

Constantino, Mike

From: Avery, Courtney
Sent: Wednesday, May 30, 2012 4:20 PM
To: Constantino, Mike; Roate, George
Subject: FW: DUPAGE MEDICAL GROUP'S CON SUBMISSION - COVER LETTER
Attachments: 1379_001.pdf

FYI

From: Murer, Cheryl [mailto:CMurer@murer.com]
Sent: Wednesday, May 30, 2012 4:17 PM
To: Urso, Frank; Avery, Courtney; Kasper, Michael A.; 'Fine, Dennis'; 'Larry J. Goodman (larry_j_goodman@rush.edu)'; Anne Murphy
Cc: 'Johnson, Laura'; Heien A Casillas; 'Simone Tseng'; Matthew Dunne
Subject: DUPAGE MEDICAL GROUP'S CON SUBMISSION - COVER LETTER

Good afternoon,

As per our technical discussion with CON staff on May 1, 2012, Murer Consultants has submitted today, May 30, 2012, the CON Application for DuPage Medical Group's Medical Office Building in Lisle. This application includes both DMG and Rush University Medical Center as co-applicants.

Attached to this email please find the cover letter Murer Consultants submitted with the application. This cover letter, along with the application and all relevant attachments will be received, via FedEx, by the Health Facilities and Service Review Board by 10:30 am Thursday, May 31, 2012.

Thank you for your cooperation and assistance in this matter.

Cheryl G. Murer, JD, CRA
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May 30, 2012

Dale Galassie, Chairman
Illinois Health Facilities and Services Review Board
2nd Floor
525 West Jefferson Street
Springfield, Illinois 62761

Re: DuPage Medical Group-Lisle Medical Office Building CON Application

Dear Mr. Chairman,

Please find included with this letter the application for a Certificate of Need by DuPage Medical Group, Ltd. and Rush University Medical Center. As the application details, this project is for the construction of a Medical Office Building wherein radiation therapy and chemotherapy infusion services will be provided.

This application is being submitted by Murer Consultants, Inc. on behalf of DuPage Medical Group, Ltd. (DMG) and Rush University Medical Center (RUMC). Murer was retained by DMG in early February 2012 to act as interlocutor with the Health Facilities and Services Review Board Staff regarding the applicability of CON review criteria to this project and, subsequently, to assist in the preparation of this application.

During the pre-submission discussions with the Board Staff, Murer explained the applicants' understanding of the rules, i.e. that this Medical Office Building project, owned and operated by a physician group, did not involve the establishment of a health care facility nor was it being undertaken on behalf of a health care facility. It was based on this interpretation that the applicants had not previously filed a CON application.

However, discussions with Board Staff made clear their position that the project was subject to CON review because (1) the cost of the entire building must be included in the threshold calculation for major medical equipment and (2) the lease between DMG and Rush to rent space at the MOB, combined with a separate clinical collaboration agreement, was interpreted to mean

that the project was on behalf of RUMC. It is therefore in keeping with this interpretation of the rules that the applicants hereby file a CON application for this project. It was also as a result of the Board Staff's interpretation of the rules that RUMC is included as a co-applicant. Once the discussions regarding CON applicability with the Board Staff were concluded, the applicants prepared the application for submission with all deliberate speed.

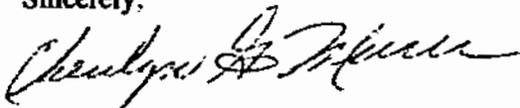
The project, as is detailed in the attached application involves two Clinical Service Areas (CSAs) requiring review. These are as follows:

- Radiation Therapy – This is to be provided by a linear accelerator located in 965 sq. ft. of the building. This equipment will be wholly owned, operated, and, financed by DuPage Medical Group, which is a physician group. It should be noted that DMG far exceeds the established utilization standards for this CSA as reported in the Certificate of Need Application.
- Chemotherapy/Infusion – This is to be provided by RUMC in the space it is leasing from DMG. The Board Staff concurred that there are no established state determined utilization standards for this CSA. However, the need assessment conducted by the applicants indicates a strong demand for these services.

The remaining services provided in the MOB, including primary care, are, per the Board Staff's instructions, not subject to CON review. The attached application discusses this project in greater detail. As you will see, the applicants believe this project will greatly improve accessibility of primary and tertiary health care in the western suburbs of Chicago.

On behalf of the co-applicants, and Murer Consultants, we thank the Staff for its cooperation and guidance and look forward to the oral presentation to the Board at the next available hearing date. However, as previously discussed with Board Staff the applicants respectfully request expedited review and, if possible, presentation at the Board's scheduled meeting on July 23-24, 2012.

Sincerely,



Cheryl G. Murer, JD, CRA
President & CEO
Murer Consultants, Inc.

cc:

Courtney Avery, Administrator, Health Facilities and Services Review Board
Frank Urso, General Counsel, Health Facilities and Services Review Board
Michael Kasper, CEO, DuPage Medical Group
Dennis Fine, COO, DuPage Medical Group
Larry J. Goodman, M.D., CEO, Rush University Medical Center
Anne Murphy, Senior VP of Legal Affairs and General Counsel, Rush University Medical Center