

# St. Mary's Good Samaritan

Incorporated

January 22, 2010

Cosponsored by Felician Services, Inc.  
and SSM Health Care

Mr. Mike Mills  
Compliance Administrator  
Illinois Health Facilities Planning Board  
525 W. Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Re: 2009 / 2010 Annual Progress Report for Project # 08-070  
(Physician Surgery Center at Good Samaritan)



Dear Mr. Mills,

In accordance with Section 1130.760 of the Administrative Code, this letter serves as the annual Progress Report for Project 08-070 (Physician Surgery Center at Good Samaritan). This project was approved by the Health Facilities Planning Board on January 28, 2009 along with two other related projects -- Good Samaritan replacement hospital (project 08-051) and the Physicians & Ambulatory Services Building (Project 08-050).

## STATUS REPORT

The following is an outline of progress towards the Physician Surgery Center through January 22, 2010:

- The share offering for the Surgery Center was finalized on August 21, 2009. All 40 available physician shares were sold. The first half of the investment by the physicians (\$400,000) was finalized on this date.
- The process of creating and finalizing the design drawings for the Surgery Center began on December 10, 2009.
  - Drawings are anticipated to be complete by April 14, 2010.
- Good Samaritan finalized the first half (\$300,000) of the investment in the Physician Surgery Center at Good Samaritan on November 6, 2009.
- United Surgical Partners, International finalized the first half (\$300,000) of the investment in the Physician Surgery Center at Good Samaritan on November 6, 2009.
- The Physicians & Ambulatory Services Building / Physician Surgery Center Commencement Schedule was approved by the Steering Team on October 9, 2009.

The Surgery Center will be located inside the Physicians & Ambulatory Services Building. This building is projected to take approximately 17 months to construct (13 months less than the hospital construction period). The Surgery Center, Physicians & Ambulatory Services Building, and the replacement hospital are intended to open simultaneously. Therefore, we will be requesting a one-year "Extension of Obligation" in April, following the completion of the construction drawings and submission of these drawings to the Illinois Department of Public Health (for both the Surgery Center and the Physicians & Ambulatory Services Building).

The Medical Office Building / Ambulatory Surgery Project Commencement schedule is attached for your reference. The schedule is based on our intention to request a one-year "Extension of Obligation".

**RECEIVED**

JAN 27 2010

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

605 North 12th Street  
Mt. Vernon, IL 62864  
618.242.4600

www.smsgsi.com

## COSTS & FINANCING

### Project Cost & Sources of Funds – Total

<u>Cost</u>	<u>CON Permit Amount</u>	<u>Expenditures-to-Date</u>
New Construction Contracts	\$1,112,500	--
Contingencies	\$100,000	--
Architectural / Engineering Fees	\$203,500	\$37,163
Consulting & Other Fees	\$225,000	\$93,845
Movable or Other Equipment	\$2,490,000	--
Fair Mkt Value of Leased Space / Equip	\$4,478,781	--
Other Costs to be Capitalized	\$338,490	\$42,359
<b>Total Statement of Probable Cost</b>	<b>\$8,948,271</b>	<b>\$173,367</b>

### ANTICIPATED DATE OF COMPLETION

As shown on the attached Commencement Schedule, the construction of the Physician Surgery Center at Good Samaritan is estimated to take approximately 120 days. It will be located inside the new Physicians & Ambulatory Services Building which has an anticipated construction period of 17 months. The projects will be complete before the December 31, 2012 required completion date listed in the Certificate of Need permits.

If you should have any questions about this Progress Report, or would like additional information, feel free to contact me at (618) 241-2201.

Sincerely,



Michael Warren, FACHE  
President, Good Samaritan Regional Health Center

State of Illinois, County of Jefferson

I, Jeanette Young, Notary, attest that the person known to me as Michael Warren, appeared before me and affixed his hand and seal above on this 22<sup>nd</sup> day of January, 2010.



Jeanette Young, Notary  
My Commission expires December 5, 2010



STATE OF ILLINOIS  
**HEALTH FACILITIES PLANNING BOARD**

525 WEST JEFFERSON STREET • SPRINGFIELD, ILLINOIS 62761 • (217)782-3516

January 31, 2009

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Michael Warren, Vice President  
Good Samaritan Regional Health Center  
605 North 12<sup>th</sup> Street  
Mt. Vernon, Illinois 62864

RE: **PERMIT**: Illinois Health Facilities Planning Act 20 ILCS 3960

Dear Mr. Warren:

On January 28, 2009, the Illinois Health Facilities Planning Board approved the application for permit for the referenced project based upon the project's substantial conformance with the applicable standards and criteria of Part 1110 and 1120. In arriving at a decision, the State Board considered the findings contained in the State Agency Report, the application material, and any testimony made before the State Board.

**PROJECT**: #08-070 - Physicians Surgery Center at Good Samaritan - The applicants are approved for the establishment of a multi-specialty ambulatory surgical treatment center (ASTC) located at Veterans Memorial Drive and 42<sup>nd</sup> Street, Mount Vernon, Illinois in 13,675/GSF of space. The applicants are approved for 5 operating rooms.

- **PERMIT HOLDERS**: Physicians Surgery Center at Good Samaritan, LLC, Good Samaritan Regional Health Services, 605 North 12<sup>th</sup> Street, Mount Vernon, Illinois, SSM Regional Health Services, SSM Health Care Corporation, 477 N. Lindbergh, Blvd., St. Louis, Missouri. and Mount Vernon Physicians, LLC, 7101 West 78<sup>th</sup> Street, Suite 100, Minneapolis, Minnesota.
- **PERMIT AMOUNT**: \$8,949,271.
- **PROJECT OBLIGATED BY**: July 28, 2010
- **PROJECT COMPLETION DATE**: December 31, 2012

This permit is valid only for the defined construction or modification, site, amount and the named permit holder and is not transferable or assignable.

In accordance with the Planning Act, the permit is valid until such time as the project has been completed, provided that all post permit requirements have been fulfilled, pursuant to the requirements of 77 Ill. Adm. Code 1130. The permit holder is responsible for complying with the following requirements in order to maintain a valid permit. Failure to comply with the requirements may result in expiration of the permit or in State Board action to revoke the permit.

1. OBLIGATION-PART 1130.720

The project must be obligated prior to the **Project Obligation Date**, unless the permit holder obtains an "Extension of the Obligation Period" as provided in 77 Ill. Adm. Code 1130.730.

2. ANNUAL PROGRESS REPORT-PART 1130.760

An annual progress report must be submitted to IDPH every 12-month from the permit issuance date until such time as the project is completed.

3. PROJECT COMPLETION REQUIREMENTS-PART 1130.770

The permit holder must submit a written notice of project completion as defined in Section 1130.140. Each permit holder shall notify HFPB within 30 days following the project completion date and provide supporting documentation within 90 days following the completion date and must contain the information required by Section 1130.770.

This permit does not exempt the project or permit holder from licensing and certification requirements, including approval of applicable architectural plans and specifications prior to construction. Should you have any questions regarding the permit requirements, please contact Mike Constantino.

Sincerely,



Jeffrey S. Mark  
Executive Secretary

cc: William Bell  
Karen Senger  
Jody Gudgel  
Project File

