



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET ITEM: A-04	BOARD MEETING: June 4, 2019	PROJECT NUMBER: 17-017
PERMIT HOLDERS(S): Provident Hospital of Cook County Cook County Health and Hospital System		
FACILITY NAME and LOCATION: Provident Hospital of Cook County Dialysis, Chicago		

STATE BOARD STAFF REPORT **PERMIT RENEWAL REQUEST**

I. Background

On November 21, 2017, the State Board approved Project #17-017. The permit authorized the establishment of a 12-station End Stage Renal Dialysis (ESRD) facility on the campus of Provident Hospital of Cook County, in Chicago. The State Agency notes the project is not obligated, and the current project completion date is December 31, 2019. Project cost: \$2,238,268.

State Board Staff notes the permit holders submitted the permit renewal request on April 9, 2019. This submittal was in accordance with 77 IAC 1130.740(d), which states that the State Board must receive renewal requests at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

II. Findings

State Board Staff notes this is the second renewal request for this project and the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal. The first permit renewal request was approved on January 15, 2019, and sought an additional 12 months (December 31, 2018 to December 31, 2019), allowing the extension of the construction period. The permit holders also submitted an extension to the financial commitment period (December 31, 2018 to December 31, 2019), which is being heard at today's meeting.

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of December 31, 2020. This would extend the project's completion date twelve months, from December 31, 2019 to December 31, 2020.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is approximately 1% complete, with all construction and IDPH inspection/certification/licensure remaining.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the project has experienced delay resulting from a higher-priority construction project in the hospital pharmacy that required completion before the ESRD facility construction could commence. An RFP for construction of the dialysis facility has been released for bids, and the permit holders expect to begin construction once a viable bid is received.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate that none (0%) of project funds have 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 estimate the project will not deviate from the original permit amount of \$2,238,268.

IV. Project Description & Other Background Information

The permit authorized the establishment of a 12-station ESRD facility on the campus of Provident Hospital of Cook County, in Chicago. Project cost: \$2,238,268.

Permit Issuance Date:	November 21, 2017
Project Obligation Date:	December 21, 2019
Original Project Completion Date: (Submittal of Final Cost Report)	December 31, 2018
Proposed Project Completion Date: (12-month renewal request)	December 31, 2019
Proposed Project Completion Date: (12-month renewal request)	December 31, 2020

V. 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 the State 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, staff'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 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.

VI. Other Information

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



Toni Preckwinkle
President, Cook County Board of Commissioners
John Jay Shannon, MD
Chief Executive Officer, Cook County Health

RECEIVED

APR 19 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

By Certified Mail and Email
Delivery Receipt Requested

April 9, 2019

Ms. Courtney Avery
Administrator
Illinois Health Facilities and
Services Review Board
525 West Jefferson
Springfield, IL 62761

RE: Project 17-017
Permit Renewal Request and
Financial Commitment Extension
Provident Hospital of Cook County
("Permit Holder")

Dear Ms. Avery:

The above-referenced project was approved by the Illinois Health Facilities and Review Board ("State Board") on November 21, 2017 and proposed the establishment of a 12-station ESRD facility on the hospital campus ("Project Permit").

The original completion date for the project, as identified in the *Application for Permit* was December 31, 2018; and the Permit holders respectfully requested that the completion date be extended to December 31, 2019 on December 6, 2018, which the State Board approved on January 15, 2019. The Permit holder respectfully requests first that the Permit be renewed to December 31, 2020 ("Second Permit Renewal"). Secondly, the Permit holder respectfully requests that the State Board grant a one-year extension of the financial commitment date and establish December 31, 2019 as the new financial commitment date to ensure compliance with the approved Project Permit ("Financial Commitment Extension"). This Second Permit Renewal and Financial Commitment Extension, we believe, will provide sufficient time to complete the project, and prepare and file a final project report consistent with the State Board's rules.

As of the writing of this letter, the project is approximately 1% complete, and approximately \$ 0.00 of the \$2,238,268 approved project cost has been expended.

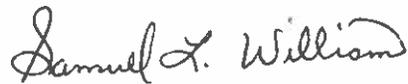
The initiation of the project was delayed due to delays in construction of the pharmacy, which needed to be completed prior to beginning the construction portion of the dialysis project. An RFP for the construction of the dialysis facility, which will occupy the space vacated by the pharmacy has been reposted for bids. The previous bids did not produce contractors that the organization felt would provide the level of expertise required to build a first class dialysis facility.

The anticipated project costs and the scope of the project remain consistent with those approved by the State Board, and the funds required for the project remain available.

Enclosed is a check in the amount of \$1,500.00 as a processing fee for the Second Permit Renewal and Financial Commitment Extension. Should any additional information be required, please do not hesitate to contact me.

Second Permit Renewal Request Date:	December 31, 2020
Financial Commitment Extension Request Date:	December 31, 2019

Sincerely,

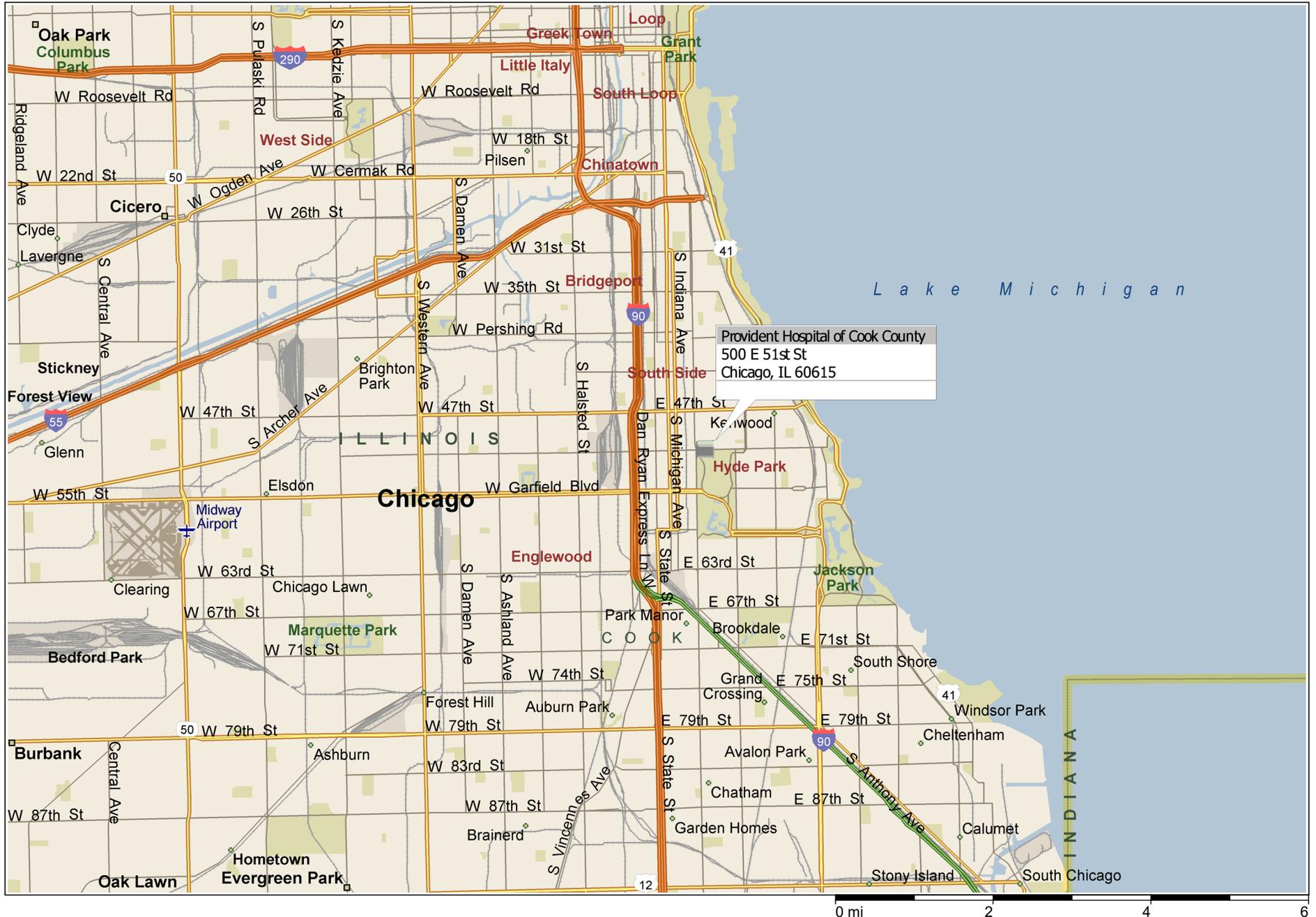


Samuel L. Williams, BA, M.ED., Realtor
Executive Director of Facilities
Cook County Health

Enclosure

cc: Courtney.Avery@illinois.gov

17-017 Provident Hospital of Cook County - Chicago



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