procedure	Procedure Table 230 w/ Knee crutch and urology drain	\$9,721.04	1	\$9,607.44
Urology 6 Exam, 1 Procedure	Welch Allyn 767 Mobile Aneroid Sphygmomanometer v	\$157.00	1	\$155.17
Urology 6 Exam, 1 Procedure	FlexiPort Reusable Blood Pressure Cuff, No Tubes Adj	\$10.00	1	\$9.88
Urology 6 Exam, 1 Procedure	THERMOMETER, 1 PROBE,ALARMS, -50 -70C	\$42.00	1	\$41.51
Urology 6 Exam, 1 Procedure	Value Mobile Mayo Stand, 23" Base, 33"-49" Height Ra	\$250.00	7	\$1,729.55
Urology 6 Exam, 1 Procedure	Auto Defrost Pharmacy Refrigerator/Freezer Combinati	\$7,040.00	1	\$6,957.73
Urology 6 Exam, 1 Procedure	Medline PG-II Flat Sharps Container for Chemotherapy	\$169.00	1	\$167.03
Urology 6 Exam, 1 Procedure	Clinitek Status+ Urine Chemistry Analyzer	\$1,057.00	1	\$1,044.65
Urology 6 Exam, 1 Procedure	Georgia Pacific paper towel dispensers #54720	\$70.00	8	\$553.46
Urology 6 Exam, 1 Procedure	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	8	\$592.99
Urology 6 Exam, 1 Procedure	Locking ABS Plastic Cabinet for Medline 5-qt Sharps C	\$15.00	8	\$118.60

ATTACHMENT 7

Project Costs and Sources of Funds

Urology 6 Exam, 1 Procedure	Plastic Triple Glove Box Holder	\$35.00	8	\$276.73
Urology 6 Exam, 1 Procedure	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
Urology 6 Exam, 1 Procedure	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
Urology 6 Exam, 1 Procedure	Wastecan, Step-On Sq Mtl Wht 32qt	\$102.00	7	\$705.66
Urology 6 Exam, 1 Procedure	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 Ir	\$29.00	7	\$200.63
Urology 6 Exam, 1 Procedure	500KL Eye Level Digital Platform Physician Scale, Wei	\$422.00	1	\$417.07
Cardiology Exam 5	Welch Allyn 767 Mobile Aneroid Sphygmomanometer v	\$157.00	5	\$775.83
Cardiology Exam 5	Cuff, Bp Adult Large Long Wa	\$10.00	5	\$49.42
Cardiology Exam 5	Cuff, Bp Sm Adlt (1/ea) Wa	\$10.00	5	\$49.42
Cardiology Exam 5	Cuff, Bp Adult Large Long Wa	\$10.00	5	\$49.42
Cardiology Exam 5	PC Exam Rooms Exam tables 225	\$6,490.00	4	\$25,656.64
Cardiology Exam 5	PC Exam Rooms Exam tables 626	\$9,100.00	1	\$8,993.66
Cardiology Exam 5	Stool, Basic 272 Pneumatic Adj Iron Ore	\$160.00	5	\$790.65
Cardiology Exam 5	Medline RightTemp Tympanic Thermometer	\$77.53	2	\$153.25
Cardiology Exam 5	MEDLINE SOFT-TOUCH FINGER PULSE OXIMETER	\$30.00	5	\$148.25
Cardiology Exam 5	500KL Eye Level Digital Platform Physician Scale, Wei	\$422.00	5	\$2,085.34
Cardiology Exam 5	EKG,MAC 5,MUSE,WRLESS	\$6,500.00	2	\$12,848.09
Cardiology Exam 5	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
Cardiology Exam 5	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
Cardiology Exam 5	Georgia Pacific paper towel dispensers #54720 include	\$70.00	12	\$830.18
Cardiology Exam 5	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	12	\$889.48
Cardiology Exam 5	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	12	\$177.90
Cardiology Exam 5	Plastic Triple Glove Box Holder	\$35.00	12	\$415.09
Cardiology Exam 5	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 Ir	\$29.00	12	\$343.93
Neurology Exam 6	Table, Exam W/upgrade Hnd & foot Cntrl Casters & GF	\$5,635.00	1	\$5,569.15
Neurology Exam 6	Exam Room Tables 225	\$6,490.00	5	\$32,070.81
Neurology Exam 6	Stool, Basic 273 W/back Pneumatic Adj Iron Ore	\$224.00	5	\$1,106.91
Neurology Exam 6	Stool, Basic 273 W/back Pneumatic Adj Obsidian	\$224.00	1	\$221.38
Neurology Exam 6	Monitor, Blood Pressure Spo2 Sure Temp and stand	\$2,616.00	2	\$5,170.86
Neurology Exam 6	FlexiPort Reusable BP Cuff, No Tubes or Connectors, I	\$10.00	2	\$19.77
Neurology Exam 6	Diagnostic Sys, Ophthalmoscope/otoscope W/accesso	\$747.00	6	\$4,429.63
Neurology Exam 6	Natus UltraPro EMG S100 US System	\$25,000.00	1	\$24,707.86

ATTACHMENT 7

Project Costs and Sources of Funds

Neurology Exam 6	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
Neurology Exam 6	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
Neurology Exam 6	Georgia Pacific paper towel dispensers #54720 include	\$70.00	7	\$484.27
Neurology Exam 6	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	12	\$889.48
Neurology Exam 6	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	6	\$88.95
Neurology Exam 6	Plastic Triple Glove Box Holder	\$35.00	6	\$207.55
Neurology Exam 6	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	6	\$171.97
GI Exam 6	SureTemp Plus 690 Handheld Electronic Thermometer	\$150.00	1	\$148.25
GI Exam 6	Welch Allyn 767 Mobile Aneroid Sphygmomanometer v	\$157.00	6	\$930.99
GI Exam 6	FlexiPort Reusable BP Cuff, No Tubes or Connectors, f	\$10.00	6	\$59.30
GI Exam 6	EXAM ROOM TABLE 225 BARRIER-FREE	\$6,490.00	2	\$12,828.32
GI Exam 6	Exam Room Tables 626	\$9,100.00	1	\$8,993.66
GI Exam 6	PC Exam Rooms Exam tables 204	\$4,695.00	3	\$13,920.41
GI Exam 6	Stool, Basic 272 Pneumatic Adjiron Ore	\$160.00	6	\$948.78
GI Exam 6	FlexiPort Reusable BP Cuff, No Tubes or Connectors, f	\$10.00	6	\$59.30
GI Exam 6	FlexiPort Reusable BP Cuff, No Tubes or Connectors, f	\$10.00	6	\$59.30
GI Exam 6	Riester / Medline Otoloscope-Ophthalmoscope	\$779.26	6	\$4,620.92
GI Exam 6	500KL Eye Level Digital Platform Physician Scale, Wei	\$422.00	6	\$2,502.41
GI Exam 6	Value Mobile Mayo Stand, 23" Base, 33"-49" Height Ra	\$250.00	6	\$1,482.47
GI Exam 6	Oxygen Cylinder Holder with 6-Cylinder Capacity	\$225.00	1	\$222.37
GI Exam 6	Rolling Cart for D and E Oxygen Cylinders	\$75.00	1	\$74.12
GI Exam 6	Georgia Pacific paper towel dispensers #54720 include	\$70.00	7	\$484.27
GI Exam 6	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	7	\$518.87
GI Exam 6	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	6	\$88.95
GI Exam 6	Plastic Triple Glove Box Holder	\$35.00	6	\$207.55
GI Exam 6	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	6	\$171.97
Ophthalmology Exam 6, Test 3	Reliance FX-920 Power tilt chair	\$10,117.13	6	\$59,993.44
Ophthalmology Exam 6, Test 3	7900-IC (Instrument Console)	\$7,728.69	6	\$45,830.26
Ophthalmology Exam 6, Test 3	Ultramatic RX Master-Plus Cylinder 11635B	\$6,518.60	6	\$38,654.56
Ophthalmology Exam 6, Test 3	Stools: Ritter 272 Air Lift, Iron Ore, Exam room stools	\$185.15	9	\$1,646.88
Ophthalmology Exam 6, Test 3	Premier Acuity System 1000 PR-Acuity 1000	\$3,967.50	6	\$23,526.83
Ophthalmology Exam 6, Test 3	All Pupil II LED Slimline Wireless Ophthalmoscope, Bin	\$5,001.70	6	\$29,659.52

ATTACHMENT 7

Project Costs and Sources of Funds

Ophthalmology Exam 6, Test 3	BM 900 LED Lamp, Sili	\$17,941.04	6	\$106,388.34
Ophthalmology Exam 6, Test 3	AT 900 Goldmann Applanation (Model R) Tonometer, A	\$2,596.07	6	\$15,394.40
Ophthalmology Exam 6, Test 3	Retinoscope, Streak, Pocket 18245 Elite Streak	\$599.09	6	\$3,552.54
Ophthalmology Exam 6, Test 3	Transilluminator, Fiberoptic 41100 (3.5 V Finnof)	\$158.70	6	\$941.07
Ophthalmology Exam 6, Test 3	Ophthalmoscope Head 11720-L	\$240.00	6	\$1,423.17
Ophthalmology Exam 6, Test 3	Scope Handle Rechargeable 71670	\$100.18	6	\$594.06
Ophthalmology Exam 6, Test 3	Humphrey Visual Field Analyzer (HFA3) Model 860	\$52,895.00	3	\$156,830.69
Ophthalmology Exam 6, Test 3	Heidelberg OCT Spectralis HRA/OCT Tomographer	\$224,825.00	3	\$666,593.42
Ophthalmology Exam 6, Test 3	Analyzer, Ophthalmic, Biometer IOLMaster 700	\$95,213.40	3	\$282,302.35
Ophthalmology Exam 6, Test 3	Analyzer, Ophthalmic, Corneal Topography Galilei G4	\$58,851.25	3	\$174,490.63
Ophthalmology Exam 6, Test 3	Righton Retinomax K-Plus 5 Auto Refractor with Viewir	\$19,837.50	3	\$58,817.07
Ophthalmology Exam 6, Test 3	Topcon CL300 Lensmeter with Printer TP-N-CL300	\$6,348.00	3	\$18,821.46
Ophthalmology Exam 6, Test 3	Georgia Pacific paper towel dispensers #54720 include	\$70.00	10	\$691.82
Ophthalmology Exam 6, Test 3	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	10	\$741.24
Ophthalmology Exam 6, Test 3	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	9	\$133.42
Ophthalmology Exam 6, Test 3	Plastic Triple Glove Box Holder	\$35.00	9	\$311.32
Ophthalmology Exam 6, Test 3	Exam Room Signal Flag Wall Mount 6 Flag 1-1/8 X 7 In	\$29.00	9	\$257.95
Phlebotomy 1st Floor 3	Blood Drawing Chair, Tall, Flip Arm, 500 lb. Capacity	\$695.00	2	\$1,373.76
Phlebotomy 1st Floor 3	Blood Drawing Chair, Flip Arm, Upholstered, 500 lb. Ca	\$775.00	1	\$765.94
Phlebotomy 1st Floor 3	Plastic Triple Glove Box Holder	\$35.00	3	\$103.77
Phlebotomy 1st Floor 3	Locking Wall Cabinet for 3 gal. Sharps Container	\$70.00	3	\$207.55
Phlebotomy 1st Floor 3	Narrow PACE Adjustable Workstation Cart	\$2,750.00	3	\$8,153.59
Phlebotomy 1st Floor 3	Markellab Phlebotomy Draw Station 13"W x 15"L x 3"H	\$315.00	3	\$933.96
Phlebotomy 1st Floor 3	Trash Can McKesson 32 Quart / 8 gal. White Metal Squ	\$70.00	3	\$207.55
General Ultrasound 2	Thermasonic Multi-Bottle LED Gel Warmers	\$232.00	2	\$458.58
General Ultrasound 2	OAKWORKS Table, Ultrasound Section Side Rail/stirrup	\$8,902.00	2	\$17,595.95
General Ultrasound 2	Cart with 3 Shelves, Stainless-Steel, 26" W" x 16" D	\$417.00	2	\$824.25
General Ultrasound 2	Georgia Pacific paper towel dispensers #54720 include	\$70.00	2	\$138.36
General Ultrasound 2	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	2	\$148.25
General Ultrasound 2	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	2	\$29.65
General Ultrasound 2	Plastic Triple Glove Box Holder	\$35.00	2	\$69.18
Breast Ultrasound 2	Thermasonic Multi-Bottle LED Gel Warmers	\$232.00	2	\$458.58

ATTACHMENT 7

Project Costs and Sources of Funds

Breast Ultrasound 2	OAKWORKS Table, Ultrand 3section Sde Rail/stirrup	\$8,902.00	2	\$17,595.95
Breast Ultrasound 2	Cart with 3 Shelves, Stainless-Steel, 26" W" x 16" D	\$417.00	2	\$824.25
Breast Ultrasound 2	Georgia Pacific paper towel dispensers #54720 include	\$70.00	2	\$138.36
Breast Ultrasound 2	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	2	\$148.25
Breast Ultrasound 2	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	2	\$29.65
Breast Ultrasound 2	Plastic Triple Glove Box Holder	\$35.00	2	\$69.18
Breast Ultrasound 2	Blanket Warmer with Glass Door, 3.5 cu. ft	\$4,850.00	1	\$4,793.33
Breast Ultrasound 2	Value Mobile Mayo Stand, 23" Base, 33"-49" Height Ra	\$250.00	2	\$494.16
Breast Ultrasound 2	Thermometer, Refrig/Irzzr Sngl Probe Acc 0.3/res 0.1	\$42.00	1	\$41.51
Breast Ultrasound 2	Refrigerator , Pharaceutical, Undercounter (4.6 cu. ft.)	\$1,455.00	1	\$1,438.00
Diagnostic Imaging, PET/CT, Nuc Med	Lead Aprons, Sponges, Hangers	\$25,000.00	1	\$24,707.86
Diagnostic Imaging, PET/CT, Nuc Med	MRI Safe Wheelchair, O2 tanks, step stool, equip	\$10,265.00	1	\$10,145.05
Diagnostic Imaging, PET/CT, Nuc Med	Phantoms for testing - mammo, MRI	\$2,700.00	2	\$5,336.90
Diagnostic Imaging, PET/CT, Nuc Med	Blanket Warmer with Glass Door, 20.6 cu. ft.	\$8,280.00	1	\$8,183.24
Diagnostic Imaging, PET/CT, Nuc Med	Blanket Warmer with Glass Door, 3.5 cu. ft	\$4,850.00	1	\$4,793.33
Diagnostic Imaging, PET/CT, Nuc Med	Uplift Reading Room Desk	\$1,875.00	2	\$3,706.18
Diagnostic Imaging, PET/CT, Nuc Med	Georgia Pacific paper towel dispensers #54720 include	\$70.00	8	\$553.46
Diagnostic Imaging, PET/CT, Nuc Med	Carlisle - 36184 - 15 gal Trimline Gray Trash Can	\$75.00	10	\$741.24
Diagnostic Imaging, PET/CT, Nuc Med	Locking ABS Plastic Cabinet for Medline 5-qt. Sharps C	\$15.00	10	\$148.25
Diagnostic Imaging, PET/CT, Nuc Med	Plastic Triple Glove Box Holder	\$35.00	10	\$345.91
Diagnostic Imaging, PET/CT, Nuc Med	Treatment Recliner Standard 33" Patient Left Side Tray	\$3,000.00	3	\$8,894.83
Rack and Bins Storage	Storage room rack and bins storage systems	\$84,000.00	1	\$83,018.42
Furniture - Offices, Waiting Rooms, Ex	Estimate for furniture and appliances	\$1,315,625.00	1	\$1,300,251.26
Artwork	Artwork for Common Areas Not to Exceed	\$50,000.00	1	\$49,415.72
	General FFE Subtotal			\$4,984,911.94
	GRAND TOTAL			\$14,377,929.00

ATTACHMENT 7

Project Costs and Sources of Funds

Fair Market Value of Leased Space – The fair market value of leased space associated with the project totals \$30,014,076, reflecting base lease costs over the initial 10-year lease term using a starting rental rate of \$37.57 per rentable square foot and 2.9% annual escalation. The constructions costs also include a tenant improvement allowance of \$17,500,000 for the tenant that is factored into the leasing terms described below.

Lease payments increase gradually and predictably over the lease term, consistent with standard medical office leasing practices, as follows:

Lease Year	Lease Period	Annual Base Rent	Monthly Base Rent	Rent PSF (Annual)	Cumulative Base Rent
1	Initial Term	\$2,630,224	\$219,185	\$37.57	\$2,630,224
2	Initial Term	\$2,706,500	\$225,542	\$38.66	\$5,336,724
3	Initial Term	\$2,784,989	\$232,082	\$39.79	\$8,121,713
4	Initial Term	\$2,865,754	\$238,813	\$40.94	\$10,987,467
5	Initial Term	\$2,948,861	\$245,738	\$42.13	\$13,936,328
6	Initial Term	\$3,034,377	\$252,865	\$43.35	\$16,970,705
7	Initial Term	\$3,122,374	\$260,198	\$44.61	\$20,093,080
8	Initial Term	\$3,212,923	\$267,744	\$45.90	\$23,306,003
9	Initial Term	\$3,306,098	\$275,508	\$47.23	\$26,612,101
10	Initial Term	\$3,401,975	\$283,498	\$48.60	\$30,014,076

Total lease cost over the 10-year term: \$30,014,076.

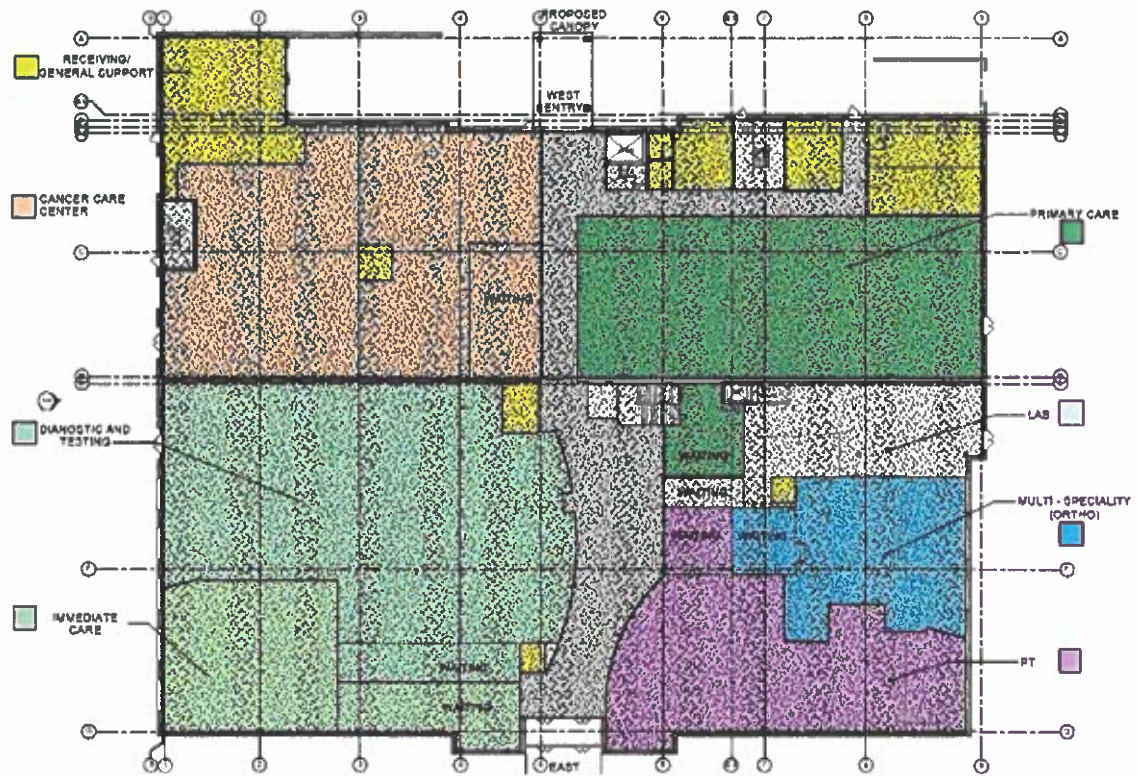
Other Capitalized Costs – The other capitalized costs total \$1,734,142, of which \$1,016,558 supports clinical components and \$819,372 supports nonclinical components. These costs include customary project-related expenditures appropriately capitalized in accordance with generally accepted accounting principles and necessary to support clinical operations.

ATTACHMENT 8

Project Status and Completion Schedule

The proposed project plans are still at the schematic stage, and the proposed project date is August 1, 2028. Financial Commitment for the Project will occur following permit issuance.

First Floor



ATTACHMENT 8

Project Status and Completion Schedule

Second Floor



ATTACHMENT 9

Cost Space Requirements

The proposed project includes the development of 20,764 gross square feet (GSF) of new space, all of which will be new construction. No existing space is being modernized, reused, or vacated as part of the project. The proposed space is intentionally sized and configured to support the Applicant's outpatient clinical service model.

Of the total proposed space, 13,933 GSF is dedicated to clinical space, and 6,831 GSF is dedicated to non-clinical administrative and support space. This allocation reflects a clinically focused facility designed to maximize patient care delivery while maintaining appropriate administrative support.

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Diagnostic Radiology Center	\$6,878,728	-	7,260	7,260	-	-	-
Primary and Specialty Care Exam Rooms, Cancer Center, (inclusive of 92 total Exam Rooms), 44 Treatment Rooms, Pharmacy, Lab, and Infusion	\$29,040,358	-	30,650	30,650	-	-	-
Physical Therapy	\$3,586,224	-	3,785	3,785			
Immediate Care	\$2,037,089	-	2,150	2,150			
Total Clinical	\$41,542,398		43,845	43,845	-	-	-
NON-REVIEWABLE							
Administrative Space	\$23,593,785	-	30,950	30,950	-	-	-
Total Non-clinical	\$23,593,785	-	30,950	30,950	-	-	-
TOTAL	\$65,136,184	-	74,795	74,795	-	-	-
APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

ATTACHMENT 11

Background of the Applicants

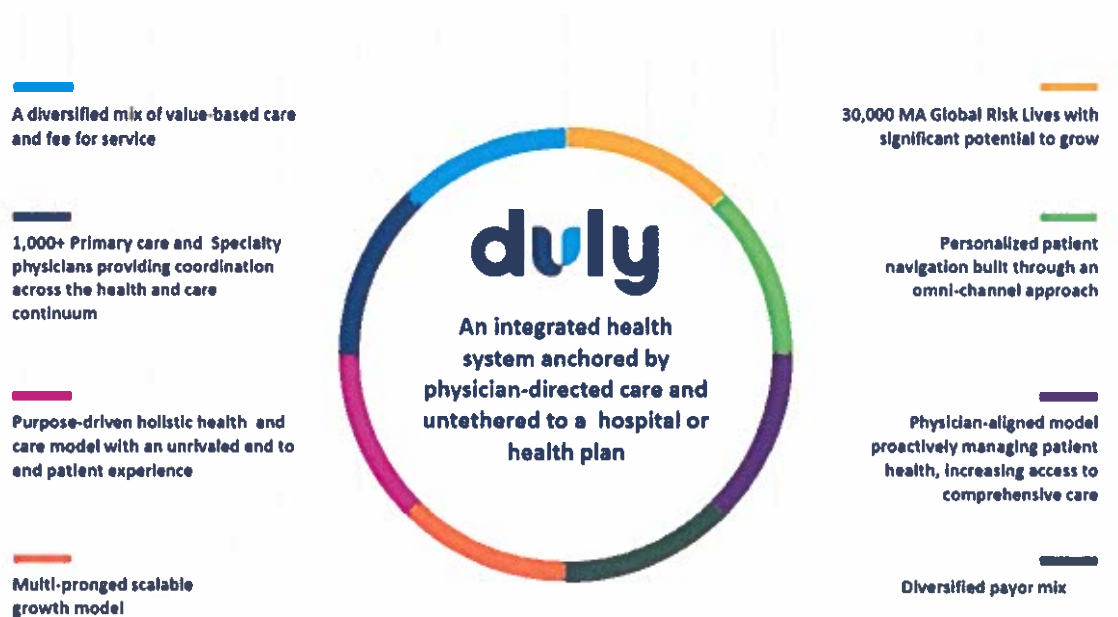
The following information is provided to illustrate the qualifications, background and character of the Applicants, and to assure the Review Board that the proposed Medical Office Building will provide a proper standard of health care services for the community.

DULY HEALTH AND CARE OF NORTHERN ILLINOIS

Duly's Mission and Vision

The Duly Health and Care ("Duly") brand consists of some of the largest independent physician groups in the nation, distinguished by its unwavering commitment to patient-centric, provider-driven healthcare. Founded on the principle that exceptional outcomes begin with the physician-patient relationship, Duly delivers high-quality care and consumer experience marked by unmatched accessibility and affordability across the communities it serves.

Duly differentiates itself as an integrated, multi-specialty, outpatient provider to the Chicagoland area and beyond. By combining the breadth of a large, multi-specialty health system with the nimbleness and personal attention of an independent practice, Duly offers patients a comprehensive continuum of care, from primary care and preventive services to highly specialized surgical interventions, all within an efficient, patient-focused ambulatory model.



//

Duly's vision is to redefine what healthcare can be by proving that an independent, physician-led organization can deliver superior clinical outcomes, greater patient satisfaction, and meaningfully lower costs compared to traditional hospital-based systems. This vision drives every strategic decision, from the

ATTACHMENT 11

Background of the Applicants

expansion of clinical facilities to the adoption of cutting-edge technology and the pursuit of value-based care arrangements that align financial incentives with patient health.

Why Duly exists – mission and vision

Duly is a patient-centric, provider-driven organization committed to delivering high-quality care, exceptional outcomes and unmatched accessibility and affordability for the communities it serves



Duly's History

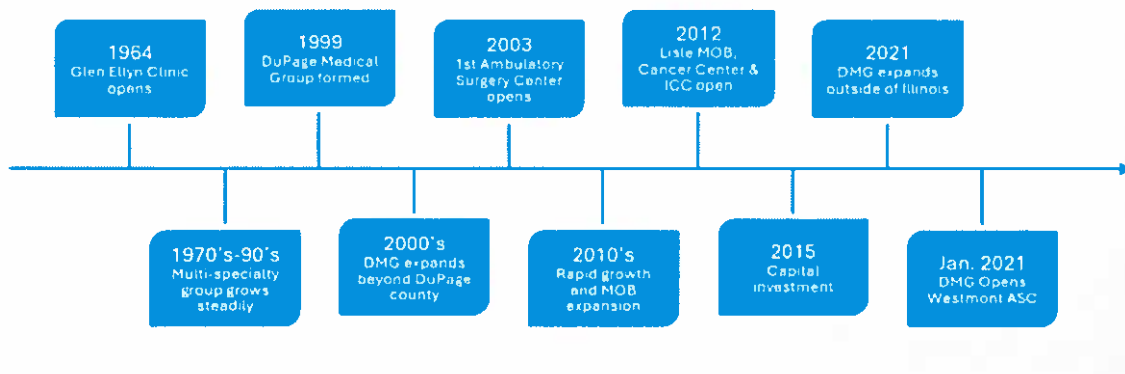
Duly traces its origins to September 1, 1964, when Dr. Robert McCray, a private-practice surgeon, opened the Glen Ellyn Clinic in DuPage County, Illinois. The clinic commenced operations with eight physicians and fifteen nurses, offering a multi-specialty practice model that was innovative for its era. By 1970, the group had grown to twenty-five physicians and expanded its facility by adding 24,000 square feet to accommodate increasing patient demand.

Throughout the 1970s and 1980s, the organization broadened its clinical offerings to include thoracic surgery, neurosurgery, cardiac surgery, gastroenterology, invasive cardiology, and neonatology. By the end of the 1980s, the practice had grown to eighty physicians and 480 staff members, serving approximately 300,000 annual patient visits across offices in Glen Ellyn, Bloomingdale, and Naperville.

In the late 1990s, a transformative consolidation occurred when the Wheaton Medical Clinic, itself formed in 1964 with twenty-five physicians, and Mid-America Health Partners merged with the Glen Ellyn Clinic to form DuPage Medical Group ("DMG") in 1999. This merger created one of the largest independent physician groups in the Midwest and established the foundation for the organization's continued growth.

In the 2000s, DMG expanded beyond DuPage County, establishing a presence across the broader Chicagoland region. In 2003, the organization opened its first Ambulatory Surgery Center, marking a significant milestone in its evolution as an integrated outpatient provider. The 2010s brought rapid growth, including the opening of new Medical Office Buildings, the Lisle Cancer Center and Immediate Care Center in 2012, and substantial capital investments in 2015 to modernize and expand clinical infrastructure.

ATTACHMENT 11 Background of the Applicants



In September 2021, DMG rebranded as Duly Health and Care, reflecting its expansion beyond DuPage County and outside the State of Illinois. The new name signaled the organization's broader geographic reach and its commitment to serving diverse communities across multiple states. In January 2021, the Westmont Ambulatory Surgery Center opened, and in November 2024, Duly entered into a strategic partnership with Surgery Partners to enhance its ambulatory surgical operations.

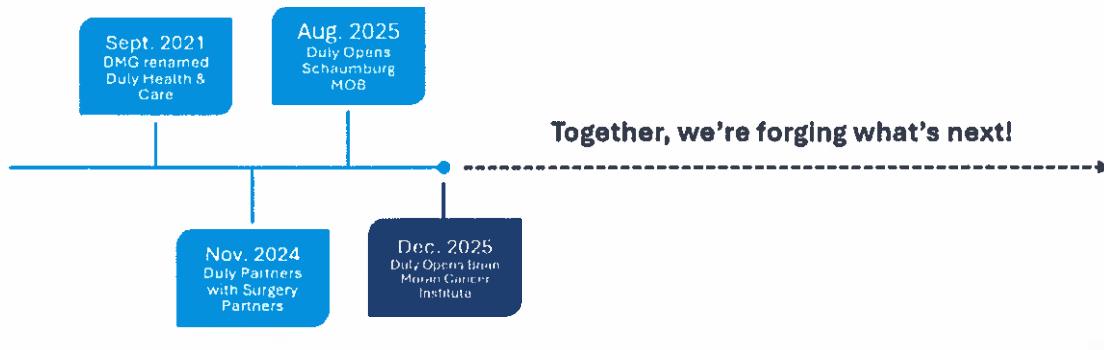
Duly continued to make significant investments in community-based healthcare infrastructure in 2025. In August 2025, Duly opened its new Schaumburg Medical Office Building, one of the organization's largest and most comprehensive outpatient facilities. The approximately 100,000-square-foot facility brings primary care, more than 20 medical and surgical specialties, Immediate Care, imaging, laboratory services, physical and occupational therapy, infusion services, endoscopy and other services together in one location, expanding access to coordinated care for patients in Chicago's northwest suburbs.

In December 2025, Duly opened the Brian Moran Cancer Institute, further expanding access to comprehensive cancer care in community-based settings. The Institute brings together multidisciplinary cancer specialists, advanced diagnostic and treatment capabilities, and expanded opportunities for clinical research and clinical trial participation, helping patients access sophisticated cancer care and emerging treatments closer to home. Today, Duly operates as three medical groups: DuPage Medical Group Ltd., Quincy Medical Group, and The South Bend Clinic LLC, serving patients across the Chicago and Quincy, Illinois and South Bend, Indiana metropolitan areas.



ATTACHMENT 11

Background of the Applicants



Duly Service Area

Duly maintains an extensive geographic presence across the Chicago metropolitan area and the broader Midwest region. The organization operates through three medical groups, each serving distinct communities while sharing a unified commitment to clinical excellence and patient access:

DuPage Medical Group Ltd. serves the greater Chicagoland area, with more than 110 locations spanning DuPage, Cook, Will, Kane, Kendall, and surrounding counties. This footprint encompasses primary care offices, specialty clinics, ambulatory surgery centers, imaging centers, and immediate care locations strategically positioned to maximize patient convenience and access.

Quincy Medical Group, based in Quincy, Illinois, extends Duly's service into the western region of the state, providing multi-specialty care to communities in Adams County, Illinois and surrounding communities in Iowa and Missouri.

The South Bend Clinic LLC, located in South Bend, Indiana, represents Duly's expanded role outside the State of Illinois, serving patients in the greater South Bend metropolitan area with comprehensive multi-specialty services.

Duly Organization Overview



113 LOCATIONS



QUINCY MEDICAL GROUP

15 LOCATIONS



23 LOCATIONS

As of 10/2024



ATTACHMENT 11

Background of the Applicants

Duly's Measurable Experience and Quality Difference

Duly is focused on delivering high-quality care that is easier to access, more affordable and designed around the needs of patients. Its outpatient-focused, multispecialty model brings primary care, specialty care, diagnostics, procedures and follow-up services together across a connected network, allowing patients to receive the appropriate care in the appropriate setting.

Accessible Care

Duly is designed to make it easier for patients to get the care they need without unnecessary delays. Same-day primary care is available seven days a week, and patients can typically see most specialists within seven days. Online scheduling, Immediate Care Centers, coordinated referrals and other access points give patients more options for receiving timely care.

Duly also uses appointment waitlists to offer patients earlier openings as they become available. Patients who accept these offers are seen an average of 19 days sooner, helping accelerate evaluation, diagnosis and treatment.

The Duly Difference | Access



Unparalleled Access to Care

	Hospital Systems (Northwestern Medicine, Advocate, Ascension, Endeavor)	Duly
Overall	8-65 Days	2 Days
Primary Care	12-78 Days	2 Days
Cardiology	20-93 Days	1 Day
Orthopedics	7-30 Days	1 Day
Oncology	11-59 Days	1 Day
Pulmonary	7-63 Days	1 Day

Faster Care, Full Schedules

19

Average days saved with Fast Pass offers

By offering patients sooner appointments through SMS, patients are seen on average 19 days sooner when accepting a Fast Pass offer.

More Affordable Care

Duly's outpatient model provides patients with access to a broad range of services outside higher-cost hospital settings when clinically appropriate. For a family of four, choosing Duly can result in an estimated \$7,000 to \$14,000 in annual healthcare cost savings.

Independent analysis by Avalere Health provides additional evidence of this value. Using 2023 Medicare fee-for-service claims, Avalere found that patients attributed to Duly physicians had 24.8% lower total risk-adjusted annual Medicare expenditures, or an average savings of nearly \$7,800 per beneficiary, than patients attributed to hospital-affiliated physicians across the specialties studied.

ATTACHMENT 11

Background of the Applicants

A Better Consumer Experience

Duly combines the personal relationship patients expect from a community physician with the resources of a large, connected multispecialty medical group. Care teams work together across specialties, helping patients move more easily from preventive care and diagnosis to treatment and follow-up.

That experience is reflected in patient feedback. Duly has a Net Promoter Score (NPS) of 80, well above healthcare industry standards. Duly providers also average 4.8 out of 5 stars in patient satisfaction, and nearly 90% of patients would recommend their provider to friends and family. Together, these measures reflect Duly's focus on personal relationships, convenient access and a coordinated experience throughout the patient journey.

High-Quality Care and Measurable Outcomes

Duly's physician-led model is focused on early detection, appropriate treatment and strong clinical outcomes. Avalere's analysis found that Medicare beneficiaries attributed to Duly physicians experienced 15% fewer inpatient days and 12% fewer emergency department visits than beneficiaries attributed to hospital-affiliated physicians, after risk adjustment.

Duly's clinical results also demonstrate the impact of early detection and coordinated care. Seventy-five percent of lung cancers identified through screening at Duly are detected at Stage I or Stage II, compared with a 29% Illinois average, giving more patients the opportunity to begin treatment when disease is at an earlier stage.

The Duly Difference | Quality

Cancer Detection

Lung Cancer

Early-Stage Detection

75% Duly avg.

State avg. 27% early stage

Urology Biopsy Positivity

Bladder Cancer Detection

79% Duly avg.

Natl. avg. 20-50%

Prostate Cancer Detection

78% Duly avg.

Natl. avg. 20-50%

Breast Cancer Screening

5.5

Breast cancers detected
per 1,000 patients
Natl benchmark: 4-6 per 1,000

19.7

Days from screening
imaging to pathology
results
Natl benchmark: ≤30 days

Equity in Breast Cancer Screening Primary Language Outreach



70%
February year over year increase in breast
cancer screenings by Spanish speakers

Together, these results demonstrate the value of Duly's physician-led, outpatient-focused model: timely access to care, lower healthcare costs, a strong patient experience and measurable clinical quality. This combination of accessibility, affordability, consumer experience and quality is the Duly Difference.

Source note: Avalere Health, "Chicago Provider Market Trends: Key Considerations for Employers," June 2025. The Medicare analysis used 100% fee-for-service Medicare claims and risk-adjusted results. The research was funded by Duly Health and Care; Avalere Health retained editorial control.

ATTACHMENT 11

Background of the Applicants

Duly's Comprehensive Care and Innovation

Duly provides a comprehensive array of primary care and specialty services, enabling patients to receive coordinated, high-quality care within a single integrated system. The following is a representative summary of clinical services offered:

One Physician Group, Endless Offerings

Primary Care

- Internal/Family Medicine
- Immediate Care
- OB/GYN
- Pediatrics
- Behavioral Health
- Endocrinology
- Wellness Campaigns
- On-site / Near-site

Select Specialties

- Cancer Care
- Musculoskeletal
- Cardiology
- Dermatology
- Gastroenterology
- Pulmonary Medicine
- ENT
- Ophthalmology
- Rheumatology
- Urology
- Vascular Surgery
- Radiology

Supported by a network of owned ancillary care

- 58** Ambulatory infusion chairs
- 30** Lab draw sites
- 30** Physical & occupational therapy sites
- 16** Comprehensive imaging centers
- 5** Ambulatory surgery centers
- 11** Immediate Care Centers

*Office based only / On-CX / Variation

In addition to the services listed above, Duly operates comprehensive imaging centers, laboratory draw sites, physical and occupational therapy clinics, ambulatory infusion services, and five ambulatory surgery centers providing a broad range of surgical specialties.

Duly's Community Impact and Charitable Commitment

Duly is deeply committed to the well-being of the communities it serves, extending its mission beyond clinical care to address the social determinants of health that affect patient outcomes. The Duly Health and Care Charitable Fund, founded in 2010, has granted more than \$5.5 million to nonprofit organizations focused on food security, affordable housing, and access to healthcare.

In 2024 alone, the Charitable Fund granted \$246,500 to sixty nonprofit organizations through two complementary programs: the Community Grants Program, which awarded funding to twenty-eight grantees addressing critical community needs, and the Your Cause Grant Program, which supported thirty-two nonprofits nominated by Duly team members for their meaningful impact in local communities.

ATTACHMENT 11

Background of the Applicants

Through these programs, Duly demonstrates its belief that improving health outcomes requires addressing the broader social, economic, and environmental factors that influence well-being. The Charitable Fund's sustained commitment to community investment reflects the organization's understanding that healthcare extends beyond the walls of the clinic.



Duly physicians and team members care deeply about the communities they live and work in. In April 2021, Duly launched our first Week of Service in conjunction with National Volunteer Week. This year, Duly celebrated its 5th Annual Week of Service. 231 volunteers contributed over 600 hours of service to fourteen nonprofit partners supporting efforts to combat food insecurity, improve housing, and promote community health and wellness in the neighborhoods the Duly team lives and works.

U.S. News & World Report 2026 Best Ambulatory Surgery Centers (March 2026)

Duly Health and Care's surgical centers in Lombard and Westmont were named to the U.S. News & World Report 2026 Best Ambulatory Surgery Centers list. The Duly Surgery Center Lombard was recognized in three categories: Colonoscopy & Endoscopy, Orthopedics & Spine, and Urology. The Duly Surgery Center Westmont was recognized in the Orthopedics & Spine category. The 2026 evaluation marked the first time Duly received recognition in the Urology category, reflecting the continued expansion and quality of its urologic surgical services. Fewer than 21% of the more than 4,400 ambulatory surgery centers evaluated nationally earned a "Best" rating from U.S. News & World Report.



ATTACHMENT 11

Background of the Applicants

Duly Becomes First Ambulatory Surgery Center in Illinois to Offer Da Vinci 5 Surgical Robot (June 2026)

Duly announced that its Surgery Center in Lombard, Illinois became the first ambulatory surgery center in the State of Illinois, and among only five ASCs nationally, to offer the Da Vinci 5 (DV5) surgical robot. The DV5 system represents the latest advancement in robotic-assisted minimally invasive surgery, supporting procedures in urologic, gynecologic, and general surgery with enhanced precision, smaller incisions, and faster patient recovery.



The Lombard Surgery Center is now among the few ambulatory surgery centers in the nation to operate two robotic surgical systems, underscoring Duly's commitment to delivering cutting-edge surgical technology in a cost-effective outpatient setting. Dr. Gregory Grant, urologist and Medical Director of Robotics, noted that the DV5 platform enhances surgical capabilities across multiple specialties. Dr. Amit Patel, Medical Director of the Lombard Surgery Center, emphasized that providing patients access to the most advanced technology in a convenient ambulatory setting aligns with Duly's mission to deliver exceptional outcomes with greater accessibility and affordability.

Duly Surgeon First in Illinois to Use Tumor-Illuminating Technology for Ovarian Cancer Surgery (February 2026)

Dr. Sameer Sharma, a gynecologic oncologist at Duly, became the first surgeon in Illinois to utilize Cytalux (pafolacianine), a tumor-illuminating fluorescent imaging agent, during ovarian cancer surgery. This advanced technology enables surgeons to visualize cancerous tissue that may not be detectable by standard visual inspection or tactile examination, potentially improving the completeness of tumor resection. Only a small number of health systems nationwide currently offer this innovative technology, positioning Duly at the forefront of oncologic surgical innovation in Illinois.

Brian Moran Cancer Institute Opens (December 2025)



Duly opened the Brian Moran Cancer Institute, a comprehensive oncology center integrating medical oncology, radiation oncology, surgical subspecialties, and clinical research within one integrated system. The institute represents a significant expansion of Duly's cancer care capabilities, bringing together multidisciplinary teams to provide coordinated, patient-centered oncologic care. As part of this expansion, the Center for Breast Oncology welcomed new physicians to further strengthen Duly's breast cancer diagnosis and treatment programs.

ATTACHMENT 11

Background of the Applicants

Doctor Becomes First in Illinois to Perform Revolutionary, Minimally Invasive Bladder Control Procedure (December 2025)

Dr. Sarah Martin at Duly became the first physician in Illinois to perform a minimally invasive bladder control procedure using the Altaviva™ implant. The procedure takes less than fifteen minutes and provides results lasting up to fifteen years, offering a significant advancement over existing treatment options for patients suffering from bladder control conditions. Clinical data demonstrates that approximately 80% of patients report improved symptoms following the procedure, representing a meaningful improvement in quality of life for affected individuals.

Duly Opens New Multi-Specialty Clinic in Schaumburg (August 2025)

Duly opened a new 100,000-square-foot multi-specialty clinic in Schaumburg, Illinois, significantly expanding the organization's presence in the northwest suburban communities. The state-of-the-art facility offers a wide array of services including primary care, orthopedics, cardiology, surgery, diagnostic imaging, infusion therapy, and additional specialties.



Duly opened doors of our new Schaumburg MOB in August 2025



We've saved the community at least \$10M since August ^{1,2}

Schaumburg Service	Visits Since Opening	Patient & Employer Savings
Mammograms	4K	\$2M
MRI	3K	\$12M
Colonoscopies & Endoscopies	3K	\$4M
Total:	~10K	~\$18M

ATTACHMENT 11

Background of the Applicants

ACO REACH Top Performer (January 2025)

Duly ACO was recognized as a top performer in the ACO REACH program, ranking in the top third of Standard ACOs for gross per-member-per-month savings and in the top third for patient experience ratings. This achievement reflects Duly's success in delivering high-quality, cost-effective care while maintaining exceptional patient satisfaction through coordinated, value-based care delivery.

Independent Research Validates Duly's Value-Based Care Model (July 2025)

In July 2025, Avalere Health published an independent study of Chicago's healthcare market titled "Health System Consolidation and Employer/Payer Considerations," which provided objective, data-driven validation of the cost and quality advantages of Duly's independent, physician-led care delivery model. The study found that Medicare beneficiaries treated by Duly physicians posted total Medicare expenditures in 2023 that were nearly \$7,800 lower on average than beneficiaries treated by hospital-affiliated physicians, representing approximately 25% lower risk-adjusted annual expenditures across five key specialties, with savings ranging from \$6,190 in gastroenterology to \$19,510 in oncology.

Beyond cost savings, the Avalere study demonstrated meaningful differences in utilization patterns. Medicare beneficiaries under Duly's care experienced 15% fewer inpatient days and 12% fewer emergency department visits, while receiving 5% more follow-up visits within 14 days of discharge reflecting the organization's emphasis on proactive, coordinated outpatient care that reduces the need for higher-acuity hospital-based services.

The study further found that patients receiving coordinated care from both Duly primary care and specialty physicians realized even greater savings and improved outcomes. In gastroenterology, for example, coordinated Duly patients experienced an additional 36.1% reduction in expenditures which equates to more than \$17,021 in savings, compared to patients under the care of hospital-affiliated physicians.

Avalere's research also highlighted the broader market dynamics driving healthcare costs in the Chicago region. Fifty-eight percent of physicians in Chicago across the five studied specialties including cardiology, gastroenterology, oncology, orthopedics, and urology are affiliated with hospitals, a rate 13 percentage points higher than the national average. This consolidation has resulted in a disproportionate share of procedures being performed in higher-cost hospital settings. For example, nearly three-fourths of mammograms in Chicago in 2024 were performed in hospitals, compared to slightly over 50% nationally.

These findings are directly relevant to the proposed Duly St. Charles Medical Office Building, which will expand access to comprehensive outpatient services including primary care, diagnostic imaging, oncology, and specialty care in a cost-effective ambulatory setting. By delivering these services outside of the hospital environment, the proposed facility aligns with the Avalere study's conclusion that independent physician practices offer a viable, lower-cost alternative to hospital-based care while maintaining superior clinical outcomes and patient experience.

ATTACHMENT 11

Background of the Applicants

AMA Joy in Medicine® Recognition (September 2025)

Duly was honored by the American Medical Association with its Joy in Medicine® organization recognition, awarded to health systems that demonstrate a commitment to physician well-being through the implementation of proven methods to reduce burnout and enhance professional fulfillment. This recognition reflects Duly's physician-led culture and its sustained investment in programs that support clinician satisfaction and resilience.



Duly has also created an environment in which nurses get to be nurses, allowing nurses to unleash their potential and grow as a professional - all while making an impact on patient's lives every day. Just like the patients, Duly believes team members should have the support they need to lead healthier, happier lives. Duly offers programs and benefits to help them reach new professional and personal peaks including, but not limited to, healthcare benefits, retirement benefits, tuition reimbursement for continued education, and a commitment to mentorship and ongoing learning and professional development.



August 21, 2026

John P. Kniery
Board Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, Floor 2
Springfield, IL 62761

**Re: Duly Health and Care of Northern Illinois – St. Charles Medical Office Building –
Certification and Authorization**

Dear Mr. Kniery,

As a representative of DMG Practice Management Solutions, LLC and DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois, I, Paul Merrick, M.D., give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to, office records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

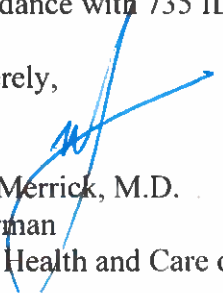
I further verify that DMG Practice Management Solutions, LLC does not own any other healthcare facilities, and DuPage Medical Group, Ltd. maintains an ownership interest in the below listed Illinois healthcare facilities:

- DMG Pain Management Surgery Center, LLC d/b/a Duly Surgery Center Pain Management
- Chicago Prostate Cancer Surgery Center, LLC d/b/a Duly Surgery Center Westmont
- DMG Surgical Center, LLC d/b/a Duly Surgery Center Lombard
- Valley Ambulatory Surgery Center, L.P.

None of the healthcare facilities listed above have been cited for an adverse action in the past three (3) years.

I hereby certify this is true and based upon my personal knowledge under penalty of perjury in accordance with 735 ILCS 5/1-109.

Sincerely,


Paul Merrick, M.D.
Chairman
Duly Health and Care of Northern Illinois

ATTACHMENT 12

Purpose of the Project

The purpose of the proposed project is to expand access to high-quality, coordinated outpatient health services for residents of St. Charles and the surrounding west suburban communities of the Chicago metropolitan area. The Duly St. Charles Medical Office Building ("Duly St. Charles MOB") will provide comprehensive, community-based ambulatory services that improve access, continuity of care, and patient convenience while supporting appropriate utilization of hospital-based resources.

The project is designed to enhance the health and well-being of the market area population by delivering primary care, urgent care, diagnostic services, and specialty care in a single, accessible outpatient setting. By shifting appropriate care to an ambulatory environment, the project will improve patient experience, reduce unnecessary emergency department utilization, and support timely diagnosis and treatment.

The project will improve the health status of the market area population by enabling earlier cancer detection through on-site mammography and PET/CT, improving chronic disease management through coordinated primary and specialty care, and reducing avoidable hospitalization through timely outpatient intervention. By making screening, diagnostic evaluation, treatment planning, and follow-up available in one community-based setting, the Duly St. Charles MOB will support earlier intervention, better adherence to care plans, and more effective management of chronic conditions.

For purposes of this application, the planning area consists of the City of St. Charles and adjacent west suburban communities, including Geneva, Batavia, West Chicago, Wayne, and Elburn. The market area encompasses Kane County and portions of adjacent DuPage and DeKalb counties within a 25-mile service radius from the proposed site. This market area includes a substantial population of existing Duly patients who currently travel outside their immediate community for ambulatory and specialty care, as well as residents who lack convenient access to outpatient services. The proposed site is centrally located within this market area and is readily accessible via local roadways and public transportation.

The project is intended to address several existing and interrelated issues within the market area, including:

- Limited access to outpatient and urgent care services within the immediate St. Charles community, requiring patients to travel to hospital campuses or more distant outpatient facilities;
- Overreliance on hospital emergency departments for non-emergent conditions due to insufficient urgent care capacity in convenient community locations;
- Fragmentation of care, with patients receiving primary care, diagnostic services, and specialty care across multiple locations;
- Growing demand for outpatient services, driven by population growth, aging demographics, and increased prevalence of chronic conditions, including cardiovascular disease and obesity.

These identified issues are supported by Duly's historical utilization data, which show more than 3,189 ultrasound visits and 1,911 mammography visits from patients within a 25-mile radius of the proposed site, demonstrating established demand that is currently served at more distant locations. Additional market data supporting these findings is discussed below.

ATTACHMENT 12

Purpose of the Project

Primary care and urgent care services will collectively occupy approximately half of the facility, ensuring robust access to front-line care for patients across the service area. Primary care services will include routine preventive care, chronic disease management, immunizations, and care coordination for conditions such as diabetes, hypertension, and asthma. Patients will benefit from same-day or next-day appointments, continuity with Duly providers, and seamless referral to on-site specialty services when needed. Consistent with the access objectives of the project, Duly patients are seen within an average of two days, compared with 8 to 65 days at hospital systems. Duly's outpatient care model also saves families approximately \$7,000 to \$14,000 annually, representing 20% to 40% lower costs than hospital systems. Urgent care services will provide evaluation and treatment for non-life-threatening conditions, including minor injuries, infections, respiratory illnesses, gastrointestinal complaints, and uncomplicated cardiac or neurologic symptoms requiring prompt assessment. By offering extended hours and walk-in availability, urgent care at Duly St. Charles MOB will provide a lower-cost, more appropriate alternative to hospital emergency department visits, improving convenience for patients while helping to reduce unnecessary emergency department utilization in the region.

The Duly St. Charles MOB will provide specialty outpatient services designed to address identified access gaps and meet the evolving healthcare needs of the service area population. Oncology services will support the evaluation, diagnosis, treatment, and ongoing management of cancer. Cardiology services, supported by on-site diagnostic testing, will assess and manage cardiovascular conditions such as hypertension, arrhythmias, and ischemic heart disease, supporting clinical decision-making and continuity of care. Gastroenterology will diagnose and manage digestive system conditions, including preventive and diagnostic care, with timely assessment and coordinated follow-up, while neurology will assess and manage conditions affecting the brain, spine, and nervous system, supporting earlier diagnosis and continuity of care for patients with chronic or complex neurologic needs.

The facility will also offer urology, ophthalmology, obstetrics/gynecology, and ear, nose & throat services. Collectively, these specialties will provide convenient routine and specialty care coordinated in a single location, reducing patients' need to travel outside the community. The Applicants' existing outpatient operations also include quality and value-based care capabilities relevant to the proposed facility, such as Valley ASC in St. Charles and other nearby Duly ambulatory surgery centers in Lombard and Westmont.

The Duly St. Charles MOB reflects intentional programming decisions to establish a coordinated women's health program within the facility. The equipment configuration includes one general mammography unit for screening and diagnostic breast imaging, one Hologic Brevera Breast Biopsy System with CorLumina imaging technology for same-day interventional procedures, two dedicated breast ultrasound units, and one dedicated OB/GYN ultrasound unit for obstetric and gynecologic imaging. This allocation supports an integrated breast health and prenatal care model that enables patients to receive comprehensive women's health services in a single setting. The dedicated breast ultrasound units supplement mammography by enabling detailed evaluation of breast abnormalities, particularly for patients with dense breast tissue, while the dedicated OB/GYN unit ensures that prenatal imaging does not compete with general diagnostic ultrasound demand.

Beyond women's health imaging, the facility will offer additional diagnostic capabilities including CT/SPECT, MRI, two X-ray units, CT, PET/CT, and DEXA. Collectively, these modalities will support the full continuum of outpatient care from initial screening and early detection through disease management and treatment monitoring. CT/SPECT will enable precise radiation treatment planning for oncology patients. MRI will provide advanced soft tissue imaging for neurologic, orthopedic, and oncologic conditions without requiring ionizing radiation. PET/CT and DEXA will further support oncology services and bone health assessment, providing specialized imaging capabilities not widely available in community-based outpatient settings.

ATTACHMENT 12

Purpose of the Project

By co-locating diagnostic imaging with primary care, urgent care, oncology, and specialty providers, the facility will enhance the accessibility and quality of outpatient care, reduce diagnostic delays and fragmentation associated with separate imaging centers or hospital campuses, and improve coordination among providers. Immediate access will support timely treatment decisions; for oncology patients, the arrangement will support coordinated cancer care closer to home rather than requiring travel to hospital-based facilities. Patients presenting with acute symptoms can receive same-day imaging and interpretation, enabling providers to make informed clinical decisions during a single visit. For patients with conditions requiring ongoing monitoring, such as cancer surveillance or cardiovascular disease management, on-site imaging will streamline follow-up care and improve adherence to recommended imaging protocols.

On-site pharmacy and laboratory services will further streamline care by enabling patients to complete testing and obtain prescribed medications during a single visit, improving adherence and reducing barriers to treatment. Home infusion services will support patients requiring infusion therapies in the home, minimizing the need for hospital-based visits and enhancing convenience for patients with chronic or complex conditions. Together, these Duly services will provide integrated outpatient support for patients receiving primary, urgent, oncology, and specialty care at the Duly St. Charles MOB.

A July 2025 Avalere Health study of the Chicago market further supports the proposed community-based model. The study found that Medicare beneficiaries treated by Duly physicians had total expenditures nearly \$7,800 lower on average than beneficiaries treated by hospital-affiliated physicians, experienced 15% fewer inpatient days and 12% fewer emergency department visits, and received 5% more follow-up visits within 14 days of discharge. The proposed Duly St. Charles MOB directly addresses these findings by expanding community-based outpatient capacity, including diagnostic imaging, oncology, primary care, and specialty care.

The goals of the project are to expand access to high-quality outpatient care, promote appropriate utilization of healthcare resources, and enhance coordinated, community-based service delivery for patients in St. Charles and the surrounding west suburban communities. To improve access to outpatient care, the project is designed to achieve operational capacity to support more outpatient visits annually within five years of opening, reflecting anticipated demand and patient preference for locally accessible services.

A further goal of the project is to reduce inappropriate utilization of hospital emergency departments for non-emergent conditions. This objective will be achieved by establishing urgent care services capable of diverting a measurable portion of non-emergent emergency department visits to an outpatient urgent care setting within the first 24 months of operation, thereby improving patient convenience while supporting more efficient use of hospital-based resources. By delivering the right care in the right setting, the project aligns with Duly's mission and the objectives of the Health Facilities and Services Review Board and represents a responsive investment in community health infrastructure.

ATTACHMENT 12
Purpose of the Project

Chicago provider market trends:

Key considerations for employers

Avalere Health | June 2025



Avalere
Part of Avalere Health

1201 New York Ave. NW
Washington, DC 20005

P | 202.207.1300
avalere.com

ATTACHMENT 12

Purpose of the Project



Table of contents

Executive summary	1
Background: The growing burden of healthcare costs on employers	5
National perspective—healthcare costs exceed inflationary trends	5
The IL market demonstrates similar cost growth	6
Chicago as a case study: How market composition drives costs	7
Provider market composition and consolidation	7
Commercial payer dynamics	8
Provider affiliation: A hypothesis	8
Analysis roadmap	9
Medicare fee-for-service (FFS) results: Opportunities for cost savings and improved quality	10
Total and hospital-based expenditures	11
Utilization-based quality measures	13
Medicare sub-analysis: The compounding impact of coordinated care	15
Commercial results: services with greatest impact	17
Colonoscopies: A common procedure with cost saving potential	18
Differences in price by provider entity	19
Total joint replacements: A significant driver of employer healthcare costs	19
Imaging services: Impact of site of care on costs	20
Conclusion	22
For payers and employers	22
For policymakers	22
Appendix A—Methodology	23
Appendix B—Supplemental results	26

Funding for this research was provided by Duly Health and Care. Avalere Health retained full editorial control.



ATTACHMENT 12

Purpose of the Project



Executive summary

Background

Over the last several decades, the United States healthcare landscape has seen a significant shift of formerly independent physician practices joining health systems, as well as mergers and acquisitions between health systems. While similar healthcare consolidation trends have been present in Chicago, Illinois, a unique confluence of regional factors, including the presence of several large health systems and a dominant commercial payer, has disproportionately impacted the Chicago market. These factors, as demonstrated in this paper, have resulted in high healthcare costs for the region's employers and beneficiaries and underutilization of community-based physicians, who represent more cost-effective and accessible care. At the same time, physician reimbursements from Medicare have declined 33% from 2001 to 2025 after adjusting for inflation in practice costs—further exacerbating the challenges physicians face to remain independent.¹

This analysis uses multiple sources of claims data to derive market-level learnings—including analyses of (1) total Medicare fee-for-service (FFS) expenditures and quality metrics by specialty, as well as (2) site-of-care differentials for the most common and expensive services in the commercial market—to detail the impact of health system consolidation in the Chicago healthcare market on employers and its implications for provider contracting and benefit design.

While this analysis was specific to the Chicago market, its intention—to highlight differences in care patterns and outcomes between hospital-affiliated physicians and their scaled, community-based alternatives—can be applied to other markets that may be experiencing similar rises in costs amid physician consolidation. In this analysis, Duly Health and Care (Duly), which describes itself as the largest independent, multispecialty physician-led medical group in the Midwest,² serves as a case study for a community-based private practice.

Methodology

Medicare

To construct the beneficiary comparison groups, Avalere Health first aligned physicians to one of two designations: either hospital-affiliated, using the IQVIA OneKey dataset ("hospital"), or

¹ American Medical Association. Medicare physician payment continues to fall further behind practice cost inflation. January 2025. Available here: <https://www.ama-assn.org/system/files/2025-medicare-updates-inflation-chart.pdf>

² Duly Health and Care. Our History. Available here: <https://www.dulyhealthandcare.com/our-history>

ATTACHMENT 12

Purpose of the Project



"Duly," based on a Duly-provided National Provider Identifier dataset of employed providers. All providers not assigned to either Duly or hospital affiliation were excluded from the analysis.

Next, Avalere Health used 100% FFS Medicare claims data to attribute Medicare beneficiaries to a physician cohort. For each of the 6 specialties studied (primary care, cardiology, gastroenterology, oncology, orthopedics, and urology), each beneficiary was attributed to the one cohort with which they incurred the greatest number of claims in 2023. All results are risk-adjusted. A secondary analysis was also undertaken to determine whether a greater impact could be observed when a beneficiary received care from multiple providers in the same group.

Commercial

Avalere Health designed a complementary commercial analysis at the service code level to characterize the pricing landscape in the Chicago market for a set of key services across a similar set of specialties. The commercial analysis leveraged a nationally representative source of commercial, fully-adjudicated (paid) claims data (2019–2024) to establish Chicago market rates, as well as Turquoise Health payer transparency data (March 2025) to verify rate benchmarks for Duly and other Chicago providers. Results are not risk-adjusted.

Key findings

Chicago market

- The significant number of large health systems in the Chicago metropolitan area has contributed to a higher proportion of specialty physicians affiliated with hospital systems than nationally (58% in Chicago versus 45% nationally, across five specialties analyzed). The greatest difference is in gastroenterology (GI): 65% of specialists in Chicago are affiliated with hospitals, compared to 32% of specialists nationwide.
- On the payer side, the confluence of Health Care Service Corporation (HCSC)'s market dominance—controlling nearly 75% of Illinois' individual market and 80% of the group market—and the predominance of large, self-insured employers likely shape market dynamics in Chicago. However, the impact of these dynamics warrants further study, as this analysis focuses on providers.

Medicare results

- The 2023 single-specialty analysis shows that Duly beneficiaries had lower total risk-adjusted annual Medicare expenditures by an average of \$7,777 (24.8%) across specialties compared to beneficiaries of hospital-affiliated physicians. The difference ranged from 17.1% (\$6,190) lower in gastroenterology to 32.1% (\$19,510) lower in oncology.
- Beneficiaries attributed to Duly physicians had 14.8% fewer inpatient (IP) days, 12.3% fewer emergency department (ED) visits, and a 4.5% reduction in all-cause readmissions than beneficiaries attributed to hospital-affiliated physicians. They also had 5.1% more follow-up visits within 14 days of discharge. All results are risk-adjusted.

ATTACHMENT 12

Purpose of the Project

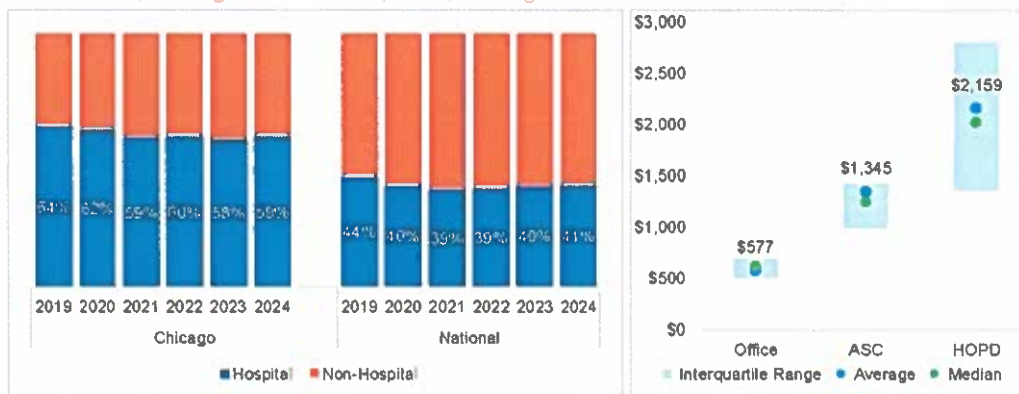


- Beneficiaries who received coordinated (Duly primary *and* specialty) care saw further reductions in risk-adjusted total Medicare expenditures. For example, in addition to the 17.1% difference between hospital and Duly GI cohorts, patients of Duly PCP *and* GI physicians saw an additional 36.1% savings (a total of \$17,021) compared to hospital-affiliated GI patients. Across specialties, they also had fewer IP days, ED visits, and a lower rate of all-cause readmissions, as well as more follow-up visits within 14 days of a discharge.

Commercial results

- In 2024, utilization of hospital settings for core services such as screenings, joint replacements, and imaging was consistently higher in Chicago than nationally, inflating employer costs in already-expensive areas such as GI and musculoskeletal (MSK) care.
- For example, colonoscopies were about 20% more likely to be performed in a hospital setting compared to the national average. In 2024, a hospital outpatient department (HOPD) visit for a diagnostic colonoscopy cost, on average, two to three times more than a visit to an office (\$2,159 vs. \$577, respectively), as shown in Figure 1. A visit to an ambulatory surgical center (ASC) for the same service was \$1,345, still only two-thirds of the HOPD procedure.
- Imaging services, which are critical for the health of employed populations and can be performed in low-cost settings, were performed in hospitals more than 70% of the time in Chicago, despite being more expensive compared to the office setting. For example, a bilateral mammogram screening in the HOPD (\$343) is 55% more expensive compared to the office (\$222). Similar trends occur across other high-volume imaging procedures.

Figure 1. Illustrative findings: Diagnostic colonoscopy (45378) hospital vs. non-hospital utilization, Chicago and national, 2024; Chicago commercial 2024 allowed amounts



ATTACHMENT 12

Purpose of the Project



Key takeaways for employers and policymakers

Comparative analyses of Medicare and commercial data highlight that non-hospital, multispecialty groups can offer more cost-effective, coordinated care, reducing overall healthcare expenditures.

Employers, payers, and policymakers can influence how and where care is delivered to curb cost growth in Chicago. While the current system steers patients toward costly hospital settings, evidence indicates that private practices deliver the same or better outcomes at significantly lower costs. Employers and payers may consider developing innovative provider-level partnerships, while policymakers and researchers can continue to study the merits of site-neutral payments and greater price transparency to support lower costs for employers, employees, and taxpayers.

ATTACHMENT 12

Purpose of the Project



This white paper aims to inform employers of the downstream impact of consolidation in the Chicago healthcare market. It uses multiple sources of claims data to derive market-level insights to aid employers in assessing best practices. The shrinking presence of independent provider groups due to increased provider consolidation in the region over the last several years, the dominance of a single payer in the metropolitan area, and an increase of hospital-affiliated providers has resulted in a higher share of care in hospitals, a setting of care which is typically more expensive than other settings.

Background: The growing burden of healthcare costs on employers

National perspective—healthcare costs exceed inflationary trends

US healthcare costs have been rising over the last decade, impacting employers and employees alike. Medical inflation has outpaced the Consumer Price Index for All Urban Consumers since 2000; the price of all goods and services has increased by roughly 86% since 2000, while the price of medical care has increased by over 120%.³

Insurance coverage itself has also become more expensive, with employers expecting the cost of healthcare to rise 9.2% in 2025.⁴ The national average cost of healthcare premiums for family coverage increased by almost 50% between 2013 and 2023, from \$16,029 to nearly \$24,000.⁵ These increases impact employers, who must consider the impact of rising healthcare costs on the total benefit package they can offer to their employees—particularly given the high priority employees place on access to health-related benefits as a reason to accept and remain at a job.⁶ Furthermore, these increasing costs are partially passed on to employees in the form of greater proportional contributions to their healthcare premiums, leading to degradation of take-home pay, future wage growth, and retirement savings. In 2019, healthcare premiums accounted for 17.7% of a worker's total compensation, more than twice the contribution three decades prior.⁷ In addition to growth in premium contributions, employer changes to plan design may increase employees' out-of-pocket costs for medical expenses, resulting in further wage deterioration.⁸

³ Peterson-KFF Health System Tracker. 2024. Available here: <https://www.healthsystemtracker.org/chart-collection/what-are-the-recent-trends-in-health-utilization-and-spending/>

⁴ Aon. 2024. Available here: <https://www.aon.com/en/insights/reports/2024-global-benefits-trends-study>

⁵ Agency for Healthcare Research and Quality. 2025. Available here: <https://www.hrq.gov/sites/default/files/wysiwyg/cpi/about/mission/budget/2025/fy2025-cj.pdf>

⁶ Society for Human Resource Management. 2024. Available here: <https://www.shrm.org/content/dam/en/shrm/research/2023-2024-State-of-the-Workplace-Report.pdf>

⁷ Journal of the American Medical Association. 2024. Available here: <https://jamanetwork.com/pages/2024-most-viewed-articles>

⁸ Health Affairs Scholar. 2024. Available here: <https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2024.00036>

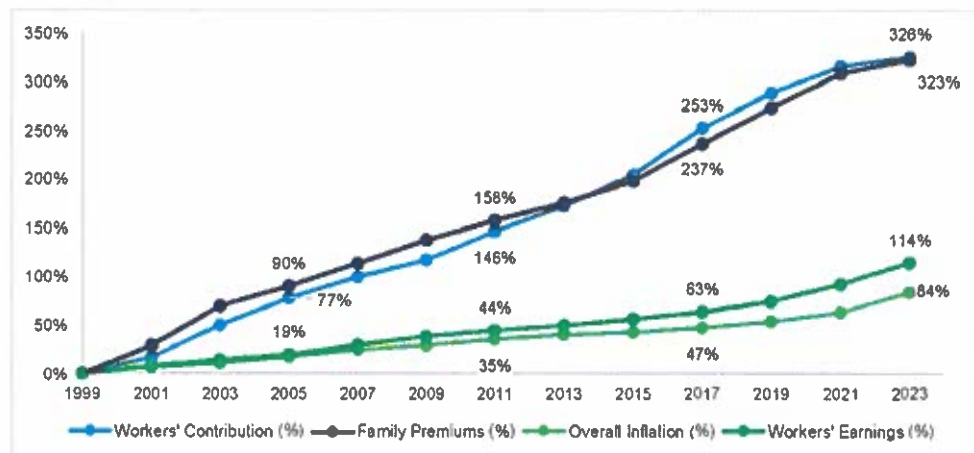
ATTACHMENT 12

Purpose of the Project



Further, when individuals are faced with higher medical costs, they are more likely to delay or forgo medical care, including prescription drugs. A 2022 Gallup poll found that one in four adults delays or skips care or medicine due to cost concerns.⁹

Figure 2. Growth of health insurance premiums, inflation, and workers' contributions and earnings (1999-2023)¹⁰



The IL market demonstrates similar cost growth

In IL, cost growth has mirrored national patterns. Among private, large-group employers (i.e., 50 or more employees), average employer contributions toward healthcare premiums have increased by approximately 50% over the past decade. During the same period, employees at these firms have seen their premium contributions for family coverage increase by 27% (over \$1,200), with single coverage contributions increasing by 23% (about \$300).¹¹

No single factor is responsible for the accelerated increase in healthcare prices. Several variables, such as medical inflation and fear of malpractice lawsuits, drive price growth independently and in concert with one another. Over the last decade, one notable contributor to price growth has been healthcare consolidation, particularly with respect to health systems' consolidation of independent providers.

⁹ Gallup. Four in 10 Americans Cut Spending to Cover Healthcare Costs. August 2022. Available here: <https://news.gallup.com/poll/385128/four-americans-cut-spending-cover-healthcare-costs.aspx>

¹⁰ Bureau of Labor Statistics(a). 2026. Available here: <https://www.bls.gov/news.release/pdf/cpi.pdf>; Bureau of Labor Statistics(b). 2026. Available here: <https://www.bls.gov/opub/mlr/2025/>; KFF. 2024. Available here: <https://www.kff.org/health-costs/issue-brief/what-are-the-trends-in-health-utilization-and-spending-in-early-2024/>

¹¹ Agency for Healthcare Research and Quality. Medical Expenditure Panel Survey (MEPS) Insurance Component (IC). 2026. Available here: <https://datatools.ahrq.gov/meps-ic/>

ATTACHMENT 12

Purpose of the Project



Chicago as a case study: How market composition drives costs

The provider consolidation, payer concentration, and provider affiliation found in Chicago make the region a fitting case study to understand the impact of hospital dominance on employer costs. The combination of these factors has resulted in rising healthcare costs and limited the competitiveness of non-hospital affiliated providers; this is further exacerbated by a reimbursement environment in which inflation-adjusted Medicare payments to physicians have declined 33% from 2001 to 2025—while Medicare payments to facilities have outpaced the CPI.^{12, 13}

Provider market composition and consolidation

Chicago has been subject to significant hospital consolidation in recent years. In 2018, Advocate Health Care and Aurora Health Care merged to create Advocate Aurora Health; in 2022, the newly integrated system merged with Atrium Health, making it the country's fifth-largest nonprofit health system.¹⁴ Also in 2022, NorthShore University Health System and Edward Elmhurst Health merged into the city's third-largest health system and rebranded as Endeavor Health.^{15, 16} In 2025, Prime Healthcare purchased eight Ascension Illinois hospitals, along with four senior living and post-acute care facilities and several physician practices.¹⁷

Despite numerous mergers over the years, Chicago remains home to 33 health systems, which would suggest that a competitive healthcare landscape exists within the metro area.¹⁸ A 2022 KFF review of hospital data found that 47% of markets are controlled by just one or two health systems; by contrast, the top provider in Chicago—Advocate Health—represents 17% of the market share, and the second-largest—Northwestern Medicine—makes up 16%, together totaling just 33% of market share.¹⁹ A cursory analysis would suggest this dispersion of market power across multiple systems would disqualify Chicago as a consolidated market; in a study ranking 183 metropolitan statistical areas (MSAs) by their Herfindahl-Hirschman Index (HHI) level, Chicago ranked 177 out of 183 MSAs and was classified as "unconcentrated" in 2021.²⁰ However, the HHI measures concentration with respect to the *number* of providers but does not account for concentration in the *type* of provider. Herein lies the uniqueness of the Chicago market, which warrants attention and new strategies from employers.

12 American Medical Association. Medicare physician payment continues to fall further behind practice cost inflation. January 2025. Available here: <https://www.ama-assn.org/system/files/2025-medicare-updates-inflation-chart.pdf>

13 American Medical Association. Medicare Updates Compared to Inflation (2001-2021). October 2021. Available here: <https://www.ama-assn.org/system/files/medicare-pay-chart-2021.pdf>

14 Fierce Healthcare. Fierce Healthcare's Fierce 15 of 2024. 2024. Available here: <https://www.fiercehealthcare.com/special-reports/fierce-healthcares-fierce-15-2024>

15 Healthcare Dive. Private equity investment in healthcare remained steady in 2024: report. 2024. Available here: <https://www.healthcaredive.com/news/private-equity-investment-2024-report/740599/>

16 Becker's Hospital Review. 2024. Available here: <https://beckershealthcare.uberflip.com/f/1529631-december-2024-issue-of-beckers-hospital-review>

17 David Muolo. Fierce Healthcare. March 2025. Available here: <https://www.fiercehealthcare.com/providers/prime-healthcare-ascension-illinois-close-8-hospital-deal>

18 Cause IQ. 2024. Available here: <https://www.causeiq.com/help/reports-and-data/>

19 Jamie Godwin, Zachary Levinson, and Tricia Neuman. KFF. October 2024. Available here: <https://www.kff.org/health-costs/issue-brief/one-or-two-health-systems-controlled-the-entire-market-for-inpatient-hospital-care-in-nearly-half-of-metropolitan-areas-in-2022/>

20 Health Care Cost Institute. 2024. Available here: <https://healthcostinstitute.org/hcci-origins-dropdown/all-hcci-reports/hcci-2023-24>

ATTACHMENT 12

Purpose of the Project



Commercial payer dynamics

While payer factors are not the specific focus of this analysis, it is important to consider how payers contribute to market-specific dynamics. In Chicago, certain factors may have an outsize impact. These factors include:

- **Heavy payer concentration:** Health Care Service Corporation (HCSC), an independent licensee of Blue Cross Blue Shield (BCBS) doing business as BlueCross BlueShield of Illinois, controls 74.4% of IL's individual insurance market and 78.8% of the group market.²¹
- **Primary payer focus on access:** The various BCBS plans and their subsidiaries prioritize access via a focus on national and regional Preferred Provider Organization plans. As of 2025, they have more than two million providers in network, more than any other commercial payer.²²
- **Outsize influence of large health systems:** Due to HCSC's priorities and Chicago's geographic breadth, HCSC must prioritize their relationships with providers with the greatest access to patients; historically, that has meant nationally renowned health systems that also serve as both brand pillars and local employers.
- **Predominance of large, self-insured employers:** About 53% of beneficiaries in commercial plans nationwide are enrolled in self-insured plans, compared to about 68% in IL.²³ Additionally, the largest 44 companies in Chicago account for more than 2.2 million employees; these companies all of which employ a minimum of 8,000 individuals, are more likely to be self-insured based on their size.²⁴

Given that this paper is focused on provider dynamics, the impact of these and other payer-driven considerations on reimbursement will require additional research.

Provider affiliation: A hypothesis

Despite a lack of consolidation within a particular entity in Chicago, there is still concern that (1) a significant portion of Chicago providers have affiliated with a hospital system model, and (2) this shift in affiliation has driven up costs and limited patient choice with respect to care delivery.

Avalere Health sought to evaluate this two-part hypothesis by comparing 2023 provider affiliation data in the Chicago market with previously reported national data²⁵ from 2022 across the same set of five specialties.

21 Illinois Department of Insurance. 2024. Available here: <https://doi.illinois.gov/content/dam/sol/en/web/insurance/reports/reports/it-golden-rule-2024-v1.pdf>

22 Blue Cross Blue Shield. 2025. Available here: <https://www.mibluccrosscomplete.com/amalibs/content/dam/microsites/blue-cross-complete/bcc-annual-report-2024.pdf>

23 AIS Health Data. 2024. Available here: <https://aishealthdata.com/news/fourth-quarter-2024-data-posted-reports-updated>; Denominator found using the following variables: "Commercial Risk in State," "ASO in State," "FEHB in State," "Exchange Enrl; in State." Numerator is "ASO in State"

24 Zippia. Largest Companies in Illinois. 2024. Available here: <https://www.zippia.com/advice/largest-companies-in-illinois/>

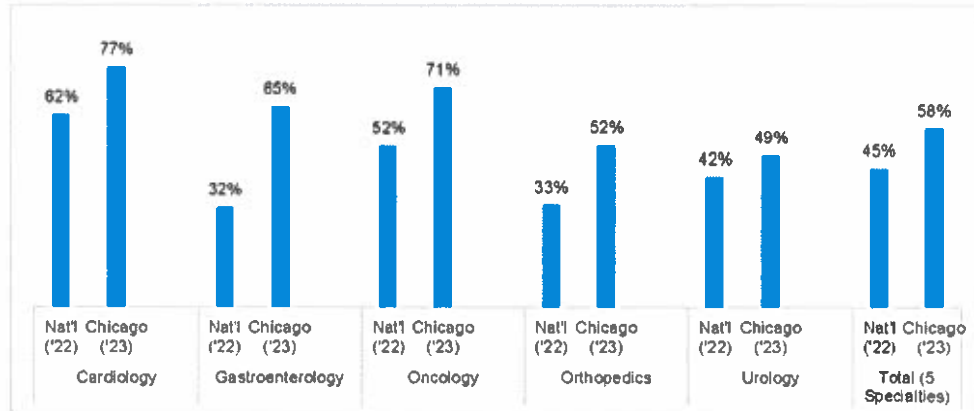
25 AIMPA. Medicare Service Use and Expenditures Across Physician Practice Affiliation Models. 2024. Available here: <https://aimpa.us/wp-content/uploads/2024/09/Avalere-White-Paper-Medicare-Service-Use-and-Expenditures-Across-Physician-Practice-Affiliation-Models.pdf>

ATTACHMENT 12

Purpose of the Project



Figure 3. Hospital affiliation of physicians by specialty, Chicago and national, 2022 and 2023



Note: While the latest available national analysis is from 2022, historical trends suggest that the trend towards greater hospital affiliation is expected to continue. National data were not available for primary care; therefore, that specialty is not included in the chart.

Figure 3 shows that, across five specialties evaluated and in aggregate, Chicago had a higher proportion of hospital-affiliated physician specialists than the national average, ranging from 7% higher in urology to 33% higher in gastroenterology. These findings support the hypothesis about provider market dynamics, introducing further questions for exploration about the outsized role of health systems in "nonconsolidated" metropolitan areas such as Chicago and their impact on total cost and quality of care.

These circumstances make Chicago an ideal case study for the impact of hospital dominance on a host of relevant outcomes, including total employer and employee contributions to premiums, annual healthcare expenditures, and outcomes metrics, including IP visits and readmission, ED visits, among others. The following analysis evaluates healthcare costs within the Medicare and commercial markets in Chicago, using Duly Health and Care as an example of the type of scaled, non-hospital, multispecialty physician group that can serve as an alternative to hospital care for both physicians and patients.

Analysis roadmap

While this analysis was specific to the Chicago market, its intention—to highlight differences in care patterns and outcomes between hospital-affiliated physicians and their scaled, community-based alternatives—can be applied to other markets that may be experiencing similar rises in costs amid physician consolidation. In this analysis, Duly Health and Care (Duly), which describes itself as the largest independent, multispecialty physician-led medical group in the Midwest,²⁶ serves as a case study for a community-based private practice.

²⁶ Duly Health and Care. Our History. Available here: <https://www.dulyhealthandcare.com/our-history>

ATTACHMENT 12

Purpose of the Project



The initial Medicare FFS analysis compares cost and quality measures between Duly specialists and hospital-affiliated specialists for six specialties: primary care, cardiology, gastroenterology, oncology, orthopedics, and urology.²⁷ The Medicare sub-analysis then focuses on the benefits of coordinated care—defined in this claims-based analysis as seeing a primary care provider (PCP) and a specialist from the same organization in the same year—on cost and utilization-based outcomes. Primary care was added as a specialty due to its importance to multispecialty practice. The study addresses both Medicare beneficiaries and commercially insured populations.

Next, the commercial analysis focuses on paid claims data to evaluate site-of-care utilization and associated reimbursement for the most common and highest-cost medical services and procedures, with the addition of payer transparency data to demonstrate differences in price between individual entities in the Chicago market.

Both the Medicare sub-analysis and the commercial section pay particular attention to the GI specialty, as it is associated with chronic conditions (including Crohn's disease, ulcerative colitis [UC], and colon cancer) that are increasingly prevalent among both older and younger populations and exceedingly costly to manage. With over 2.4 million Americans living with Inflammatory Bowel Disease (which includes Crohn's and UC) and \$41 billion in annual costs, coordinated, proactive GI care is essential to avoid hospitalizations, surgeries, and high out-of-pocket spending. While GI remains a focal point, the analysis also incorporates other services and procedures to provide broader context with comparable results. The full methodology and all relevant findings are found in Appendix A (methodology) and B (results).

Commercial

Avalere Health designed a complementary commercial analysis at the service code level to characterize the pricing landscape in the Chicago market for a set of key services across Duly's top specialties. The commercial analysis leveraged a nationally representative source of commercial, fully-adjudicated (paid) claims data (2019–2024) to establish Chicago market rates, as well as Turquoise Health payer transparency data (March 2025) to verify rate benchmarks for Duly and other Chicago providers. Results are not risk-adjusted.

Medicare fee-for-service (FFS) results: Opportunities for cost savings and improved quality

To assess whether hospital-affiliated physicians drive higher expenditures via utilization in more costly hospital settings, we first analyzed the Medicare FFS market. Aside from being a sizable

²⁷ These specialties were assessed due to their alignment with previously published literature, which identified these six specialties primarily on account of a) the ability to observe meaningful utilization in the Medicare population and b) the ability to assess SOC dynamics for high-cost, high-volume services (i.e., surgical and imaging-intensive specialties). Primary care was added as a specialty due to its importance to multispecialty practice.

ATTACHMENT 12

Purpose of the Project



and high-risk population worthy of analysis, the availability of longitudinal, beneficiary-level claims data for FFS Medicare beneficiaries allows for a comprehensive, risk-adjusted assessment of per-beneficiary healthcare expenditures for an entire year. Particularly when married with physician ownership data, this type of analysis provides a thorough picture of how consolidation can contribute to rising healthcare costs, even in the absence of negotiated prices.

Total and hospital-based expenditures

A higher concentration of hospital-affiliated physicians, as observed in Chicago, has direct healthcare cost implications. Recent work²⁸ has shown that, across five specialties at the national level, individuals receiving care from hospital-affiliated physicians tend to have higher per beneficiary per year total Medicare expenditures than those receiving care from non-hospital-affiliated physicians. They also receive a greater proportion of care in hospital settings. While perhaps unsurprising that the patients of hospital-affiliated physicians are more likely to receive care in a health system setting, the resulting increase in total annual expenditures has significant consequences for overall Medicare spending, with likely spillover into the commercial market. In this analysis, we sought to assess whether Chicago, a large metropolitan area with multiple large health systems, experienced similar (if not more pronounced) cost trends.

To assess both the impact of dominant health system presence and the value proposition of a non-hospital, community-based multispecialty provider like Duly, we analyzed Medicare FFS cost and utilization data across six selected specialties in the Chicago area. This evaluation aimed to identify spending trends and to quantify the difference in Medicare expenditures between patients seen by Duly physicians ("Duly") and those treated by hospital-affiliated providers ("hospital").

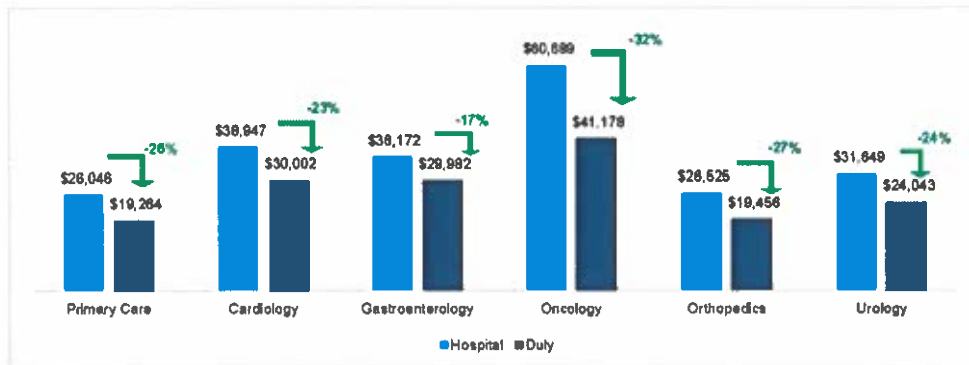
²⁸ AIMPA. Medicare Service Use and Expenditures Across Physician Practice Affiliation Models. 2024. Available here: <https://aimpa.us/wp-content/uploads/2024/08/Avallone-White-Paper-Medicare-Service-Use-and-Expenditures-Across-Physician-Practice-Affiliation-Models.pdf>

ATTACHMENT 12

Purpose of the Project



Figure 4. Total Medicare FFS expenditures, by specialty, Duly vs. hospital, 2023



Note: Results were statistically significant ($p < 0.05$) for all specialties.

Figure 4 shows that in 2023, across the selected specialties, patients of Duly physicians had significantly lower total Medicare expenditures than patients of hospital-affiliated physicians, with a weighted average difference of \$7,777 (24.8%) per patient. Specialty-specific differences ranged from \$6,190 (17%) lower in gastroenterology to \$19,510 (32%) lower in oncology.

To identify potential drivers of this discrepancy in cost, we assessed the relative proportion of total annual Medicare spending that occurred in hospital (inpatient and outpatient) settings for each cohort. To that end, Table 1 shows the percentage difference between hospital and Duly patients for the proportion of total expenditures attributable to facility-based (i.e., inpatient and hospital outpatient) settings. This data is also visualized in Appendix B Figure 2.

Table 1. Percentage difference in facility-based expenditures, by specialty, Duly vs. hospital, 2023

Specialty	Hospital		Duly		Unit and percentage difference, Duly vs. hospital facility-based expenditure
	Facility-based expenditure	% of total expenditure	Facility-based expenditure	% of total expenditure	
Primary care	\$16,681	64%	\$11,723	61%	-\$4,957 (-30%)
Cardiology	\$27,333	70%	\$20,157	67%	-\$7,176 (-26%)
Gastroenterology	\$24,656	68%	\$19,034	63%	-\$5,623 (-23%)
Oncology	\$40,057	66%	\$22,960	56%	-\$17,098 (-43%)
Orthopedics	\$16,526	62%	\$11,197	58%	-\$5,328 (-32%)
Urology	\$20,728	65%	\$13,903	58%	-\$6,825 (-33%)

Note: Results were statistically significant ($p < 0.05$) for all specialties.

ATTACHMENT 12

Purpose of the Project



As seen in Figure 4, Duly patients have lower total expenditures in every specialty studied. Table 1 adds context to that finding by showing that the difference in facility-based expenditures favoring Duly was greater in magnitude than the difference in total expenditures, ranging from 23% lower in gastroenterology to 43% lower in oncology. Given that, on average, services rendered in facility-based (i.e., hospital-based) settings tend to be more expensive than care delivered in other settings (e.g., the clinic/office and the home), a greater proportion of this type of care makes an outsized contribution to total expenditures. Together, these results indicate that hospital care, which is disproportionately favored by hospital-affiliated physicians, represents a key driver of expenditures for Chicago Medicare FFS beneficiaries.

Utilization-based quality measures

Furthermore, the impact of hospital consolidation manifests in a variety of utilization patterns that underlie the demonstrated increase in FFS Medicare expenditures. Four key outcomes measures—inpatient (IP) days, emergency department (ED) visits, the rate of all-cause readmissions within 30 days, and follow-up visits with 14 days of a discharge—have a strong correlation to expenditures and are associated with better clinical outcomes and patient experience.^{29, 30, 31, 32}

Specifically, IP days, ED visits, and readmissions represent costly episodes of care that often result from wasteful site-of-care utilization and sub-optimal coordination of care. Relatedly, follow-up visits within 14 days of discharge can encourage coordination of care and discourage readmission. Table 2 shows the differences in these outcomes between Duly patients and hospital patients for the most recent 12-month period of available data (October 1, 2023—September 30, 2024).

29 Yacoub Abuzied, Hassan Maymanl, Basim AlMatouq, Owaida AlDosary. Reducing the Length of Stay by Enhancing the Patient Discharge Process: Using Quality Improvement Tools to Optimize Hospital Efficiency. February 2021. Available here: <https://meridian.allenpress.com/innovationsjournals-JOSH/article/4/1/44/462477/Reducing-the-Length-of-Stay-by-Enhancing-the>

30 Reham Mostafa and Khaled El-Atawi. Strategies to Measure and Improve Emergency Department Performance: A Review. January 2024. Available here: <https://pmc.ncbi.nlm.nih.gov/articles/PMC10890971/>

31 Jasinder S. Dhaliwal and Ashujot Kaur Dang. Reducing Hospital Readmissions. January 2025. Available here: <https://pubmed.ncbi.nlm.nih.gov/39183436/>

32 Megan E Price, Nicolae Done, Steven D Pizer. The Relationship Between Follow-up Appointments and Access to Primary Care. March 2020. Available here: <https://pmc.ncbi.nlm.nih.gov/articles/PMC7280427/>

ATTACHMENT 12

Purpose of the Project



Table 2. Cost-saving outcomes measures by specialty, Duly vs hospital, October 1, 2023—September 30, 2024

Specialty	Hospital	Duly	Unit and percentage difference, Duly vs. hospital
IP days per patient			
Primary care	2.78	2.24	-0.54 (-19.3%)
Cardiology	4.23	3.74	-0.49 (-11.6%)
Gastroenterology	3.81	3.53	-0.28 (-7.4%)
Oncology	4.90	3.96	-0.94 (-19.2%)
Orthopedics	2.20	2.01	-0.19 (-8.6%)
Urology*	3.00	2.75	-0.25 (-8.3%)
ED visits per 1000 Patients			
Primary care	466	390	-76 (-16.3%)
Cardiology	628	541	-87 (-13.9%)
Gastroenterology	545	513	-32 (-5.9%)
Oncology*	496	557	+61 (+12.3%)
Orthopedics*	461	430	-30 (-6.6%)
Urology*	500	478	-23 (-4.5%)
Rate of readmission within 30 days of a discharge			
Primary care	21.4%	19.9%	-1.5% (-7.0%)
Cardiology	23.0%	22.1%	-0.9% (-3.9%)
Gastroenterology	25.4%	24.4%	-1.0% (-3.9%)
Oncology*	27.5%	25.0%	-2.5% (-9.1%)
Orthopedics*	17.7%	17.3%	-0.4% (-2.3%)
Urology*	22.0%	21.9%	-0.1% (-0.5%)
Follow-up visits within 14 Days of a discharge per 1,000 patients			
Primary care	237	247	+11 (+4.5%)
Cardiology	378	401	+23 (+6.2%)
Gastroenterology*	356	386	+30 (+8.4%)
Oncology*	523	473	-50 (-9.6%)
Orthopedics*	233	244	+11 (+4.8%)
Urology	326	358	+32 (+9.7%)

*Result is not statistically significant. All other results are statistically significant at $p < 0.05$.

ATTACHMENT 12

Purpose of the Project



Several key findings emerged from these comparisons. We observed the greatest percentage difference in IP days in oncology, with cancer patients of hospital-affiliated physicians spending almost an entire extra day in the hospital compared to the patients of Duly physicians. Furthermore, ED visits were most notably reduced in primary care and cardiology, two specialties often responsible for the management of chronic disease. However, ED visits in oncology were greater for Duly patients compared to hospital-attributed patients, though this finding was not statistically significant. Readmission rates were lowest for Duly orthopedics patients, and the greatest difference in readmission rate (on a unit basis and a percentage basis) was in oncology, where Duly patients' readmission rate was 9.1% lower than that of hospital-affiliated patients. Finally, Duly urology patients saw the greatest numeric and percentage increase in follow-up visits, which are associated with reduced readmissions and improved patient experience.^{33,34} Notably, in every comparison where the results were statistically significant ($p < 0.05$), Duly outperformed hospitals in the Chicago market. However, while not statistically significant, Duly oncology patients had approximately 10% fewer follow-up visits on average compared to hospital patients.

Together, the Medicare expenditures data and the quality outcomes metrics demonstrate the financial and clinical advantage that community-based groups can offer over hospitals.

Our results show that, in the Chicago market, Medicare beneficiaries who receive most of their care from health systems incur greater costs while suffering relatively poorer outcomes in the form of increased IP days and ED visits, a higher readmission rate, and fewer follow-up visits

In the Chicago area, the outsized costliness of hospital care, which is borne in part by patients, and the associated reduction in quality can be mitigated when patients receive most of their care from a scaled, private, multispecialty practice.

Medicare sub-analysis: The compounding impact of coordinated care

There is significant evidence to suggest that patients who receive coordinated care—defined as alignment of patient care across all elements of the healthcare system—have better outcomes and experiences than those who do not receive coordinated care. Quality and quantitative

³³ Dylan J. Bilicki, BS and Mathew J. Reeves, PhD. Outpatient Follow-Up Visits to Reduce 30-Day All-Cause Readmissions for Heart Failure, COPD, Myocardial Infarction, and Stroke: A Systematic Review and Meta-Analysis. September 2024. Available here: https://www.cdc.gov/pcd/issues/2024/24_0138.htm

³⁴ Charlene D. Whitaker-Brown, DNP, MSN, FNP-C, Stephanie J. Woods, PhD, RN, Judith B. Cornellus, PhD, MS, RN, Erik Southard, DNP, FNP-BC, and Sanjeev K. Gulati, MD, FACC. Improving quality of life and decreasing readmissions in heart failure patients in a multidisciplinary transition-to-care clinic. 2017. Available here: [https://www.heartandlung.org/article/S0147-9583\(16\)30338-7/abstract](https://www.heartandlung.org/article/S0147-9583(16)30338-7/abstract)

ATTACHMENT 12

Purpose of the Project



evidence suggests that PCPs with greater access to specialists and those in integrated medical groups have more referrals, better outcomes, and higher patient experience scores. ^{35,36,37,38,39}

In our sub-analysis of Medicare claims data, we sought to simulate care coordination through patient care patterns. Specifically, we analyzed a cohort of patients who saw both a PCP and a specialist from the same group (Duly) at least two times each in the study year. We compared this subset of patients, whom we considered to be our “Coordinated Duly” cohort, with the original hospital specialty cohorts in an effort to isolate the compounding impact of coordinated care within a non-hospital, multispecialty group on total Medicare expenditures and other cost-reduction metrics. The cohort definitions for this sub-analysis can be found in Table 3.

Table 3. Cohort definitions, FFS Medicare sub-analysis

Cohort description	PCP affiliation	Specialist affiliation	Inclusion criteria
Coordinated Duly	Duly	Duly	Patients who had at least two claims with both a Duly-affiliated PCP and a Duly-affiliated GI physician.
Duly GI	Any	Duly	Patients who had at least two claims with a Duly-affiliated GI physician but saw a PCP not affiliated with Duly.
Hospital GI	Any	Hospital	Patients who had at least two claims with a hospital-affiliated GI physician but saw a PCP not affiliated with a hospital.

The results were consistent: patients who received coordinated care from both a Duly PCP and a Duly specialist incurred fewer Medicare expenditures, IP days, and ED visits than other cohorts assessed, particularly those beneficiaries receiving care from hospital-affiliated physicians. For example, Figure 5 shows that patients who saw hospital-affiliated gastroenterologists incurred approximately double the annual Medicare expenditures compared to their counterparts who saw a Duly PCP and a Duly gastroenterologist. Full results across the six specialties assessed can be found in Appendix B (Table 1 and Figure 1).

35 Zhaowei She, et. al. Primary Care Comprehensiveness and Care Coordination in Robust Specialist Networks Results in Lower Emergency Department Utilization: A Network Analysis of Medicaid Physician Networks. June 2020. Available here: <https://pmc.ncbi.nlm.nih.gov/articles/PMC7278335/>

36 David C. Mohr, et. al. Organizational Coordination and Patient Experiences of Specialty Care Integration. May 2019. Available here: <https://pubmed.ncbi.nlm.nih.gov/31098971/>

37 Bahram Rahman, et. al. Patients report high information coordination between rostered primary care physicians and specialists: A cross-sectional study. August 2024. Available here: <https://pubmed.ncbi.nlm.nih.gov/39172981/>

38 Hector P Rodriguez. Organizational and market influences on physician performance on patient experience measures. June 2009. Available here: <https://pubmed.ncbi.nlm.nih.gov/19674429/>

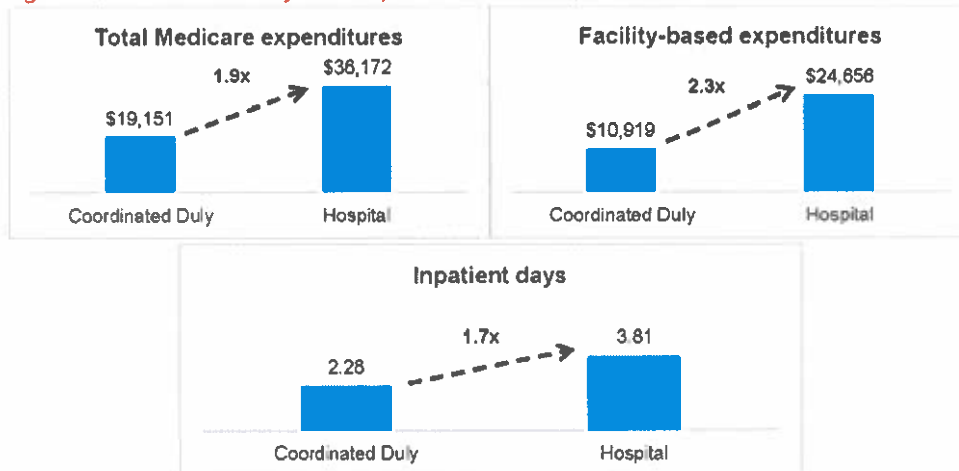
39 Bahram Rahman, et. al. Association between primary care physicians' practice models and referral rates to specialists: A sex-based cross-sectional study. April 2025. Available here: <https://pubmed.ncbi.nlm.nih.gov/40294014/>

ATTACHMENT 12

Purpose of the Project



Figure 5. Coordinated Duly vs. hospital GI outcomes, Medicare 2024



This significant differential—over \$17,000 in excess cost to Medicare per patient per year—was driven in part by 1.7 times the number of IP days (over 1.5 additional days) and more than double the proportion of expenditures delivered in facility settings (e.g., colonoscopies delivered in the hospital outpatient department [HOPD] as opposed to the less costly ambulatory surgery center [ASC]).

These results highlight the reality that the doctors from whom patients receive care—and the types of medical groups to which those doctors belong—may have a significant impact on the cost burden to both the patient and the healthcare system overall

As demonstrated below, this dynamic is further exacerbated by the introduction of price negotiation in the commercial market.

Commercial results: services with greatest impact

Site-of-care trends similar to those in Medicare can be observed in the commercial market. However, the added dynamic of price negotiation between payers and providers can have a drastically varied impact based on regional density, brand recognition, and plan type. As a result, we sought to evaluate a subset of services that are: (1) well-known, high-spend categories for employers (e.g., GI and MSK), (2) frequently and safely performed in low-cost settings (e.g., imaging), and/or (3) are critical for the health and wellness of an employed population (e.g., screening mammograms). These services affect individuals of all ages across

ATTACHMENT 12

Purpose of the Project



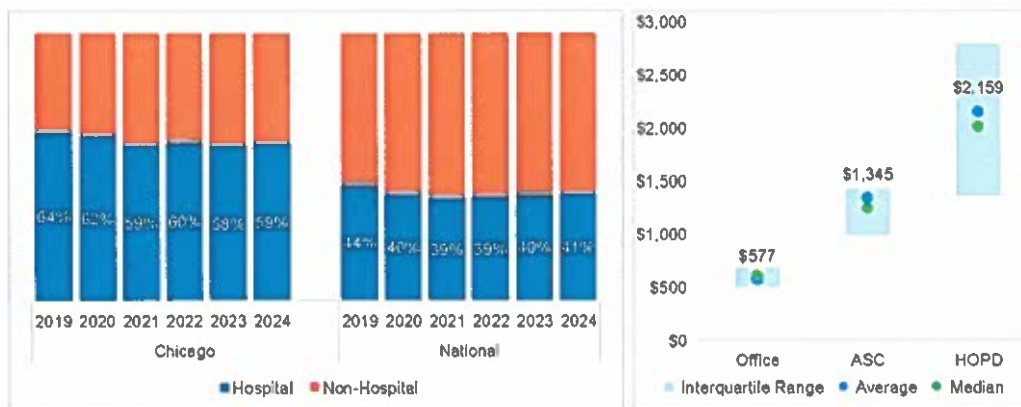
the United States, and their relevance provides an opportunity to evaluate how site-of-care decisions and reimbursement structures impact employer healthcare costs.

Colonoscopies: A common procedure with cost-saving potential

Gastroenterological conditions affect millions of individuals across the country, making them notoriously costly for employers. Preventive care and screenings can have a significant impact on outcomes and the resulting costs. For example, early detection of colon cancer is highly correlated with increased survival rates: the five-year survival rate for stage I and II colorectal cancer is 91%, as opposed to 13% for stage IV.⁴⁰

We assessed how the site-of-care mix for diagnostic colonoscopies in Chicago compares to the national mix—specifically, whether the colonoscopy was performed in a hospital setting. We also performed an analysis of regional claims payment amounts by setting, including two community-based settings (physician office and ASC) and the most common hospital setting, the HOPD.

Figure 6. Diagnostic colonoscopy (45378) hospital vs. non-hospital utilization, Chicago & national, 2024, Chicago commercial 2024 allowed amounts



In 2024, 59% of diagnostic colonoscopies in Chicago were performed in a hospital, compared to 41% nationally. Further, the average cost of a diagnostic colonoscopy in HOPDs was \$2,159, compared to \$577 in offices and \$1,345 in ASCs. In practice, this means that in Chicago, a substantial majority of these procedures occur in the most expensive setting of care, a trend that is also observed for higher-cost, more complex colonoscopies (see Appendix B Figure 3-4).

⁴⁰ Colon Cancer Coalition. Colon Cancer Facts 2024. Available here: <https://coloncancercoalition.org/colon-cancer-screening/facts/>

ATTACHMENT 12

Purpose of the Project

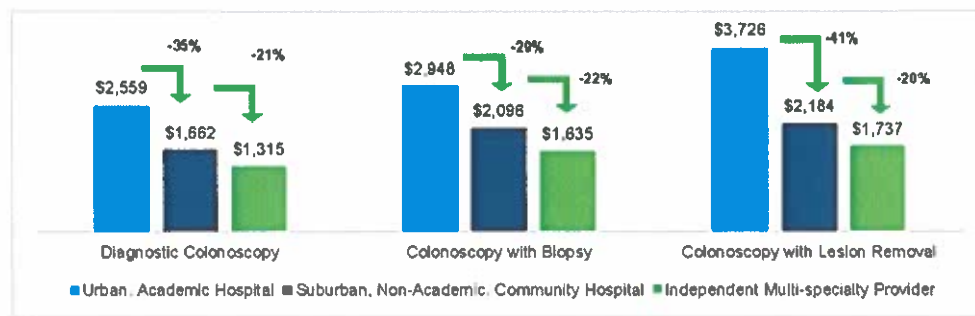


Differences in price by provider entity

To further our understanding of the Chicago provider market, we considered the factors that may drive variation in prices, even within a single setting of care (e.g., HOPD). Our analysis relies on publicly disclosed data, compiled by Turquoise Health, a price transparency company. The views and opinions expressed reflect only the authors' sentiment and do not necessarily reflect the official position of Turquoise Health. The methodology can be found in Appendix A.

We analyzed consolidated payer transparency data for the three colonoscopy procedures of increasing complexity using the Turquoise Health platform, comparing (1) a large, urban, academic hospital in Chicago with a notable reputation and expansive network coverage, (2) a suburban, non-academic, community hospital, and (3) a suburban, non-hospital, multispecialty group. As seen in Figure 7, both hospitals have higher rates than the community-based provider group in comparable settings.

Figure 7. Commercial colonoscopy allowed global amounts, across three Chicago providers, 2024



On average, the rate at the urban hospital is approximately \$1,500, or twice as expensive, as that of the private practice (Duly). The community hospital rate is approximately 21% more expensive on average than private practice. In a comparison of the two hospitals—seemingly similar settings of care—the urban, academic hospital, with greater name recognition and greater geographic leverage, is 36% more expensive on average than the community hospital with a smaller footprint.

Total joint replacements: A significant driver of employer healthcare costs

Similar to GI comorbidities, MSK conditions impact millions of individuals in the United States each year. Approximately half of adults in the US experience back pain, neck pain, or arthritis,⁴¹ making orthopedics the most expensive specialty, accounting for \$380 billion in annual

⁴¹ Evernorth Health Services 2022. Available here: <https://www.evernorth.com/articles/musculoskeletal-disorder-costs-and-cares>

ATTACHMENT 12

Purpose of the Project



healthcare spending.⁴² Considering the incidence of MSK conditions and the growing costs associated with MSK care, including its direct association with lost productivity,⁴³ employers have an increased incentive to find cost savings. However, the cost of MSK procedures performed in Chicago is affected by the predominance of hospitals in the region.

Paid commercial claims data for Chicago show the substantial cost differential of performing total joint replacement procedures in different settings of care. Figure 8 compares the total cost of three different joint replacement procedures, including the facility and professional fees, in the community-based ASC setting and the HOPD.

Figure 8. Allowed amounts for total joint replacement codes, ASC vs. HOPD, Chicago, 2024



A total shoulder replacement in Chicago costs over \$10,000 more in a hospital than it does in an ASC, a 46% price difference. A total hip replacement costs over \$8,000 more, and a total knee replacement costs nearly \$6,000 more in the HOPD compared to the ASC. While not every surgical procedure or every patient is appropriate for the ambulatory setting, our analysis demonstrates that any volume that can be shifted away from the hospital setting yields considerable savings for the ultimate payer in the commercial market: employers.

Imaging services: Impact of site of care on costs

Hospital dominance impacts the cost of not only procedures, but also of imaging services, such as mammograms, CT scans, and MRIs, for which there is often no medical rationale for delivery in a hospital setting. The high cost of these services is particularly troublesome for employers, as imaging plays a key role in early disease detection. Higher costs for imaging services could

⁴² Joseph L. Dieleman, PhD; Jackie Geo, MS; Abby Chapin, BA. March 2020. US Health Care Spending by Payer and Health Condition, 1996-2018. US Health Care Spending by Payer and Health Condition, 1996-2018. Available here: <https://jamanetwork.com/journals/jama/fullarticle/2762309>

⁴³ Hinge Health. 2024. Available here: https://assets.ctfassets.net/hjcv8wdwxsdz/vGvpNVVT0qdhvUvxeop/fd46036f35b3b87b4bc87102d6e946d81/2024_State_of_MSK_Care.pdf

ATTACHMENT 12

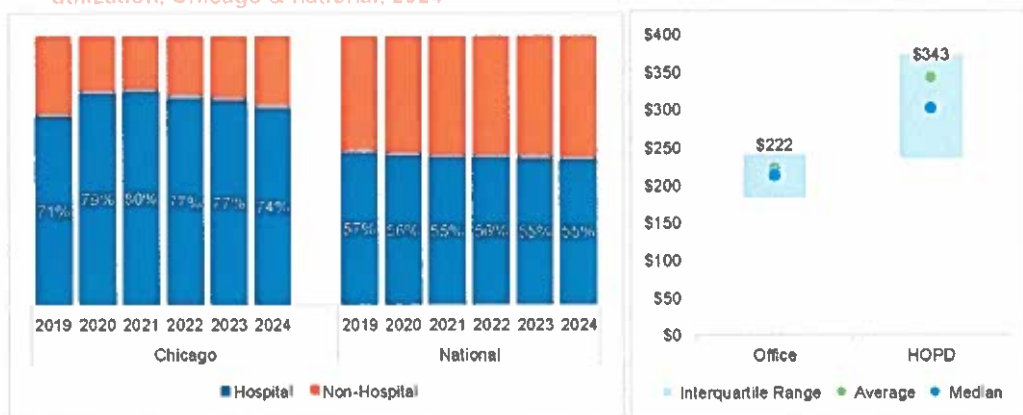
Purpose of the Project



lead to reduced utilization, leading to delayed detection of diseases and less favorable outcomes.

A bilateral screening mammogram, used for routine screening and early detection of breast cancer, is significantly more likely to be performed in a hospital setting in Chicago when compared to the rest of the country (Figure 9).

Figure 9. Mammogram (77067) commercial 2024 allowed amounts; hospital vs. non-utilization, Chicago & national, 2024



In Chicago in 2024, nearly three fourths of these mammograms were performed in hospitals, compared to the national average of slightly over 50%. An analysis of paid claims data shows that this service is about 50% more expensive in the HOPD (\$343 vs. \$222). Furthermore, the spread of rates in the HOPD is much wider than in the office for this code. The 75th percentile for 77067 is \$374 in the HOPD, compared to \$240 in the office setting.

These trends are even more pronounced for the complete breast scan (ultrasound), used in clinical scenarios where mammograms may be inefficient, such as for patients with dense breasts or those in post-treatment surveillance.

A complete breast ultrasound in Chicago is twice as likely to be conducted in a hospital setting compared to the national average (72% vs. 36%). While the average cost of receiving this imaging service in the office is \$120, it costs over \$300 in the hospital—nearly three times as much for commercially insured patients in Chicago.

Comparable results are observed for other services (e.g., CT scan of abdomen, complete breast ultrasound) and can be found in Appendix B (Figures 5-6).

ATTACHMENT 12

Purpose of the Project



Conclusion

Despite the large number of unique health systems in the region, numerous mergers and acquisitions in the Chicago market have altered its provider landscape, resulting in a greater proportion of care occurring in hospital settings in both the Medicare and commercial markets. Hospital dominance in the region—and minimal downward pressure on cost growth demonstrated by payers—has consequences for all stakeholders in the system. Patients are increasingly guided toward more costly hospital settings, with little evidence that the associated increases in cost correspond with improved patient care or satisfaction. Employers, who must maintain a competitive benefits package for retention and recruitment, face unsustainable health benefit cost growth, which they may pass through to employees, a greater share of whose income may go toward premiums and out-of-pocket healthcare expenses as a result.

Community-based care provides a viable alternative to hospital dominance. Private practice groups, such as Duly, offer a lower-cost alternative to hospital care while achieving better performance on quality metrics and improved patient outcomes. In the midst of an ever-evolving healthcare environment, payers and policymakers should consider the tools at their disposal, including those described below, to control costs and assure a high-quality experience for their beneficiaries.

For payers and employers

As provider consolidation has altered Chicago market dynamics, payers and employers alike have less negotiating power due to the preponderance of care occurring in hospital settings, which is consistently more expensive than other settings of care.

In the face of persistent increases in the total cost of healthcare, payers and employers must develop innovative provider-level partnerships to ensure high-quality outcomes, guarantee fair and sustainable costs, and de-risk market-level dynamics beyond their control.

For policymakers

The rising cost of healthcare in Chicago is a critical issue for city and state policymakers due to its far-reaching implications for public well-being and economic stability.

To guarantee the economic prosperity of Chicago's employers and the healthcare of its residents, policymakers must seek initiatives to level the playing field for less costly healthcare providers, such as (1) regulating price transparency files to clarify the currently obscure pricing data; (2) creating programs that incentivize employers to contract directly with independent provider groups, which have less leverage than dominant hospital systems in the region; and (3) further studying the merits of site-neutral payments, which could reduce financial incentives for high-cost settings and lower total costs for payers and beneficiaries.

ATTACHMENT 12

Purpose of the Project



Appendix A—Methodology

This analysis seeks to examine the cost and quality of selected healthcare services in the Chicago market when rendered by different types of physicians. For the purposes of this analysis, the Chicago market is defined as encompassing Cook, DuPage, Kane, Kendall, and Will Counties. The study investigates a set of cost and quality metrics at the specialty level across the following specialties: cardiology, gastroenterology, medical oncology, orthopedics, primary care, and urology. These specialties were assessed due to their alignment with previously published literature, which identified these six specialties primarily due to (1) the ability to observe meaningful utilization in the Medicare population and (2) the ability to assess site-of-care dynamics for high-cost, high-volume services (i.e., surgical and imaging-intensive specialties). Primary care was added as a specialty due to its importance to multispecialty practice. The study addresses both Medicare beneficiaries and commercially insured populations.

Medicare analysis

The primary Medicare analysis shows how Duly Health and Care compares to hospital-affiliated physicians, and the Medicare sub-analysis shows the incremental impact of receiving coordinated care—both primary and specialty care, as opposed to just specialty care—from Duly.

Physician assignment

To assess the impact of receiving care from different kinds of physicians in the Chicago market, Avalere Health created physician cohorts based on employment type. Physician assignment had two goals: 1) to disaggregate the impact of hospital dominance in Chicago, and 2) to evaluate the comparative cost and quality of Duly physicians versus hospital-affiliated providers in the Chicago market.

To that end, Avalere Health created two cohorts for comparison: Duly physicians and hospital-affiliated physicians. Physicians were assigned to cohorts using the IQVIA OneKey data set, whose native categories are independent, corporate-owned practice, and integrated health system-owned practice. In this analysis, IQVIA's integrated health system-owned practice category represents hospital-affiliated physicians. Avalere Health used Duly's complete list of National Provider Identifiers to manually segment Duly's affiliated physicians into a separate cohort. Advanced practice providers (e.g., physician assistants, nurse practitioners, etc.) were excluded. Other physicians in the Chicago market (i.e., those in the independent and corporate categories) are not represented in this study.

Note: While this analysis was limited to a subset of providers in the Chicago market, the comparison between hospital-affiliated physicians and a scaled community-based alternative can be applied to other markets.

ATTACHMENT 12

Purpose of the Project



Beneficiary attribution

To evaluate cost and quality metrics across these cohorts, Avalere Health used the 100% Medicare FFS data to attribute Medicare beneficiaries to a cohort. For each specialty studied, each beneficiary was attributed to the one cohort with which they incurred the greatest number of claims in 2023. A minimum of two claims in that specialty were required for assignment. In cases of ties between cohorts, beneficiaries were assigned randomly to a cohort. To be included, beneficiaries must have been enrolled in Medicare Part A and Part B throughout the time period of the analysis, or through the month of their mortality date (if applicable).

Cost and quality outcomes

Avalere Health conducted a comparative analysis of selected cost and quality metrics across cohorts, using the most recent full year of data available for each metric. For cost, the period was January 1, 2023, through December 31, 2023, and for quality, this period was October 1, 2023, through September 30, 2024.

- Cost: Total risk-adjusted per beneficiary per year spending
- Quality: Inpatient days
- Quality: Emergency department visits per 1000 patients
- Quality: Rate of all-cause readmissions within 30 days
- Quality: Follow-up visits within 14 days of discharge per 1000 patients

For each outcome metric, Avalere Health ran a multivariate regression model for each specialty, allowing an estimation of the association between physician cohort and Medicare expenditures and utilization. These models controlled for the following independent variables:

- Demographics: Age, sex, and race
- Medicare status: Dual eligibility (Medicare and Medicaid), original reason for Medicare entitlement, and end-state legal disease status
- Health status: Centers for Medicare and Medicaid Services Hierarchical Condition Categories risk score and death in year
- Social determinants of health: Median ZIP code-level household income
- Market characteristics: Rural/urban location and census region

Coordinated care analysis

In addition to the main Medicare analysis, Avalere Health conducted an incremental analysis to assess the impact of receiving both primary care and specialty care from Duly. Avalere Health cross-referenced the beneficiaries attributed to Duly for primary care with those attributed to Duly for other specialties to identify those attributed to Duly in both categories. Separately for each specialty, Avalere Health reran the multivariate analysis for all outcomes metrics as described above, with coordinated Duly care (primary care and specialty care) as the treatment group and Duly specialty care only as the comparison group.

ATTACHMENT 12

Purpose of the Project



Commercial analysis

Unlike the 100% Medicare FFS claims data, adjudicated (paid) commercial claims data sets do not provide comprehensive information about total cost of care or quality outcomes at the beneficiary level. Therefore, Avalere Health designed a complementary commercial analysis to characterize the pricing landscape in the Chicago market for a set of key services across Duly's top specialties. The analysis leverages a nationally representative source of paid commercial claims data (2019-2024) to establish Chicago market rates, as well as Turquoise Health payer transparency data (March 2025) to verify rate benchmarks for Duly and other Chicago providers.

Code selection

100% Medicare FFS data and internal Duly revenue and volume data were used to select the Current Procedural Terminology codes evaluated in the analysis. For each specialty, Avalere Health cross-referenced the Medicare, commercial, and Duly data sets to identify codes that made a material contribution to total payment and/or total volume in all three populations. Then, eligibility was restricted to codes able to be performed across multiple outpatient sites of care. To enable direct comparison of unit price, the inpatient setting was excluded. Across specialties, the final code list includes a broad representation of evaluation and management, surgical, specialty non-surgical, and imaging services.

Code benchmarking

Once the code list was finalized, Avalere Health procured and cleaned two commercial data sets to enable benchmarking: paid commercial claims data from a nationally representative source and payer transparency data from Turquoise Health.

To characterize historical reimbursement trends, Avalere Health used the commercial claims data to create a benchmark showing the interquartile range, average allowed amount, and median allowed amount for each code. Imaging rates were found using the combination of the professional fee with the Global modifier and the corresponding facility fee, when applicable.

To characterize the current reimbursement landscape, Avalere Health identified Duly's average reimbursement rates (March 2025) within the Turquoise Health database and compared them to rates from two other hospitals: a large, urban, academic hospital and a smaller community hospital. The rates used for comparison were those paid by Blue Cross and Blue Shield of Illinois, the most dominant payer in the state and the region. To ensure the most accurate comparisons, rates associated with health maintenance organization plans and/or non-applicable physician specialties were excluded.

For each code, the nationally representative commercial claims data set includes the 25th percentile, 50th percentile, 75th percentile, 90th percentile, and average allowed amounts, as well as utilization per 1,000 commercial lives in the Chicago area (defined as Cook, DuPage, Kane, Kendall, and Will Counties) from 2019 through 2024. The Turquoise data set includes the average price paid, by code, across all Blue Cross Blue Shield of Illinois plans, in March 2025.

ATTACHMENT 12

Purpose of the Project



Appendix B—Supplemental results

Appendix Table 1. Cost-saving outcomes measures, by specialty, coordinated Duly vs hospital, October 1, 2023—September 30, 2024

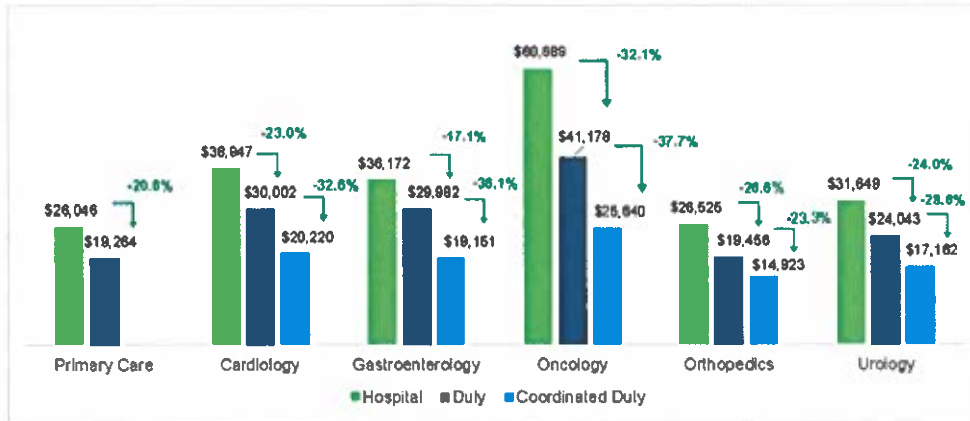
Specialty	Hospital	Coordinated Duly	Unit and percentage difference, coordinated Duly vs. hospital
IP days per patient			
Cardiology	4.23	2.70	-1.53 (-36.2%)
Gastroenterology	3.81	2.28	-1.53 (-40.2%)
Oncology	4.90	2.84	-2.06 (42.0%)
Orthopedics	2.20	1.53	-0.67 (-30.5%)
Urology	3.00	2.10	-0.90 (-30.0%)
ED visits per 1000 patients			
Cardiology	628	435	-193 (-30.7%)
Gastroenterology	545	417	-128 (-23.5%)
Oncology	496	432	-64 (-12.9%)
Orthopedics	461	364	-97 (-21.0%)
Urology	500	407	-93 (-18.6%)
Rate of readmission within 30 days of a discharge			
Cardiology	23.0%	18.4%	-4.6% (-20.0%)
Gastroenterology	25.4%	18.6%	-6.8% (-26.8%)
Oncology	27.5%	20.5%	-7.0% (-25.5%)
Orthopedics	17.7%	15.8%	-1.9% (-10.7%)
Urology	22.0%	18.2%	-3.8% (-17.3%)
Follow-up visits within 14 days of a discharge per 1000 patients			
Cardiology	378	424	+46 (+12.2%)
Gastroenterology	356	357	+1 (+0.3%)
Oncology	523	454	-69 (-13.2%)
Orthopedics	233	237	+4 (+1.7%)
Urology	326	392	+66 (+20.2%)

ATTACHMENT 12

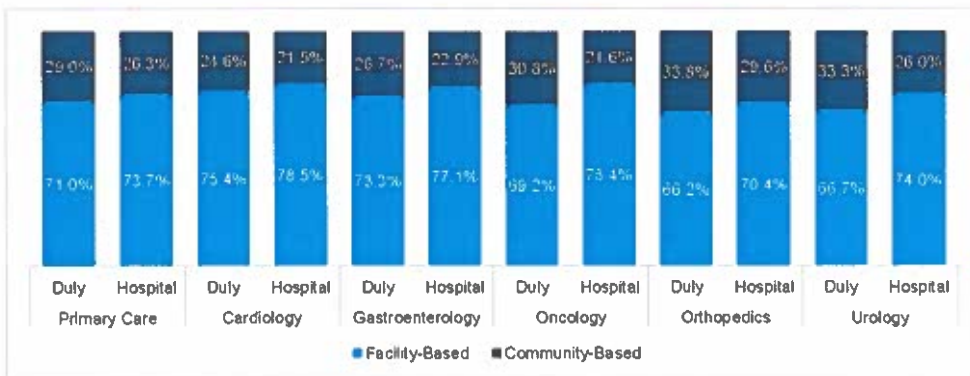
Purpose of the Project



Appendix Figure 1. Total Medicare expenditures, hospital vs. Duly vs. coordinated Duly, 2023



Appendix Figure 2. Proportion of facility-based vs. community-based care, Duly vs. hospital, 2023

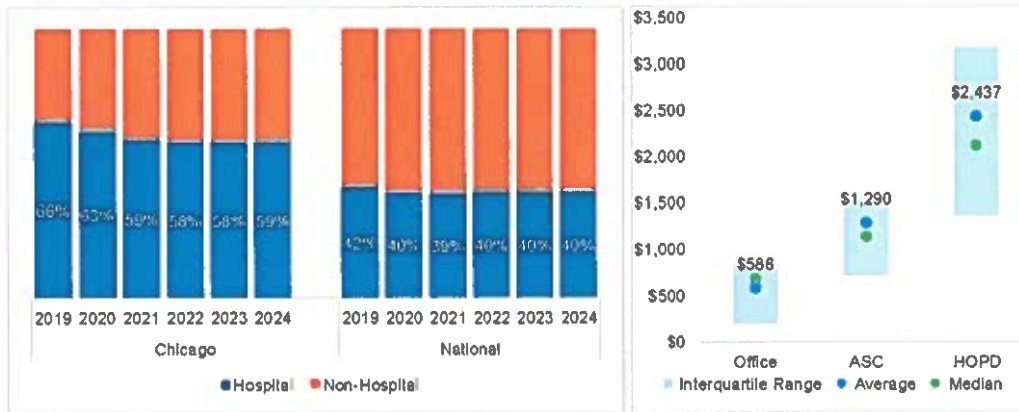


ATTACHMENT 12

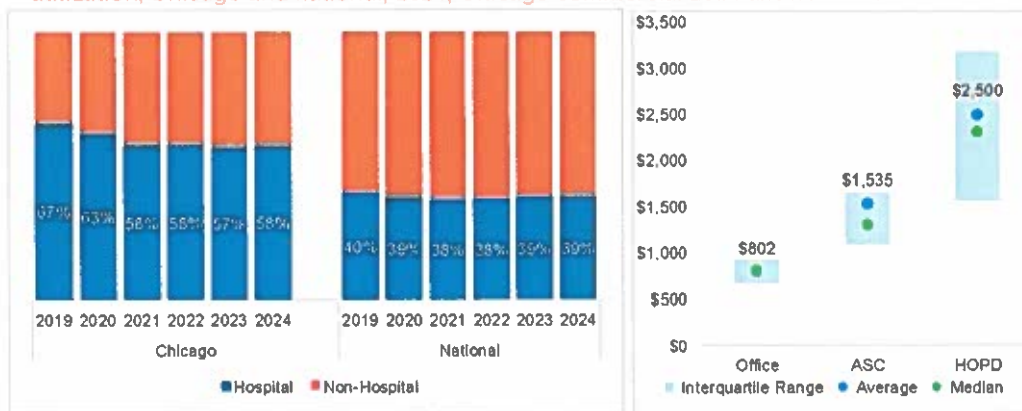
Purpose of the Project



Appendix Figure 3: Colonoscopy with biopsy (45380) hospital vs. non-hospital Utilization, Chicago and national, 2024; Chicago commercial 2024 allowed amounts



Appendix Figure 4: Colonoscopy with lesion removal (45385) hospital vs. non-hospital utilization, Chicago and national, 2024; Chicago commercial 2024 allowed amounts

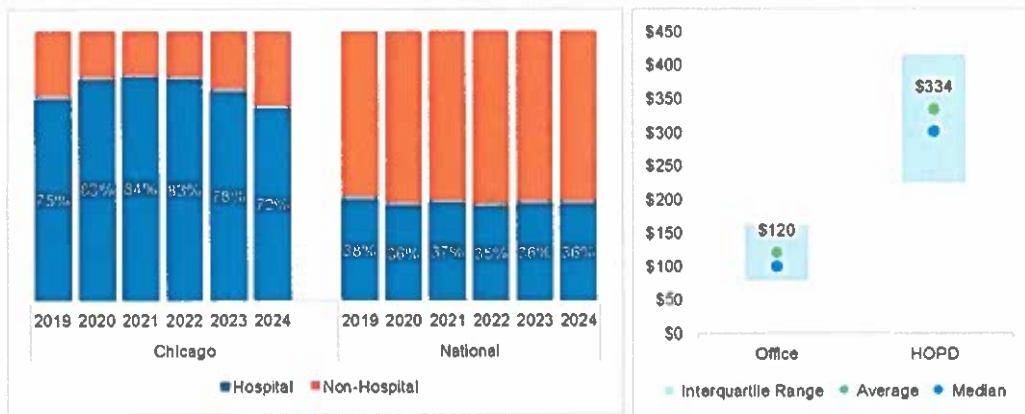


ATTACHMENT 12

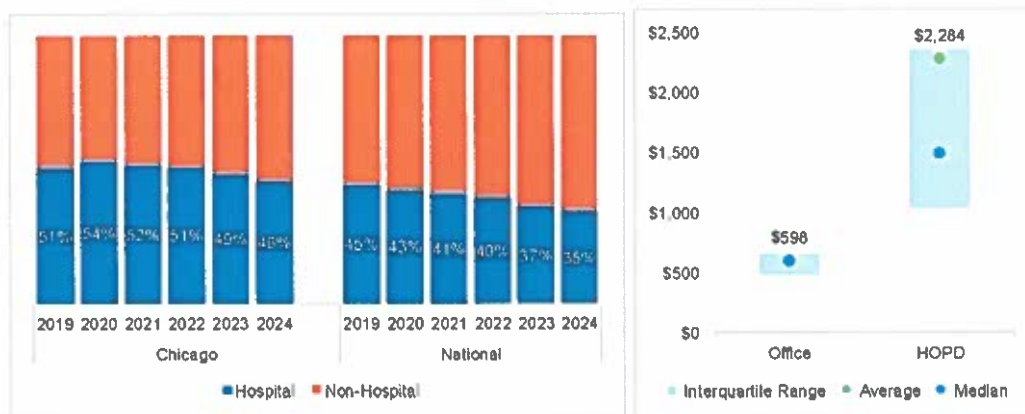
Purpose of the Project



Appendix Figure 5: Complete breast ultrasound (76641) hospital vs. non-hospital utilization, Chicago and national, 2024; Chicago commercial 2024 allowed amounts



Appendix Figure 6: CT scan of the abdomen and pelvis, with contrast (74177) hospital vs non-hospital utilization, Chicago and national, 2024; Chicago commercial 2024 allowed amounts



ATTACHMENT 13

Alternatives

Alternative #1: Maintain the Status Quo. (No Additional CON costs / Healthcare Delivery Costs)

Under this alternative, no capital investment would be made and no additional costs would be incurred. However, this alternative would also produce no corresponding benefit to the community. Existing utilization patterns and patient origin data demonstrate unmet demand for urgent care and specialty outpatient services in the West suburbs.

Maintaining the status quo would require continued reliance on more distant facilities for services that could be provided in a community-based setting, resulting in reduced access, increased travel burdens, and continued pressure on hospital-based resources. From a health planning perspective, delaying action would place Duly in a reactive position rather than proactively addressing evolving patient needs. For these reasons, this alternative was determined to be inconsistent with sound healthcare planning and was not selected.

Alternative #2: Construct another Medical Office Building at another location. (Similar CON costs to Proposed Project)

The Applicants evaluated other potential sites within the health service area. While alternative locations were available, none offered a combination of accessibility, proximity to the existing patient base, and operational efficiency superior to the proposed site. Construction and development costs at alternative locations would have been comparable to the proposed project, resulting in similar Certificate of Need costs without a commensurate improvement in patient access or system integration.

Importantly, the selected location allows continuity of care for existing Duly patients currently served in the geographic service area, minimizing disruption while expanding services. Given the lack of a clear advantage and the absence of meaningful cost or access benefits, this alternative was not selected.

Alternative #3: Construct a smaller Medical Office Building at the same location. (Lower CON costs than Proposed Project / Smaller Healthcare Delivery Impact)

The Applicants also considered constructing a smaller facility at the proposed site. While this alternative could have resulted in lower overall project costs, it would fail to adequately address the demonstrated and projected demand for urgent care and specialty services in the West suburbs.

A reduced-scale facility would limit service availability, constrain future growth, and undermine Duly's ability to meet community needs over time. Although initial capital expenditures would be lower, the long-term impact on access, capacity, and care delivery would be significant. From a health planning standpoint, this alternative would represent an underinvestment relative to identified community needs and was therefore not selected.

Alternative #4: Project as Proposed.

The proposed project represents the most responsible and balanced alternative from both a healthcare planning and patient care delivery perspective. It allows Duly to expand access to urgent and specialty outpatient services in a manner that is appropriately scaled, financially prudent, and strategically located to serve existing and future patients.

The project satisfies the Certificate of Need principle of achieving the most effective increase in access at the lowest appropriate cost, while supporting continuity of care, reducing unnecessary hospital utilization, and improving patient convenience. Given the limitations of the alternatives considered, the Applicants determined that proceeding with the project as proposed best advances community health needs and is therefore the alternative presented to the Board for review and approval.

ATTACHMENT 14

Size of the Project

The square footage identified in this application for the proposed project includes a total of 74,795 gross square feet (GSF), all of which is newly constructed. Of this total, 43,845 GSF is dedicated to clinical space and 30,950 GSF is dedicated to non-clinical administrative and support space. The proposed square footage is necessary to support the planned outpatient services, not excessive, and consistent with the applicable size standards set forth in Appendix B of 77 Ill. Admin. Code §1110, as summarized below.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Radiation Oncology (CT/SPECT)	600	1,800 GSF / Unit	-1200 GSF	YES
Multispecialty Diagnostic Imaging (MRI, 2 X-Ray, CT, PET/CT, DEXA, 2 General Ultrasound)	3,200 GSF (MRI-750 GSF, X-Ray- 700 GSF, CT-500 GSF, PET/CT- 700GSF, DEXA- 150 GSF, 2 Ultrasound- 400 GSF)	9,300 GSF 1,800 GSF/Unit (CT, PET/CT), 1800 GSF (MRI); 1,300 GSF/ Unit (X-Ray); 1300 GSF (Dexa); 900 GSF/ Unit (Ultra-Sound)	-6,100 GSF	YES
Women's Health and Prenatal Services 1 OB/GYN Ultrasound	200 GSF	900 GSF/ Unit (Ultra-Sound)	-700 GSF	YES
Breast Health Oncology (2 Mammography, 2 Breast Ultrasound)	400 GSF	1800 GSF/ Unit (2 Ultra-Sound)	-1,400 GSF	YES

ATTACHMENT 15

Project Services Utilization

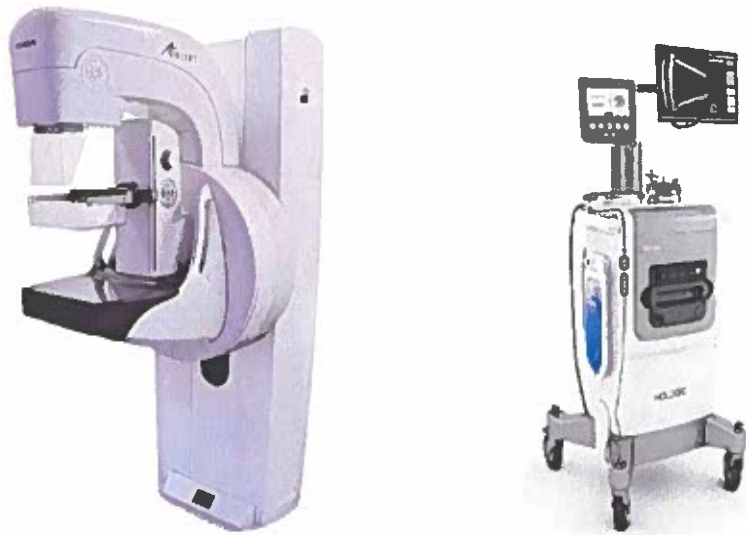
The Duly Health and Care of Northern Illinois – St. Charles Medical Office Building (“Duly St. Charles MOB”) is a 74,795 GSF medical office building designed with the primary purpose of expanding access to primary and specialty outpatient care for residents of the planning area. The facility will include oncology, cardiology, urology, ophthalmology, gastroenterology, neurology, obstetrics/gynecology, ear, nose and throat, dermatology, the Cancer Institute, pharmacy, laboratory, and infusion services. The facility is also expected to serve Duly’s existing patient base in St. Charles and surrounding west suburban communities, including patients who currently seek care at other Duly outpatient settings. Accordingly, the proposed project is warranted to address current capacity constraints and to support anticipated future demand for care.

UTILIZATION					
	DEPARTMENT / SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
YEAR 1	CT/SPECT	1,027 Procedures	1,027 Procedures	>0 Procedures	YES
	1 General Mammography	1,717 Visits	1,717 Visits	>0 Visits	YES
	1 Mammography Breast Biopsy System	194 Visits	194 Visits	>0 Visits	YES
	2 General Ultrasound	603 Visits	603 Visits	>3,100 Visits	NO
	2 Breast Health Ultrasound	1,859 Visits	1,859 Visits	>3,100 Visits	NO
	1 OB/GYN Ultrasound	727 Visits	727 Visits	>0 Procedures	YES
	MRI	1,131 Procedures	1,131 Procedures	>0 Procedures	YES
	2 X-ray	6,278 Procedures	6,278 Procedures	>6,500 Procedures	NO
	CT	1,595 Procedures	1,595 Procedures	>0 Visits	YES
	PET/CT	108 Visits	108 Visits	>0 Procedures	YES
	DEXA	420 Procedure	420 Procedure	>0 Procedures	YES
YEAR 2	CT/SPECT	1,027 Procedures	1,078 Procedures	>0 Procedures	YES
	1 General Mammography	1,717 Visits	1,803 Visits	>0 Visits	YES
	1 Mammography Breast Biopsy System	194 Visits	204 Visits	>0 Visits	YES
	2 General Ultrasound	603 Visits	633 Visits	>3,100 Visits	NO
	2 Breast Health Ultrasound	1,859 Visits	1,952 Visits	>3,100 Visits	NO
	1 OB/GYN Ultrasound	727 Visits	763 Visits	>0 Procedures	YES
	MRI	1,131 Procedures	1,181 Procedures	>0 Procedures	YES
	2 X-ray	6,278 Procedures	6,592 Procedures	>6,500 Procedures	YES
	CT	1,595 Procedures	1,675 Procedures	>0 Visits	YES
	PET/CT	108 Visits	113 Visits	>0 Procedures	YES
	DEXA	420 Procedure	441 Procedure	>0 Procedures	YES

ATTACHMENT 15

Project Services Utilization

The Duly St. Charles MOB incorporates a comprehensive suite of women's health imaging equipment designed to support integrated breast health and prenatal services. This coordinated approach enables a patient presenting for breast cancer screening to receive diagnostic mammography, supplemental breast ultrasound evaluation if indicated, and if necessary, same-day biopsy, all within a single visit and without requiring referral to a separate facility. Similarly, patients receiving prenatal care through the facility's obstetrics/gynecology services can have direct access to dedicated OB/GYN ultrasound for fetal imaging and gynecologic evaluation. This intentional design of a Women's Health Center of Excellence reflects a deliberate programming decision to optimize clinical workflows, minimize patient wait times, and deliver coordinated women's health services in a single community-based setting.



(Mammography Machines)

The facility will operate two mammography units with distinct clinical functions: one dedicated to screening and diagnostic imaging, and one equipped with the Hologic Brevera Breast Biopsy System with CorLumina imaging technology for interventional procedures. The Brevera system integrates tissue acquisition, real-time specimen imaging, and verification in a single platform, enabling same-day biopsy and reducing procedure times. As a result of this allocation, projected per-unit utilization of approximately 956 visits in Year 1 and 1,004 visits in Year 2 will not meet the applicable State standard. The Applicants submit that this deviation is clinically justified, as operating a single unit for both screening and biopsy would create scheduling conflicts and compromise patient access, whereas the segmented approach ensures timely availability for both services and supports the facility's integrated breast health program.

ATTACHMENT 15

Project Services Utilization



(Ultrasound)

The facility will include five ultrasound units allocated to distinct clinical service lines: two general ultrasound machines supporting abdominal, pelvic, vascular, and musculoskeletal imaging; two dedicated breast ultrasound machines optimized for breast tissue evaluation, supplementing mammography in the detection and characterization of breast abnormalities, particularly in patients with dense breast tissue; and one OB/GYN ultrasound machine for obstetric and gynecologic imaging. This allocation ensures that each service line has dedicated equipment capacity without competing for shared resources.

As a result, projected per-unit utilization will not meet the applicable State standard of 3,100 visits per unit. The Applicants submit that this deviation is clinically justified, as consolidating ultrasound services onto fewer multipurpose units would create scheduling conflicts across service lines, delay patient access, and undermine the facility's ability to deliver coordinated, same-day care. The clinical requirements of each service line differ meaningfully: breast ultrasound requires specialized equipment and protocols optimized for breast tissue evaluation, OB/GYN ultrasound requires equipment and workflow configurations tailored to obstetric imaging, and general ultrasound supports a broad range of diagnostic applications that would otherwise compete with these specialized services for equipment availability.

Based on historical utilization data from Duly's existing outpatient settings and anticipated referrals to the proposed facility, the Applicants anticipate substantial utilization of the diagnostic equipment at the Duly St. Charles MOB. Utilization projections for Year 1 are based on historical utilization of Duly patients referred for services by Duly providers within a 25-mile service range over the past 12 months. CT/SPECT reflects historical utilization of 1,027 procedures and Year 1 projected utilization of 1,027 procedures. Mammography reflects historical utilization of 1,911 visits and Year 1 projected utilization of 1,911 visits.

MRI reflects historical utilization of 1,131 procedures and Year 1 projected utilization of 1,131 procedures. The two X-ray units reflect historical utilization of 6,278 procedures and Year 1 projected utilization of 6,278 procedures. The applicable State standard of greater than 6,500 procedures is met in Year 2, with a projection of 6,592 procedures reflecting conservative annual growth of approximately 5 percent.

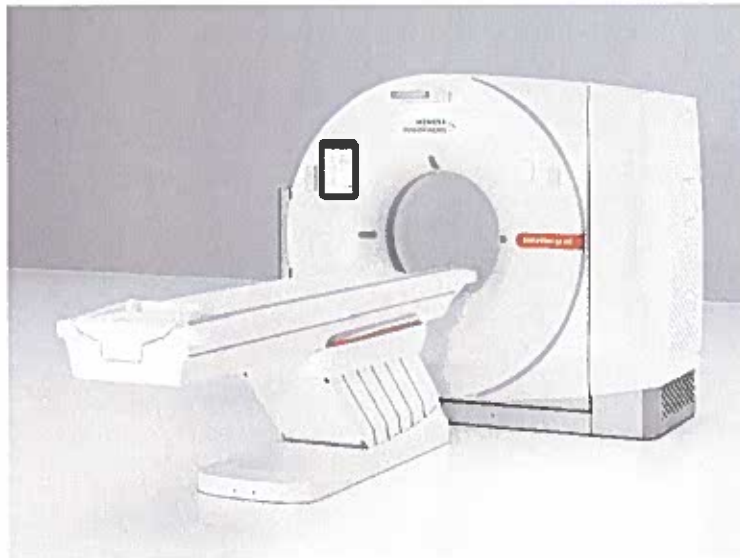
ATTACHMENT 15

Project Services Utilization



(MRI)

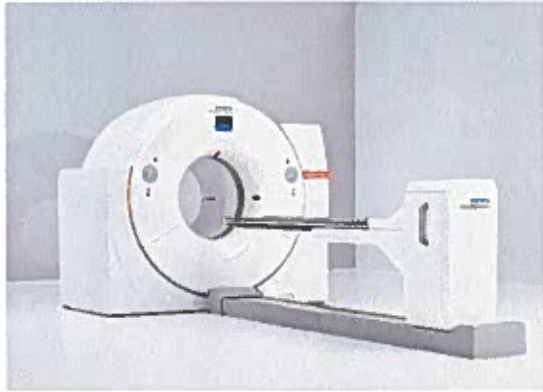
CT reflects historical utilization of 1,595 procedures and Year 1 projected utilization of 1,595 procedures. PET/CT reflects historical utilization of 108 visits and Year 1 projected utilization of 108 visits. DEXA reflects historical utilization of 420 procedures and Year 1 projected utilization of 420 procedures. Together, these projections support the inclusion of the proposed diagnostic equipment to serve the facility's oncology, specialty, and general outpatient services.



(CT)

ATTACHMENT 15

Project Services Utilization



(CT/PET)



(CT/SPECT)

All projections are based on historical utilization data from Duly's existing outpatient settings and anticipated growth of approximately 5 percent annually. In Year 2, CT/SPECT is projected at 1,078 procedures, Mammography at 2,007 visits, the five Ultrasound units at 3,348 visits, MRI at 1,188 procedures, the two X-ray units at 6,592 procedures, CT at 1,675 procedures, PET/CT at 113 visits, and DEXA at 441 procedures. These Year 2 projections meet the applicable State standards: greater than zero for CT/SPECT, Mammography, MRI, CT, PET/CT, and DEXA; greater than 3,100 visits for the Ultrasound machines; and greater than 6,500 procedures for X-ray machines.



(DEXA)

ATTACHMENT 31

Need Determination – Establishment

The proposed Duly Health and Care of Northern Illinois St. Charles Medical Office Building ("Duly St. Charles MOB") is designed with the primary purpose of providing care to residents of the planning area in which the proposed services will be physically located. The planning area consists of the City of St. Charles and adjacent west suburban communities, including Geneva, Batavia, West Chicago, Wayne, and Elburn, encompassing Kane County and portions of adjacent DuPage and DeKalb counties within a 25-mile service radius from the proposed site of the medical office building.

The services to be provided at the facility are non-hospital-based clinical outpatient services that will be delivered by physicians and providers affiliated with Duly Health and Care of Northern Illinois. The primary purpose of the facility is to serve residents of the planning area by expanding access to primary care, urgent care, diagnostic imaging, oncology, and specialty care in a community-based setting.

In addition to serving patients residing within the primary service area, the facility is expected to provide services to Duly patients residing in secondary service areas who currently travel to other Duly outpatient locations for care. Patient origin data confirm that a significant volume of existing Duly patients in the St. Charles service radius currently receive care at more distant Duly facilities, and the proposed project will allow these patients to receive care closer to where they reside. Notwithstanding the anticipated utilization from secondary service areas, the primary purpose of the project remains the provision of care to residents of the planning area.

The need for the proposed establishment is supported by historical utilization data, patient origin analysis, and projected use rates for the planning area population, as summarized below. Historical utilization data from Duly's existing outpatient settings within both initially a 10-mile service radius and also inclusive of a 25-mile service radius of the proposed site demonstrate substantial and sustained demand for the services to be offered at the Duly St. Charles MOB.

The planning area population exhibits health conditions and disease prevalence patterns that support the need for expanded community-based outpatient services. Kane County and the surrounding west suburban communities reflect regional and national trends in the prevalence of chronic conditions, including:

- Cardiovascular disease, which remains a leading cause of morbidity and mortality in Illinois, supporting the need for on-site cardiology and diagnostic imaging services;
- Cancer, with breast cancer screening and early detection supported by on-site mammography, breast ultrasound, PET/CT, and CT Simulation, and comprehensive oncology services provided through the Duly Cancer Institute;
- Diabetes and obesity, which are among the most prevalent chronic conditions nationally and in the Chicago metropolitan area, supporting the need for coordinated primary care, chronic disease management, and specialty referral services;
- Musculoskeletal conditions, supporting the need for on-site imaging (MRI, X-ray, ultrasound) and physical therapy referral pathways.

The project responds to demonstrated capacity constraints at existing Duly outpatient locations in the west suburban market. Increased outpatient utilization across the Duly system, combined with growing patient volume from the St. Charles service radius, underscores the need for a purpose-built facility capable of accommodating additional visit volume in a convenient, community setting. The proposed facility is expected to capture and better serve this existing patient population by offering care closer to where patients reside, while also accommodating future growth.

ATTACHMENT 31

Need Determination – Establishment

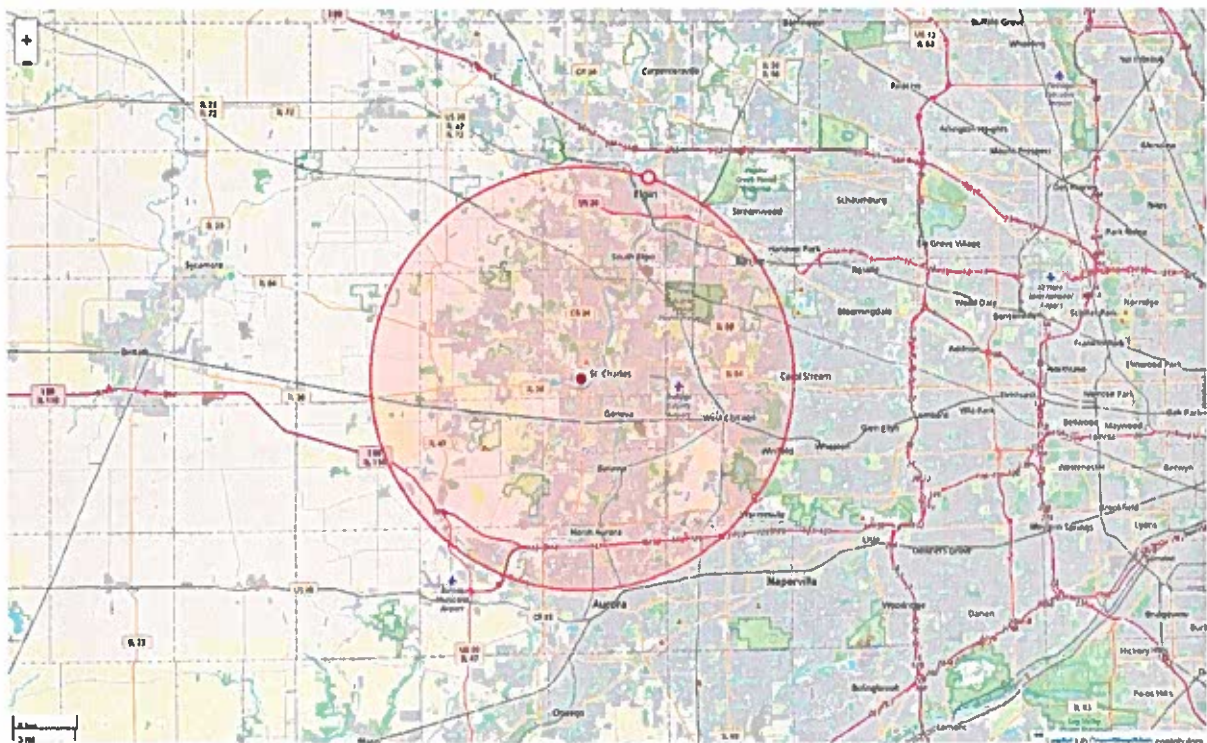
Sources and References

1. Avalere Health, "Health System Consolidation and Employer/Payer Considerations," July 2025.
2. U.S. News & World Report, 2026 Best Ambulatory Surgery Centers, March 2026.
3. Centers for Medicare & Medicaid Services, ACO REACH Program Data, January 2025.
4. Illinois Department of Public Health, Heart Disease and Stroke Statistics; Illinois State Cancer Registry, County-Level Cancer Incidence Data. Available at: dph.illinois.gov.
5. Centers for Disease Control and Prevention, PLACES: Local Data for Better Health, County-Level Estimates for Kane County, Illinois. Available at: cdc.gov/places.
6. National Cancer Institute, State Cancer Profiles, Kane County, Illinois, Cancer Incidence Rates by Site. Available at: statecancerprofiles.cancer.gov.
7. County Health Rankings & Roadmaps, Robert Wood Johnson Foundation and University of Wisconsin Population Health Institute, Kane County, Illinois Health Rankings. Available at: countyhealthrankings.org.
8. Illinois Department of Public Health, Illinois Behavioral Risk Factor Surveillance System (BRFSS), Diabetes and Obesity Prevalence Estimates.
9. Kane County Health Department, Community Health Needs Assessment (most recent available).
10. U.S. Census Bureau, American Community Survey, Population Estimates and Age Distribution, Kane County, Illinois. Available at: data.census.gov.
11. Chicago Metropolitan Agency for Planning (CMAP), Regional Population Projections, Kane County, Illinois. Available at: cmap.illinois.gov.

ATTACHMENT 31

Need Determination – Establishment

The map included with this attachment illustrates the growing concentration of Duly patients within the geographic service area surrounding the proposed facility. The St. Charles market area has a population of approximately 137,923 residents, of whom approximately 69% currently seek care outside the market area. Duly currently serves 18,973 patients within this market an established and growing patient base that demonstrates sustained demand for community-based outpatient services closer to where patients reside. Historical utilization data from Duly's existing outpatient settings show substantial patient volume from within the St. Charles service radius. The top specialty service lines by volume among existing Duly patients in this market are physical therapy, orthopedics, ophthalmology, radiology, and dermatology, each of which will be available at the proposed facility. These utilization patterns support the need for expanded outpatient services closer to where patients reside.



Although the proposed Duly St. Charles MOB is a standalone outpatient facility and Duly Health and Care does not itself operate inpatient facilities, Duly physicians maintain active admitting and clinical privileges at health systems throughout the planning area, including Northwestern Medicine, Ascension, Endeavor Health, and Advocate Health Care. Through these affiliations, Duly providers are directly involved in the inpatient care of patients who, upon discharge, require ongoing outpatient follow-up, diagnostic evaluation, and specialty care management.

Historically, a substantial volume of patients discharged from area hospitals have been referred to Duly outpatient settings for post-acute and follow-up care, including diagnostic imaging, cardiology follow-up, oncology treatment and surveillance, neurology evaluation, and primary care management of chronic conditions. The co-location of primary care, specialty care, diagnostic imaging, pharmacy, laboratory, and infusion services at the proposed facility will enable more timely and coordinated post-discharge care, supporting continuity between inpatient episodes and outpatient follow-up.

ATTACHMENT 31

Need Determination – Establishment

The Duly St. Charles MOB will primarily serve Duly's existing patient base and patients who are already receiving care within the Duly system at more distant Duly outpatient locations. The proposed facility will consolidate and redirect existing Duly patient volume into a more accessible community-based setting; it is not designed or expected to draw patients away from other area providers. The services to be offered at the Duly St. Charles MOB include primary care, urgent care, diagnostic imaging, oncology, and specialty care and the facility will serve patients who are currently traveling outside the immediate St. Charles community to receive these services at other Duly facilities. Patient origin data confirm that the projected utilization at the proposed facility is derived from Duly's established patient base within the service radius, not from the patient populations of competing providers. Notably, 69% of residents in the St. Charles market area currently seek care outside their immediate community, indicating that the market area is underserved by existing outpatient providers. The proposed facility will serve an established Duly patient population of nearly 19,000 patients who are already traveling to more distant Duly locations not displacing patients from other area providers who are meeting local demand. Additionally, the Applicants utilized conservative estimates based on historical volume in the service area to determine project utilization for this facility. However, considering the existing Duly patient population and their most recent experience completing a Medical Office Building in Schaumburg, it is expected that this facility will exceed those conservative projections and increase access to the entire service area.

Accordingly, within 24 months after project completion, the proposed project will not lower the utilization of other area providers below the Board's utilization standards. To the extent that urgent care services at the proposed facility may reduce non-emergent emergency department visits at area hospitals, this diversion reflects a shift to a more appropriate and cost-effective care setting, consistent with the objectives of the Health Facilities and Services Review Board, and does not adversely impact the utilization of inpatient or outpatient services at those facilities below applicable standards.

Key Considerations	Key Metrics	Schaumburg	St Charles	Elmhurst
Population Size and Payer Mix				
	Population size	94,410	137,923	80,419
Access and Referral Patterns				
	% of residents seeking care outside market	83%	69%	72%
	# of existing Duly patients within market	7,535	18,973	11,922
Priority Service Lines				
	Top specialties by volume	1. PT 2. Ophthalmology 3. Radiology 4. Orthopedics 5. Cardiology	1. PT 2. Orthopedics 3. Ophthalmology 4. Radiology 5. Dermatology	1. PT 2. Radiology 3. Ophthalmology 4. Cardiology 5. Orthopedics

ATTACHMENT 34

Availability of Funds

The total estimated project cost for the proposed Duly Health and Care of Northern Illinois – St. Charles Medical Office Building ("Duly St. Charles MOB") is \$65,136,184. The Applicants will fund the project through a combination of cash and existing securities and lease-related funding.

Specifically, \$35,122,108 of the total project cost, representing the construction and related costs to be borne by the Applicants, will be funded through cash and existing securities of DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois and DMG Practice Management Solutions LLC. The remaining \$30,014,076 of the total project cost reflects the fair market value of lease costs associated with the facility over the applicable 10-year lease term. The lease cost also include \$17,500,000 in tenant improvement allowance that will be used for construction of the building.

DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois and DMG Practice Management Solutions LLC have sufficient and readily available internal financial resources to fund the project as proposed, as demonstrated in the Applicants' proof of funding materials and most recent audited financial statements, which are included as attachments to this application. These materials confirm the Applicants' ability to meet all project-related financial obligations, as well as ongoing operational and capital requirements.

ATTACHMENT 36

Financial Viability

The Applicants have met the Financial Viability waiver by funding the project's capital expenditure completely through internal sources.



August 21, 2026

John P. Kniery
Board Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, Floor 2
Springfield, IL 62761

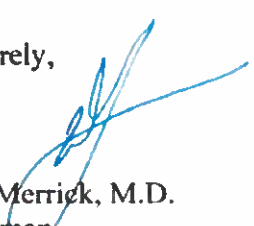
Re: Duly Health and Care of Northern Illinois- St. Charles Medical Office Building
Ill. Admin. Code Section 1120.120(a) Available Funds Certification
Ill. Admin. Code Section 1120.140(a) Reasonableness of Financing Arrangements

Dear Mr. Kniery:

As a representative of DMG Practice Management Solutions, LLC and DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois, I, Paul Merrick, M.D., hereby attest that the total project costs will be \$65,136,184. The Applicant will fund the entirety of the construction of the project and the necessary working capital and operating deficits through the first full fiscal year. DuPage Medical Group, Ltd. will fund these costs with existing cash and securities. There will also be leasing costs associated with this project which will account for \$30,014,076 of the total project costs. The Applicants have sufficient and readily accessible internal resources to fund the obligation required by the project.

I further certify that our analysis of the funding options for this project reflected that the funding strategy outlined herein is the lowest net cost option available.

Sincerely,



Paul Merrick, M.D.
Chairman
Duly Health and Care of Northern Illinois

ATTACHMENT 37

Economic Feasibility

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (List below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Imaging and Diagnostic Spaces	\$188.40	-	43,845	-	-	-	\$8,260,624	-	\$8,260,624
Contingency	\$16.95	-	43,845	-	-	-	\$743,456	-	\$743,456
TOTALS	\$205.35	-	43,845	-	-	-	\$9,004,080	-	\$9,004,080
* Include the percentage (%) of space for circulation									

Pursuant to Illinois Administrative Code Section 1120 Appendix A(a)(3), a project's cost must be at or below the RS Means for the new construction of a medical office building. At the time of this application the RS Means for the new construction of a medical office building in this area of the state, is \$301.57 per GSF. This project is slated to be completed in the third quarter of 2028 and the applicable RS Means standard is \$301.57 per GSF. The proposed cost per GSF for this project is \$205.35.

ATTACHMENT 38
Safety Net Information – NOT APPLICABLE

This project is classified as non-substantive and no Safety Net Impact Statement is required.



August 21, 2026

John P. Kniery
Board Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, Floor 2
Springfield, IL 62761

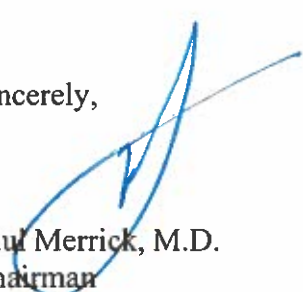
Re: Duly Health and Care of Northern Illinois – St. Charles Medical Office Building - Flood Plain Requirements

Dear Mr. Kniery:

As representative of DuPage Medical Group, Ltd. d/b/a Duly Health and Care of Northern Illinois, I, Paul Merrick, M.D., affirm that our proposed site for the Duly St. Charles Medical Office Building complies with Illinois Executive Order #2005-5. The site located at 131 S. Randall Rd., St. Charles, IL 60174 is not located in a flood plain, as evidence, please find enclosed a map from the Federal Emergency Management Agency ("FEMA").

I hereby certify this is true and is based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

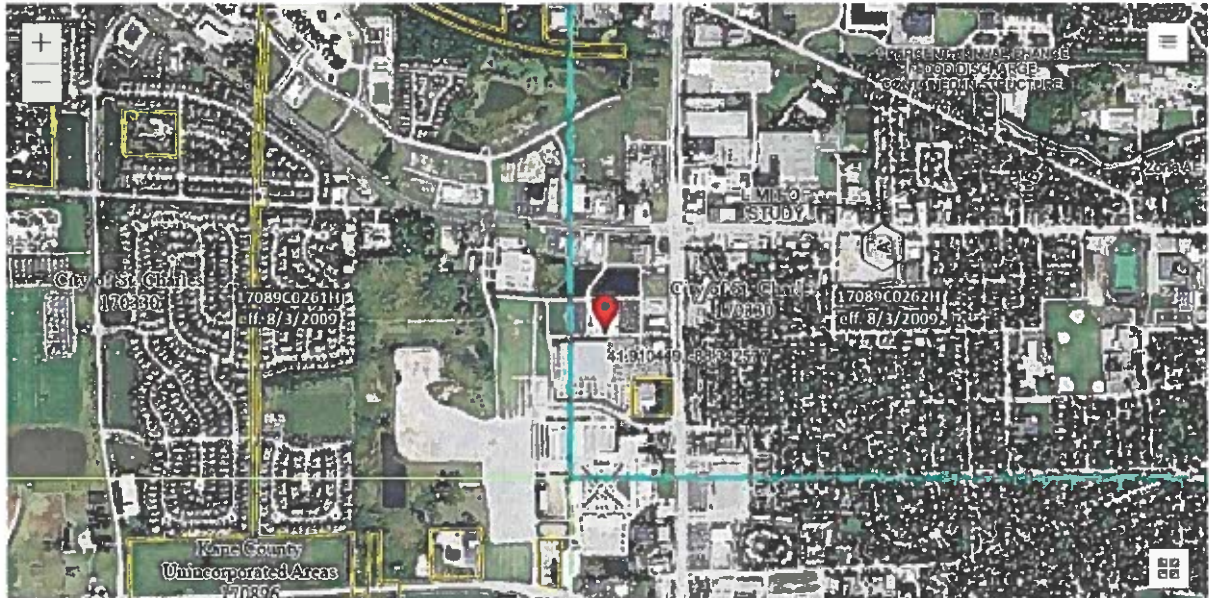
Sincerely,



Paul Merrick, M.D.
Chairman
Duly Health and Care of Northern Illinois

ATTACHMENT 40

Flood Plain Requirements Letter



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	26-28
2.	Site Ownership	29-39
3.	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership	40-41
4.	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	42
5.	Flood Plain Requirements	43-44
6.	Historic Preservation Act Requirements	45-49
7.	Project and Sources of Funds Itemization	50-65
8.	Financial Commitment Document if required	66-67
9.	Cost Space Requirements	68
10.	Discontinuation	n/a
11.	Background of the Applicant	69-81
12.	Purpose of the Project	82-115
13.	Alternatives to the Project	116
14.	Size of the Project	117
15.	Project Service Utilization	118-122
16.	Unfinished or Shell Space	n/a
17.	Assurances for Unfinished/Shell Space	n/a
Service Specific:		
18.	Master Design and Related Projects	n/a
19.	Medical Surgical Pediatrics, Obstetrics, ICU	n/a
20.	Comprehensive Physical Rehabilitation	n/a
21.	Acute Mental Illness	n/a
22.	Open Heart Surgery	n/a
23.	Cardiac Catheterization	n/a
24.	In-Center Hemodialysis	n/a
25.	Non-Hospital Based Ambulatory Surgery	n/a
26.	Selected Organ Transplantation	n/a
27.	Kidney Transplantation	n/a
28.	Subacute Care Hospital Model	n/a
29.	Community-Based Residential Rehabilitation Center	n/a
30.	Long Term Acute Care Hospital	n/a
31.	Clinical Service Areas Other than Categories of Service	123-126
32.	Freestanding Emergency Center Medical Services	n/a
33.	Birth Center	n/a
Financial and Economic Feasibility:		
34.	Availability of Funds	127
35.	Financial Waiver	n/a
36.	Financial Viability	128
37.	Economic Feasibility	129-130
38.	Safety Net Impact Statement	131
39.	Charity Care Information	n/a
40.	Flood Plain Information	132-133