



# STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

<b>DOCKET ITEM:</b> A-03	<b>BOARD MEETING:</b> September 26, 2017	<b>PROJECT NUMBER:</b> 13-072
<b>PERMIT HOLDERS(S):</b> Beloit Health System, Inc.		
<b>FACILITY NAME and LOCATION:</b> NorthPointe Health & Wellness Campus ASTC		

## STATE AGENCY REPORT PERMIT RENEWAL REQUEST

### **I. Background**

On June 2, 2015, the State Board approved Project #13-072. The permit authorized the establishment of an Ambulatory Surgery Treatment Center (ASTC), in Roscoe. The State Agency notes the project is obligated, and the current project completion date is October 15, 2017. Original project cost: \$16,339,704.

The State Agency notes the permit holders submitted the permit renewal request on September 01, 2017. This submittal was in accordance with 77 IAC 1130.740(d), which states that renewal requests must be received by the State Agency at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

### **II. Findings**

The State Agency notes this is the **second** renewal request for this project and it appears the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal. Board Staff notes on August 1, 2014, the application was subject to a Type B modification which decreased the project cost by \$1,063,510 (6.5%), from \$16,339,704 to \$15,276,194. The modification also accounted for a reduction in project size by 1,851 GSF (17.5%), from 10,531 GSF to 8,680 GSF. On February 16, 2016, the project was approved for an alteration to increase the clinical GSF by 2,320 GSF (25.6%), from 9,047 GSF to 11,367 GSF.

### III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of February 27, 2018. This would extend the project's completion date by four and one half months, from October 15, 2017 to February 27, 2018.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is 100% complete in reference to construction and project costs. The facility is fully licensed and operational. The project completion reports remain.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the following events occurred, which delayed completion of the project:
- The permit holders state the unanticipated delays in finishing the final project cost reports have made it necessary to request an additional 4.5 months.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate \$15,276,194 (100% of the total adjusted project cost), has been expended to date and can attest to the existence of sufficient financial resources to complete the project.
- E. Anticipated Final Cost of the Project: The permit holders attest the project did not deviate from the modified permit amount of \$15,276,194.

### V. Project Description & Other Background Information

The permit authorized the establishment of a multi-specialty Ambulatory Surgery Treatment Center (ASTC), in Roscoe. Project cost: \$15,276,194.

Permit Issuance Date:	June 2, 2015
Application Modification Date:	August 1, 2014
Permit Alteration Date:	February 16, 2016
Financial Commitment Date:	March 15, 2016
Original Project Completion Date:	December 16, 2016
Proposed Project Completion Date: (10-month renewal request)	October 15, 2017
Proposed Project Completion Date: (4.5-month renewal request)	February 27, 2018

## **VI. Applicable Rules for Permit Renewal Requests**

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.230(h)(5) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(b) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(c) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(d) states Board Staff will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFSRB criteria, and if this is the first request for this project, then the request, IDPH's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFSRB, will approve, deny or refer the request to the HFSRB for action. If Board Staff finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFSRB for action, then HFSRB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). Denial of a permit renewal request constitutes HFSRB's Notice of Intent to revoke a permit and the permit holders will be afforded an opportunity for an administrative hearing.

## **VII. Other Information**

Appended to this report are the following: the permit holders' documents for a permit renewal.

August 31, 2017

Ms. Kathryn J. Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

**RECEIVED**

SEP 01 2017

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

Re: Permit Renewal Request (Section 1130.740)  
NorthPointe Health and Wellness Campus ASTC  
CON Permit Number 13-072

Dear Ms. Olson,

On June 2, 2015 the Illinois Health Facilities and Services Review Board (IHFSRB) approved the permit application for our project. The approved permit was approved with a December 16, 2016 project completion date. On September 9, 2016 we filed a Permit Renewal Request, changing the project completion date to October 15, 2017. This request was approved on October 14, 2017.

Our second annual progress report per Section 1130.760 was filed on June 22, 2017. This report indicated construction and licensing was complete. We served our first patients that same week.

Although we are licensed and operational, we have experienced a delay in completing the necessary Project Completion filings. Pursuant to Section 1130.740 we respectfully request a Permit Renewal. The details follow below:

1. Completion Date
  - a. Original; December 16, 2016
  - b. Modified; October 15, 2017
  - c. Requested; February 27, 2018 (an approximate 4 month renewal)
2. Project Status Report

The Project is 100% complete based on construction and project costs. As noted in our recent Annual Progress Report submission, the ASTC has been licensed by IDPH and we are operational.
3. Rational for Renewal

Unanticipated delays have impacted the completion of project completion reports. (As required by Section 1130.770)
4. The Project Scope is consistent with the approved and subsequently altered approved CON permit. We remain an A-Rated organization and the required project costs have been expended.

Our permit renewal processing fee in the amount of \$500.00 (Section 1130.230) is enclosed with this submission.

**At-Home Healthcare**  
1904 E. Huebbe Parkway  
Beloit, WI • (608) 363-5885

**Clinton Clinic**  
307 Ogden Avenue  
Clinton, WI • (608) 676-2206

**Janesville Clinic**  
1321 Creston Park  
Janesville, WI • (608) 757-1217

**NorthPointe Terrace**  
5601 E. Rockton Road  
Roscoe, IL • (815) 525-4800

**Riverside Terrace**  
3055 S. Riverside Or.  
Beloit, WI • (608) 365-7222

**Beloit Clinic**  
1905 E. Huebbe Parkway  
Beloit, WI • (608) 364-2200

**Darien Clinic**  
300 N. Walworth Street  
Oarien, WI • (262) 882-1151

**NorthPointe Health &  
Wellness Campus**  
5605 E. Rockton Road  
Roscoe, IL • (815) 525-4000

**Occupational Health Sports  
& Family Medicine Center**  
1650 Lee Lane  
Beloit, WI • (608) 362-0211

**West Side Clinic**  
1735 Madison Road  
Beloit, WI • (608) 363-7510

NorthPointe Health and Wellness Campus ASTC  
Permit Renewal Request (Section 1130.740)  
Project Number 13-072  
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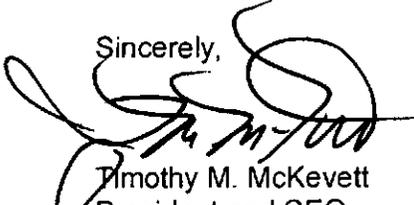
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The Project Scope is consistent with the approved and subsequently altered approved CON permit. We remain an A-Rated organization and the required project costs have been expended.

Our permit renewal processing fee in the amount of \$500.00 (Section 1130.230) is enclosed with this submission.

Please contact me if there are any questions regarding this Permit Renewal Request with an estimated completion date of February 27, 2018. I can be reached at 608-365-5685 or by e-mail at [tmckevett@beloithealthsystem.org](mailto:tmckevett@beloithealthsystem.org).

Sincerely,

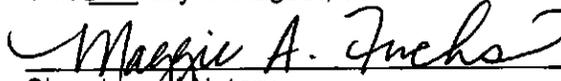


Timothy M. McKeve  
President and CEO  
Beloit Health System

Notarization:

Subscribed and sworn to before me

This 31<sup>st</sup> day of August, 2017



Maggie A. Fuchs  
Signature of Notary

Seal

Enclosure: Check Number 6097071

CC: Courtney R. Avery, Administrator  
Mike Constantino, Supervisor, Project Review Section  
Thomas McCawley, Vice President  
Scott Leckey, Chief Financial Officer  
Ed Parkhurst, PRISM Healthcare Consulting