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January 15, 2015

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Via Federal Express

**RECEIVED**

**JAN 16 2015**

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

Ms. Courtney Avery  
Administrator  
Illinois Health Facilities and Services Review  
Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

**Winchester Endoscopy Center (Proj. No. 14-025)**

Dear Ms. Avery:

I am writing on behalf of Winchester Endoscopy, LLC (“Winchester”) to provide information subsequent to the December 16, 2014 Illinois Health Facilities and Services Review Board (“State Board”) meeting and to address the negative findings in the State Board Report. Importantly, as anticipated, our client has entered into a Consent Agreement and Final Order (“Consent Agreement”) with the Illinois Department of Public Health (“IDPH”), which resolved the compliance issue alleged by IDPH. A copy of the Consent Agreement, which we received today, is included with this letter. As you can see, as part of the Consent Agreement, IDPH is requiring our client to obtain a CON permit and ambulatory surgical treatment center license. IDPH anticipated that a CON permit would be issued at the upcoming State Board meeting on January 27, 2015 and set a February 1, 2015 deadline for that event. We believe there are no further issues, which should delay consideration of the Winchester Endoscopy Center certificate of need (“CON”) application at the January 27, 2015 State Board meeting.

**1. Previous State Board Findings**

**a. Background of the Applicant**

State Board Staff based its finding on the Background of Applicant criterion on the results of the October 2, 2014 IDPH survey of the affiliated medical practice’s operations. Based upon the allegations raised by IDPH in the October 29, 2014 Cease and Desist Letter and the related provisions of the Consent Agreement, IDPH is requiring the endoscopy service operated by the applicant’s affiliate, NorthShore Center for Gastroenterology, S.C. (“NSCG”) Suite 146 to be licensed. However, pursuant to the Consent Agreement, IDPH specifically exculpates the respondent from wrongdoing. Specifically, Section 6 of the Consent Agreement states: “The parties agree that this Consent Agreement is entered into solely for the purpose of settlement and,

except for future actions between the Department and Respondent, does not constitute an admission of any liability or wrongdoing by the Respondent, its parent, subsidiaries or other related entities, or each of its directors, officers, employees, agents, successors, assigns and attorneys.” Moreover, the Consent Agreement permits the affiliated medical practice to operate Suite 146 under a plan of correction, which requires a CON permit be obtained by February 1, 2015 and Suite 146 to be survey-ready for an ASTC licensure survey by December 1, 2015. The Consent Agreement dismisses the IDPH compliance action against the affiliated medical practice. Importantly, it is a compromise and settlement of the violations alleged in the October 29, 2014 Cease and Desist Letter; it is not an admission of fault, liability, or wrongdoing of any kind by Winchester or its affiliated medical practice. As a result, there is no final determination against Winchester or its affiliated medical practice, and there should be no negative finding regarding background of the applicant.

As a further point of reference, the applicant, Winchester Endoscopy Center, LLC, which is owned by the three principal physicians who practice as part of NSCG, does not operate the endoscopy service that is the subject of the Consent Agreement. Rather, it is a shell entity that has been formed for the purposes of operating the endoscopy service as a separate entity which would be an affiliate of medical practice.

#### b. Service Access and Unnecessary Duplication of Service

The State Board Report included negative findings for Service Access and Unnecessary Duplication of Services citing the possibility that other area providers could serve as a substitute. Importantly, while the State Board’s rules define an ASTC’s geographic service area as the area consisting of all zip code areas located within 45 minutes of the project’s site,<sup>1</sup> the primary service area for Winchester Endoscopy Center, which is based on the associated medical practice’s patient base, is much smaller. As shown in Attachment 1, Winchester Endoscopy Center’s primary service area is located within Lake County and is approximately one third of the size of the State Board’s defined geographic service area. In fact, 88 percent of the patient volume (or 3,793 cases) for the 12 month period prior to filing the CON application came from the primary service area. As discussed in greater detail in this submission, there are no feasible alternatives within Lake County for these patients to receive high quality, low cost gastroenterology procedures. Given the large concentration of patients residing in Lake County, it is not in the best interests of patients to require them to travel outside of the county for gastroenterology services, and it is infeasible for the affiliated physicians to travel far from their practice location to provide services that they routinely provide. The population of Lake County is over 700,000 and grew 9% from 2000 to 2010. Despite a large and growing population, physician resources in Lake County, including gastroenterology, are scarcer in northern Lake County than they are in other parts of metropolitan Chicago. The NSCG physicians work long hours juggling a large patient base. It is important for their efficiency and to ensure patient access that they are able to stay at their practice office on normal office days.

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<sup>1</sup> 77 Ill. Admin. Code §1110.1540(c)(2)(A)

While the State Board Report states that other area providers might be an appropriate alternative to this proposal, none of these suggested alternatives is feasible for the patients of NSCG who require endoscopy. As shown in Attachment – 2, NSCG physicians do not meet criteria for privileges at three of the hospitals<sup>2</sup> and three of the ASTCs.<sup>3</sup> The only hospital where the NSCG physicians have privileges, Advocate Condell Medical Center, has a large caseload of endoscopy cases and no block time available for the physicians who perform their procedures at NSCG. A fifth hospital, Midwestern Regional Medical Center, which is part of Cancer Treatment Centers of America, specializes in oncology care and is not the appropriate setting for patients who have not been diagnosed with cancer.

Further, even if the NSCG physicians could perform gastroenterology procedures in a hospital outpatient department (“HOPD”), such an option would not be a good use of limited health care dollars. ASTCs play a vital role in ensuring patient access to preventive measures, such as colonoscopies, in a convenient and affordable setting. When these life-saving procedures are performed in ASTCs, patients, employers and payors benefit. ASTCs perform the procedures at a lower cost than HOPDs. Specifically, according to data from IDPH, the median charge for a colonoscopy at the area hospitals ranged from \$4,367 to \$8,070, which is three to five times greater than the median procedure charge of \$1,480 which Winchester committed to charging in Section 1110.1504(j) of the CON application.<sup>4</sup> In addition to the cost savings, patients benefit from having the procedure performed at a location adjacent to the NSCG offices. The familiarity with the location and continuity of care improves colorectal cancer screening rates. Timely screening and treatment not only improve patient outcomes, but lowers costs to the health care system as colorectal cancer can be diagnosed and treated in the early stages.

As noted above, there are six existing ASTCs within Winchester Endoscopy Center’s primary service area. Only three of the existing ASTCs have an open medical staff; however, these facilities either do not provide gastroenterology services<sup>5</sup> or are not authorized by the State Board to provide gastroenterology services.<sup>6</sup> Accordingly, there is no viable option for NSCG patients to receive gastroenterology services within Lake County.

## **2. December Board Meeting Inquiry**

The primary issue raised by the State Board members regarding this project was why NSCG did not obtain an ambulatory surgical treatment center (“ASTC”) license prior to performing endoscopy procedures in its suite located at 1870 West Winchester Road, Suite 146 (“Suite 146”). An ASTC license was not initially sought because NSCG planned to operate Suite 146 as part of its medical practice under the IDPH office-based surgery exception. Importantly,

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<sup>2</sup> Advocate Good Shepherd Hospital, NorthShore University HealthSystem Highland Park Hospital, and Northwestern Lake Forest Hospital.

<sup>3</sup> Lake Forest Endoscopy Center, North Shore Endoscopy Center, Northwestern Grayslake Outpatient ASTC

<sup>4</sup> See Winchester CON Application p 73.

<sup>5</sup> Hawthorn Surgery Center; Lindenhurst Surgery Center

<sup>6</sup> Hawthorn Surgery Center; Lindenhurst Surgery Center

Suite 146 does not meet the Centers for Medicare and Medicaid Services (“CMS”) definition of an ambulatory surgical center as it is not a distinct entity from the medical practice, and it is not certified as an ambulatory surgical center. Suite 146 is used solely by NSCG physicians. At this time, while its volumes are growing (and this necessitating adding another endoscopy treatment area), endoscopy procedures do not constitute 50 percent of the activities of NSCG’s medical practice. Finally, Suite 146 was built to comply with the Joint Commission accreditation standards for office-based practices and not IDPH licensure standards. In fact, a significant amount of capital will need to be invested in Suite 146 so it may be licensed as an ASTC.

NSCG acquired Suite 146 because the volume of endoscopy procedures continued to increase and created patient flow issues in its medical office located at 1880 West Winchester Road, Suite 210 (“Suite 210”). While space immediately adjacent to Suite 210 was not available, NSCG identified space within the same medical office park. NSCG was informed by its counsel that it could operate Suite 146 as part of its medical practice, provided it was located within the same medical office complex and otherwise complied with the requirements for the office-based surgery exception. Importantly, the IDPH office-based surgery exception is unclear regarding the proximity of the surgical area to the main office. In addition to the endoscopy procedure rooms, the Suite 146 houses NSCG’s imaging equipment, and a patient consult exam room and these services are also provided in Suite 146. All procedures are performed by NSCG physicians and billed under NSCG’s physician’ provider numbers as part of the professional service. Accordingly, it was NSCG’s understanding that Suite 146 complied with IDPH’s office-based surgery exception and no license was needed as long as endoscopy procedures are less than 50 percent of NSCG’s activities. As is evident from recent proceedings, IDPH has now taken a contrary position.

### **3. Comments from Third Parties**

#### **a. Illinois Hospital Association**

On July 31, 2014, IHA submitted a comment questioning NSCG’s office volumes to justify the need for the proposed Winchester Endoscopy Center, citing 77 Ill. Admin. Code §1110.1540(d). According to IHA, the rationale for this rule is the State Board should not facilitate collection of a facility fee for procedures that might otherwise be performed within a physician’s office. The likely source of this comment is that the IHA members may fear competition from a provider whose charges are substantially lower than its average member’s charges. The rule requiring referrals only from licensed ASTCs or hospitals, however, is problematic given these circumstances where IDPH has, in a binding legal document, imposed a requirement on the applicant to obtain an ASTC license. The Service Demand and Treatment Room Need Assessment review criteria (77 Ill. Admin. Code §1110.1540(d), (f)) should allow an applicant seeking authority to convert from an office-based surgical practice to an ASTC to use office-based surgical procedures to demonstrate need for the number of proposed procedure rooms in circumstances where licensure is required by IDPH.

Allowing an office-based practice that is confronted with such a situation to convert its operations to an endoscopy center is consistent with IDPH requirements and will not adversely impact hospitals or other licensed ASTCs, particularly, where the ASTC will operate a closed medical staff limited to the physicians who are members of the affiliated medical practice. In such cases, surgical procedures that are clinically appropriate for an outpatient setting are already performed at the medical office at a level demonstrating a sufficient caseload exists to support the ASTC. Further, the closed medical staff limitation ensures physicians outside the affiliated medical practice cannot perform procedures at the ASTC, which limits the potential transfers from other licensed facilities. Given the minimal impact on other providers and the ASTC licensure requirements, the State Board rules should be amended to facilitate office-based surgical practices nearing the 50 percent threshold to convert to an ASTC.

It is important to note the proposed Winchester Endoscopy Center will not result in a duplication of services or adversely impact existing hospitals or ASTCs in the service area. The surgical procedures projected to be performed at Winchester Endoscopy Center are currently performed in Suite 146. Winchester Endoscopy Center will operate a closed medical staff, meaning only NSCG physicians will be permitted to perform procedures at Winchester Endoscopy Center. Further, only the procedures clinically appropriate in an outpatient setting will be performed at Winchester Endoscopy Center. NSCG physicians will continue to perform procedures that are not appropriate for an outpatient setting at Advocate Condell Medical Center.<sup>7</sup>

I believe this letter addresses the State Board's concerns with the Winchester Endoscopy Center CON application. We appreciate the State Board's consideration of the application at the January 27, 2015 meeting. Thank you for your time and consideration of this matter. If you need any additional information, please feel free to contact me.

Sincerely,



Anne M. Cooper

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<sup>7</sup> See Physician Referral Letters (Winchester CON App pp 109-122)

DEPARTMENT OF PUBLIC HEALTH  
STATE OF ILLINOIS

THE DEPARTMENT OF PUBLIC HEALTH, )  
STATE OF ILLINOIS, )

Complainant, )

v. )

WINCHESTER ENDOSCOPY CENTER, )  
*Unlicensed* )

Respondent. )

Docket No. ASTC 14-002

FINAL ORDER

The foregoing Consent Agreement of the parties is approved, and IT IS HEREBY ORDERED that this matter is dismissed pursuant to the terms contained herein.

ILLINOIS DEPARTMENT OF PUBLIC HEALTH

By: LaMar Hasbrouck      1-12-15  
Director      MPH      Date  
LaMar Hasbrouck, MD, MPH



535 W. Jefferson, 4th Floor, Springfield, Illinois 62761.

- 1.4 Following the execution of the Department's Final Order in this matter, Respondent shall deliver to the Department check(s) which total the amount of Twenty Thousand Two Hundred Ten Dollars (\$20,210.00). The check(s) totaling Twenty Thousand Two Hundred Ten Dollars (\$20,210.00) shall be delivered to the Department within sixty (60) days following the Respondent's receipt of the Department's Final Order in this matter. The check(s) totaling Twenty Thousand Two Hundred Ten Dollars (\$20,210.00) shall be made out to the Illinois Department of Public Health, and delivered to the Illinois Department of Public Health, Division of Health Care Facilities and Programs 525 West Jefferson St 4<sup>th</sup> Floor Springfield, IL 62761 attention Karen Senger.
- 1.5 The agreed fine amount will be in full satisfaction of all matters in controversy for which this action was brought by the Department against Respondent in this matter. Should the payment described in paragraph 1.4 above not be made on a timely basis, the Department shall re-institute this action against Respondent, regardless of whether Respondent still exists as a legal entity.
- 1.6 If Respondent fails to comply with all rules in furtherance of the Act, and terms of the Consent Agreement, including but not limited to, use of the 1870 West Winchester Road, Suite 146, Libertyville, Illinois 60048 location as an Ambulatory Surgical Treatment Center, advertisement of the 1870 West Winchester Road, Suite 146, Libertyville, Illinois 60048 location as an Ambulatory Surgical Treatment Center, active and substantial steps towards obtaining licensure as an Ambulatory Surgical Treatment Center, including the following timeline, and full payment of the fine assessment the Department reserves the right to re-issue the Order to Cease and Desist Operations ("Order to Cease and Desist"), Notice of Violation, and the Respondent waives its right to contest the Order to Cease and Desist. If Respondent operates its medical practice in accordance with the Plan of Correction, previously accepted by the Department, no such activities shall be deemed to qualify as the operation of an Ambulatory Surgical Treatment Center for purposes hereof.

**Timeline:** The Respondent shall use its best efforts to accomplish the following milestones within the following timeframe:

- Obtain CON Approval by February 1, 2015
- Finalize construction drawings and submit said drawings to the Department's Division of Life Safety and Construction by April 1, 2015
- Achieve substantial completion of facility construction by September 1, 2015
- Be ready for the Department's on-site inspection by December 1, 2015 for license to issue

The Department and Respondent may amend this timeline by mutual agreement.

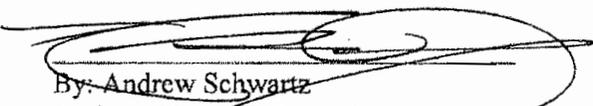
**ARTICLE II**  
**Department's Consideration**

- 2.1 The Department hereby dismisses the Order to Cease and Desist.

**ARTICLE III**  
**General Provisions**

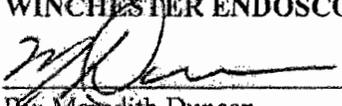
- 3.1 This Consent Agreement shall become binding on, and shall inure to the benefit of, the parties hereto, their successors, or assignees immediately upon the execution of this Consent Agreement by the Director of Public Health, or his designee, dismissing the above-captioned matter with prejudice.
- 3.2 The provisions of this Consent Agreement shall apply notwithstanding any transfer of Facility ownership or interest. Should Respondent fail to comply with any provisions of this Consent Agreement, the Department may reinstate this action against Respondent, and if Respondent no longer exists as a legal entity, said action shall proceed against any person having five percent (5%) or more interest in Respondent.
- 3.3 In the event that any of the provisions of Articles I are not complied with within the times specified therein, this Agreement will be held for naught, except for the provisions referred to in Paragraph 1.1 wherein Respondent has withdrawn its request for hearing to contest this matter.
- 3.4 It is hereby agreed that this matter be dismissed with prejudice, all matters in controversy for which this matter was brought having been fully settled, compromised, and adjourned.
- 3.5 This Consent Agreement constitutes the entire agreement of the parties, and no other understandings, agreements, or representations, oral or otherwise, exist or have been made by or among the parties. The parties hereto acknowledge that they, and each of them, have read and understood this Consent Agreement in all respects.

**ILLINOIS DEPARTMENT OF PUBLIC HEALTH**

  
By: Andrew Schwartz  
Assistant General Counsel  
Illinois Department of Public Health

1/7/15  
Date

**WINCHESTER ENDOSCOPY CENTER**

  
By: Meredith Duncan  
Attorney on behalf of Respondent

1/6/15  
Date



DEPARTMENT OF PUBLIC HEALTH  
STATE OF ILLINOIS

THE DEPARTMENT OF PUBLIC HEALTH, )  
STATE OF ILLINOIS, )  
Complainant, )  
v. ) Docket No. ASTC 14-002  
WINCHESTER ENDOSCOPY CENTER, )  
*Unlicensed* )  
Respondent. )

**ORDER TO CEASE AND DESIST OPERATIONS, NOTICE OF VIOLATION  
NOTICE OF FINE ASSESSMENT, PLAN OF CORRECTION,  
AND NOTICE OF OPPORTUNITY FOR HEARING**

Pursuant to the authority granted to the Department of Public Health (hereinafter "Department") by the Ambulatory Surgical Treatment Center Act (hereinafter "Act"), 210 ILCS 5/1 *et seq.* NOTICE IS HEREBY GIVEN:

**ORDER TO CEASE AND DESIST OPERATIONS**

In accordance with Sections 4, 10b, 10f, and 10g of the Act, Sections 205.840, 205.118 of the Ambulatory Surgical Treatment Center Licensing Requirements Code (77 Ill. Admin. Code 205) (the "Code"), and Section 10-65(d) of the Illinois Administrative Procedure Act (5 ILCS 100/1-5 *et seq.*) (the "APA"), incorporated into the Act at 210 ILCS 5/10a, the Department hereby issues this Order to Cease and Desist Operations to the facility known as Winchester Endoscopy Center located at 1870 West Winchester Road, Suite 146, Libertyville, Illinois 60048 ("Respondent").

**FINDINGS OF NONCOMPLIANCE**

The Department conducted a complaint investigation survey of the facility on October 2, 2014 (the "October 2014 survey"). During the October 2014 survey, a Department employee met with two facility principals and the facility attorney. The Department surveyor made the following findings:

1. Winchester Endoscopy Center is located at 1870 West Winchester Road, Suite 146, Libertyville, Illinois 60048.
2. Respondent does not hold an ambulatory surgical treatment center license issued by the Department.
3. Respondent maintains two (2) pre operation examination rooms, two (2) operating suites, five (5) recovery bays, and one (1) physician examination room.
4. Respondent is operated by Dr. Arkan Alrashid, Dr. Sean Lee and Dr. John Tasiopoulos ("Physicians").



5. Respondent maintains eight (8) upper endoscopy scopes and eight (8) lower endoscopy scopes, utilizes a sterilization/cleaning room for the scopes and a hanging closet for clean scopes.
6. Respondent offers three procedures: Colonoscopy, Esophagogastroduodendoscopy (EGD) and flexible sigmoidoscopy.
7. On or about January 2014, Physicians began performing surgery procedures at Respondent's location.
8. Since January 2014, approximately three thousand two hundred eighty four (3,284) procedures have been performed at Respondent's location.
9. On June 6, 2014, the Illinois Health Facilities Services and Review Board received an application for a Certificate of Need to establish an ambulatory surgical treatment center. To date, Respondent has not received said Certificate of Need.
10. Physicians also operate Northshore Center for Gastroenterology ("Northshore"). Northshore is located at 1880 West Winchester Road, Suite 210, Libertyville, Illinois 60048.
11. Northshore is a physician's office regulated under the authority of the Medical Practice Act of 1987, 225 ILCS 60.
12. Northshore maintains three (3) examination rooms and three (3) physician offices at this location.
13. Winchester and Northshore are distinct and separate locations but all procedures are performed at Winchester.

#### **NOTICE OF VIOLATION**

Winchester failed to obtain a license prior to beginning its operations as an ambulatory surgical treatment center as required by 210 ILCS 5/4 and 77 Ill. Admin. Code 205.118.

Winchester's failure to obtain a license prior to beginning its operations as an ambulatory surgical treatment center is a violation of the Act and with the rules and regulations promulgated under the Act.

#### **NOTICE OF FINE ASSESSMENT**

Pursuant to Section 10d of the Act and Section 205.850 of the Code, the Department hereby assesses a fine of Twenty Thousand Two Hundred Ten Dollars (\$20,210.00) for the violations as previously set forth herein.

**PLAN OF CORRECTION**

Respondent shall file with the Department a written plan of correction as required by 210 ILCS 5/10c and 77 Ill. Admin. Code 205.830 which is subject to approval of the Department, within ten (10) days of receipt of this notice. Such plan of correction shall state with particularity the method by which the facility intends to correct the violation and shall contain a stated date by which each violation shall be corrected.

**NOTICE OF OPPORTUNITY FOR HEARING**

The licensee has a right to a hearing to contest this action pursuant to, without limitation, Section(s) 5/10c, 5/10f, and 5/10g of the Act and Section 205.860 of the Code. **A written request for hearing must be sent within ten (10) days of receipt of this Notice.** Such request for a hearing must be sent to Andrew Schwartz the Illinois Department of Public Health, Division of Legal Services, 122 South Michigan Ave., 7th Floor, Chicago Illinois 60603.

**FAILURE TO REQUEST THE HEARING AS SPECIFIED HEREIN  
SHALL CONSTITUTE A WAIVER OF THE RIGHT TO SUCH HEARING.**

**ANSWER BY RESPONDENT**

In accordance with Section 100.7(d) of the Department's Rules of Practice and Procedure in Administrative Hearings (77 Ill. Admin. Code 100), a copy of which is enclosed, the **Respondent shall file a written answer to the Allegations of Noncompliance, within twenty (20) days after receiving this Notice.** Such answer must be sent to Andrew Schwartz the Illinois Department of Public Health, Division of Legal Services, 122 South Michigan Ave., 7th Floor, Chicago Illinois 60603.

**FAILURE TO FILE AN ANSWER WITHIN TWENTY (20) DAYS  
OF THE RECEIPT OF THIS NOTICE SHALL CONSTITUTE  
RESPONDENT'S ADMISSION OF THE ALLEGATIONS OF NONCOMPLIANCE**



Debra Bryars  
Acting Deputy Director  
Illinois Department of Public Health

Dated this 29<sup>th</sup> day of October 2014.

DEPARTMENT OF PUBLIC HEALTH  
STATE OF ILLINOIS

THE DEPARTMENT OF PUBLIC HEALTH, )  
STATE OF ILLINOIS, )  
 )  
Complainant, )  
 )  
v. )  
 )  
WINCHESTER ENDOSCOPY CENTER, )  
*Unlicensed* )  
Respondent. )

Docket No. ASTC 14-002

**PROOF OF SERVICE**

The undersigned certifies that a true and correct copy of the attached ORDER TO CEASE AND DESIST, NOTICE OF FINE ASSESSMENT, and NOTICE OF OPPORTUNITY FOR HEARING was sent by certified US mail in a sealed envelope, postage prepaid to:

REGISTERED AGENT:  
TFA REGISTERED AGENT CORP  
Winchester Endoscopy Center, S.C.  
321 North Clark Street  
Suite 1301  
Chicago, Illinois 60654

Arkan Alrashid MD  
CEO Winchester Endoscopy LLC  
1870 West Winchester Road  
Suite 146  
Libertyville, IL 60048

ATTORNEY:  
Kara Friedman  
Polsinelli  
161 North Clark Street  
Suite 4200  
Chicago, IL 60601

Anne Cooper  
Polsinelli  
161 North Clark Street  
Suite 4200  
Chicago, IL 60601

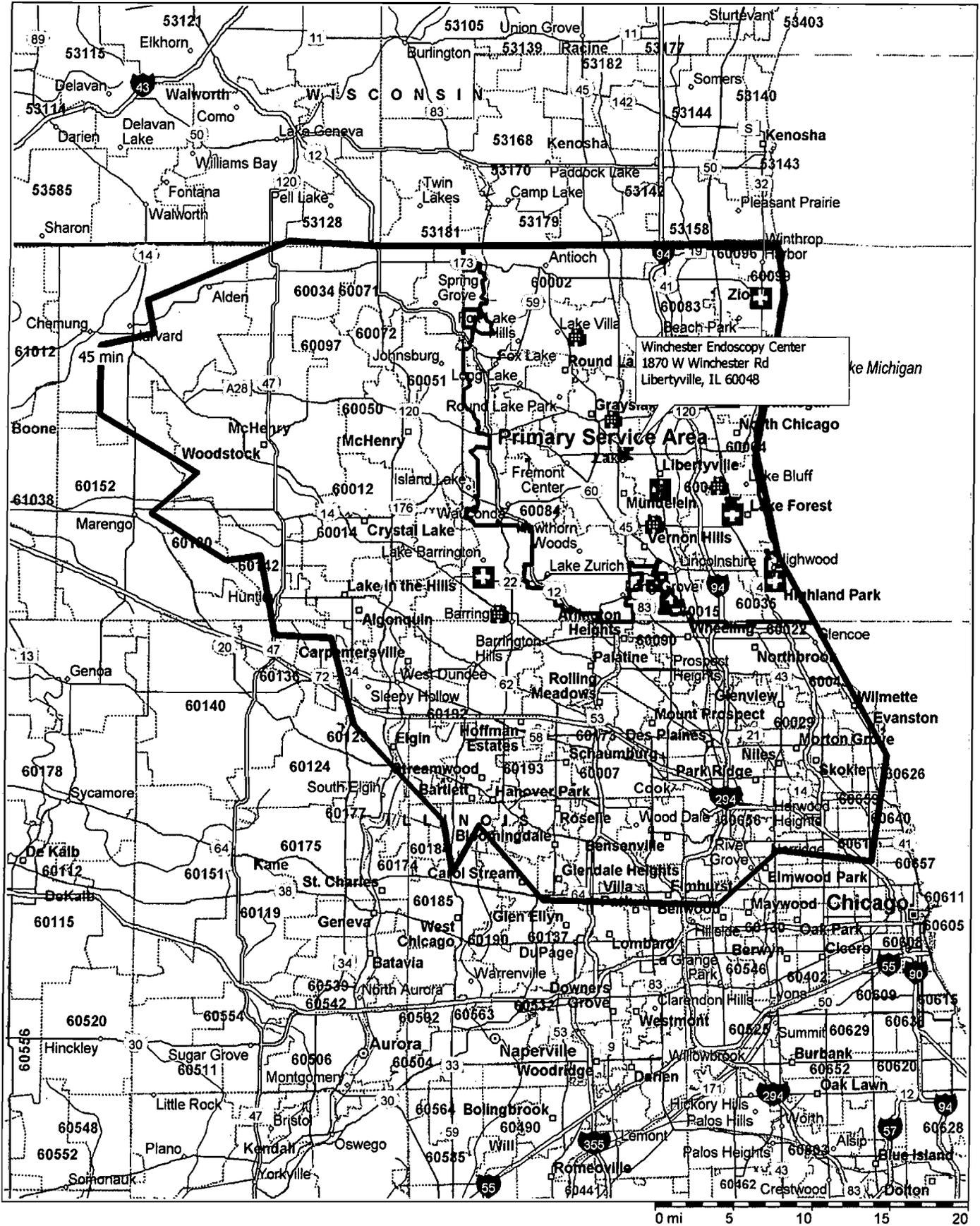
That said document was deposited in the United States Post Office at Chicago, Illinois, on the  
29th day of October, 2014.



*Marcia Hollins*

Marcia Hollins  
Illinois Department of Public Health

# Winchester Primary Service Area



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## Existing Providers

### Lake County Hospitals

- Advocate Condell Medical Center
  - Four gastroenterology procedure rooms
  - 11 physicians have block time for the gastroenterology procedure rooms. When a physician is provided block time, the hospital or surgery center dedicates one or more rooms to those physicians without accommodation for other physicians
  - While NSCG physicians provide call coverage at this facility, no block time is available for NSCG physicians and Condell cannot accommodate their volume
  - Proposed charge for colonoscopy at Winchester Endoscopy Center is less than 20 percent of the median charge at Advocate Condell Medical Center (\$1,480<sup>8</sup> versus \$8,070<sup>9</sup>)
  
- Advocate Good Shepherd Hospital
  - Five gastroenterology procedure rooms
  - To obtain privileges, a GI physician must obtain a commitment from an existing member of the medical staff to cover for physician when unavailable, e.g., vacation, sick leave and other extended absences. NSCG physicians are too far from the facility to cover call and could not obtain commitment from competing physicians to provide that coverage
  - Proposed charge for colonoscopy at Winchester Endoscopy Center is 30 percent of the median charge at Advocate Good Shepherd (\$4,920<sup>10</sup>)
  - Location is relatively distant from the residence of the targeted patients, particularly those coming from the northern and northeast segments of Lake County.
  
- Midwestern Regional Medical Center
  - Part of Cancer Treatment Centers of America which focuses on surgery to diagnose, stage and treat cancer, and to manage certain cancer-related symptoms.
  - Even if the hospital was not focused on oncology care, its capacity for additional endoscopy services is inadequate with only one room which is already utilized.

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<sup>8</sup> See Winchester CON Application p 73

<sup>9</sup> See Ill. Hospital Report Card and Consumer Guide to Health Care *available at* <http://www.healthcarereportcard.illinois.gov/hospitals/view/101256> (last visited Jan. 13, 2015).

<sup>10</sup> See *Id.* *available at* <http://www.healthcarereportcard.illinois.gov/hospitals/view/101286> (last visited Jan. 13, 2015).

- NorthShore University HealthSystem Highland Park Hospital
  - Hospital is undertaking a major modernization which will include right-sizing the surgical department. The hospital justified its projected surgical volume without depending on the referrals of the physicians involved in Winchester Endoscopy Center (Project 13-075 which is intended to be complete in 2019)
  - Closed medical staff for endoscopy limited to employed physicians or those who have been grandfathered.
  - Endoscopy services are operating over target capacity
- Northwestern Lake Forest Hospital
  - According to the 2013 Annual Hospital Profile, the hospital currently operates 5 gastroenterology procedure rooms, which will be reduced to 2 gastroenterology procedure rooms at the replacement hospital.
  - Only physicians employed by Northwestern Medicine are eligible for endoscopy privileges.

## Lake County Surgery Centers

- Lake Forest Endoscopy Center
  - Center has a closed medical staff. Only physicians employed by Northwestern Medicine are eligible for privileges.
- North Shore Endoscopy Center
  - This was originally a practice-based endoscopy center which converted to a licensed center and similar to the plan for Winchester Endoscopy Center, privileges will be limited to physicians of the affiliated medical practice.
- Lindenhurst Surgery Center
  - No longer performs gastroenterology procedures
- Hawthorn Surgery Center
  - Does not provide gastroenterology services. The applicants communicated with center administrator who confirmed it has no plans to add gastroenterology due to space/block time constraints for its other services and other factors.
- Northwestern Grayslake Outpatient ASTC
  - Does not provide gastroenterology services (per 2013 ASTC Profile)
  - Closed medical staff. Only physicians employed by Northwestern Medicine are eligible for privileges.
- Vernon Square Surgicenter
  - Not authorized by the State Board to perform gastroenterology procedures.