

**Roate, George**

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**From:** Anne Cooper [ACooper@Polsinelli.com]  
**Sent:** Wednesday, January 05, 2011 12:15 PM  
**To:** Roate, George  
**Cc:** Kara Friedman; Constantino, Mike  
**Subject:** RE: Project 11-003 Mattoon Dialysis  
**Attachments:** Reasonableness of Costs.pdf, pdf

George,

Is this the page you are looking for? Sorry, I did complete it but somehow did not make it into the application that was sent to you. Let me know if you need anything further.

Anne



**Anne M. Cooper**  
 Attorney

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JAN 05 2011

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 SERVICES REVIEW BOARD**

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**From:** Kara Friedman  
**Sent:** Wednesday, January 05, 2011 12:02 PM  
**To:** Anne Cooper  
**Subject:** FW: Project 11-003 Mattoon Dialysis

-Kara Friedman  
 312-873-3639

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**From:** Roate, George [mailto:George.Roate@Illinois.gov]  
**Sent:** Wednesday, January 05, 2011 12:00 PM  
**To:** Kara Friedman  
**Cc:** Constantino, Mike  
**Subject:** Project 11-003 Mattoon Dialysis

Kara:

The completeness review for the above mentioned project has resulted in the following deficiency:

1) 1120.140(c): Reasonableness of Project and Related Costs. An initial review of the application has failed to turn up any data pertaining to said criterion. If I have overlooked this, please accept my apologies. However, it is apparent that the criterion is absent from the application itself (application p. 20), and from the chronological order of the attachments in this section (application p. 283-287). If we can be of further assistance, please do not hesitate to contact us. The State Agency has until January 18, 2011 to deem this application complete/incomplete. Thank you.

George Roate

Illinois Department of Public Health

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1-5-11  
11-003  
E-MAIL

**Section X, Economic Feasibility Review Criteria**  
**Criterion 1120.140(c), Reasonableness of Project and Related Costs**

1. The Applicants propose to discontinue their existing 16-station dialysis facility and establish a 16-station dialysis facility.

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)	
ESRD		\$110.28			7,200			\$794,000	\$794,000
Contingency		\$11.03			7,200			\$79,400	\$79,400
TOTALS		\$121.31			7,200			\$873,400	\$873,400

\* Include the percentage (%) of space for circulation

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

Table 1120.310(c)			
	Proposed Project	State Standard	Above/Below State Standard
Modernization Contracts	\$794,000	\$145 per gsf x 7,200 gsf x 1.03 <sup>3</sup> = \$145 x 7,200 x 1.1256 = \$1,175,126	Below State Standard
Contingencies	\$79,400	10-15% of Modernization Contracts = 10-15% x \$794,000 = \$79,400 - \$119,100	Meets State Standard
Architectural/Engineering Fees	\$62,000	7.18% - 10.78% x (Modernization Costs + Contingencies) = 7.18% - 10.78% x (\$794,000 + \$79,400) = \$62,710 - \$94,153	Below State Standard
Consulting and Other Fees	\$55,000	No State Standard	No State Standard
Moveable Equipment	\$308,074	\$39,945 per station x 1.03 <sup>3</sup> \$39,945 x 1.093 x 16 = \$698,384	Below State Standard

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Attachment - 42C