

RECEIVED

JUL 12 2019

HEALTH FACILITIES &
SERVICES REVIEW BOARD

July 11, 2019

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

**RE: CON Permit Alteration Request / CON Permit Renewal Request
Project #17-036
Establishment of Comprehensive Physical Rehabilitation Category of Service
Northwestern Medicine Woodstock Hospital**

Dear Ms. Avery:

Northwestern Medicine Woodstock Hospital (NMWH) requests an alteration of its permit for the establishment of 22 comprehensive physical rehabilitation beds (CON #17-036) to increase the total project cost by \$277,000 to **\$4,241,676**. The requested new total project cost is a 7% increase over the originally approved total project cost which is the maximum allowable increase in the total project cost per 77 Ill. Adm. Code Part 1130.750.

NMWH also requests a renewal of the permit. The requested new project completion date is **June 30, 2020**. This is the first renewal request for this project.

Background/Rationale for Renewal Request

The project was approved on November 14, 2017 in the amount of \$3,964,676. Less than a year later, on September 1, 2018, Centegra Health System joined Northwestern Medicine (NM). Shortly after the effective date of the affiliation, NM began an evaluation process to develop, enhance, and coordinate the provision of services across the communities NM serves to ensure that patients receive the right care in the right location. Construction work on this project was put on hold during this evaluation process.

The evaluation was completed in the late spring, 2019 and confirmed that the 22 comprehensive physical rehabilitation beds should be established at NMWH. As such, Bear Construction

Company was chosen as the construction contractor and revised construction bids have been received. The construction contract in the amount of \$2,892,027 was signed on July 1, 2019 which obligated the project.

Rationale for the Alteration Request

The requested increase in the project cost is limited to the *Moveable or Other Equipment* line item. Because of employee turnover since the project was approved, it is unclear why certain pieces of equipment were not included in the original project budget.

Below is a summary comparison of the equipment categories within the *Moveable and Other Equipment* line item from the original CON application and this Alteration request. Attached is a comprehensive list of items in the *Moveable of Other Equipment* line item in this request.

	Original CON	Alteration Request
Medical Equipment	\$38,136	\$155,232
Furniture/Artwork	\$11,482	\$167,067
IT Equipment	\$20,000	Included in Medical Equipment
Security Equipment	\$10,680	\$35,000
TOTAL	\$80,298	\$357,299

Project Status

The project was approved on November 14, 2017.

Planning

- Design Documents have been completed.
- Design Documents have been reviewed and approved by IDPH.

Construction

- Construction bids have been received.
- The project has been obligated / Construction contract was signed on July 1, 2019.
- Construction work is expected to begin on July 31, 2019.

Project Budget

Attached is a schedule of project expenditures to date.

Through the end of June, 2019, approximately \$192,155 has been expended of the \$3,964,676 allocated for the project. This represents approximately 4.8% of the budget. The project has been funded entirely with cash and securities to date.

NMWH believes that the additional funds requested will be sufficient to ensure the integrity of the project and a successful execution and activation of this project.

Project Costs and Sources of Funds

The table below provides an update to Project Costs and Sources of Funds – CON Application page 7.

PROJECT COSTS AND SOURCES OF FUNDS			
	Approved Project	Proposed Alteration	\$ Difference
Preplanning Costs	\$ 46,000	\$ 46,000	No Change
Site Survey and Soil Investigation	\$ -	\$ -	No Change
Site Preparation	\$ -	\$ -	No Change
Off Site Work	\$ -	\$ -	No Change
New Construction Contracts	\$ -	\$ -	No Change
Modernization Contracts	\$ 3,081,149	\$ 3,081,149	No Change
Contingencies	\$ 462,172	\$ 462,172	No Change
Architectural/Engineering Fees	\$ 236,750	\$ 236,750	No Change
Consulting & Other Fees	\$ 58,306	\$ 58,306	No Change
Movable or Other Equipment	\$ 80,299	\$ 357,299	\$ 277,000
Bond Issuance Expense (project related)	\$ -	\$ -	No Change
Net Interest Expense During Construction (project related)	\$ -	\$ -	No Change
Fair Market Value of Leased Space or Equipment	\$ -	\$ -	No Change
Other Costs To Be Capitalized	\$ -	\$ -	No Change
Acquisition of Building or Other Property	\$ -	\$ -	No Change
ESTIMATED TOTAL PROJECT COST	\$ 3,964,676	\$ 4,241,676	\$ 277,000
Cash and Securities	\$ 3,964,676	\$ 4,241,676	\$ 277,000
Pledges	\$ -	\$ -	No Change
Gifts and Bequests	\$ -	\$ -	No Change
Bond Issues (project related)	\$ -	\$ -	No Change
Leases	\$ -	\$ -	No Change
Governmental Appropriations	\$ -	\$ -	No Change
Grants	\$ -	\$ -	No Change
Other Funds and Sources	\$ -	\$ -	No Change
TOTAL FUNDS	\$ 3,964,676	\$ 4,241,676	\$ 277,000

Assurances

With the approval of the requested Alteration, the project's costs and scope are in compliance with the approved HFSRB project. Additionally, there are sufficient financial resources available to complete the project.

If you have any questions, please feel free to contact Bridget Orth at 312-926-8650.

Sincerely,



John A. Orsini
Senior Vice President & Chief Financial Officer
Northwestern Memorial HealthCare

Attachments

cc: Bridget Orth, Director, Regulatory Planning, NMHC

**Establishment of 22-Bed Comprehensive Physical Rehabilitation Unit
Project # 17-036**

ANNUAL COST REPORT

to the

Illinois Health Facilities and Services Review Board

Northwestern Medicine Woodstock Hospital Permit Project Expenditures

Progress Report: June 27, 2019

<u>Category</u>	CON Approved Budget	Project to Date
<u>USE OF FUNDS</u>		
1 PREPLANNING COSTS	\$ 46,000	\$ 18,435
6 MODERNIZATION CONTRACTS	\$ 3,081,149	\$ -
7 CONTINGENCIES	\$ 462,172	\$ -
8 ARCHITECTURAL/ENGINEERING FEES	\$ 236,750	\$ 161,620
9 CONSULTING & OTHER FEES	\$ 58,306	\$ 12,100
10 MOVABLE CAPITAL EQUIPMENT (not in construction contracts)	\$ 80,299	\$ -
GRAND TOTAL	\$ 3,964,676	\$ 192,155
<u>SOURCE OF FUNDS</u>		
16 CASH & SECURITIES	\$ 3,964,676	\$ -
25 TOTAL FUNDS	\$ 3,964,676	\$ 192,155
CON PERMIT AMOUNT	\$ 3,964,676	\$ 192,155
% COMPLETE	4.8%	

IP Rehab Equipment List – Current and Future State

Item	Current Quantity	Needed Quantity	Replace/ New Item/ Relocate/ Existing at CHW	Rationale	Cost
BP scouts	8	10	Replace	Current BP scouts used on the unit are of several different varieties. 3 scouts per nursing unit plus 4 for therapy.	29040 (2904 per device)
Manual BP machines	5	6	Replace	Current items stay at CHM. Need 2 per nursing unit and 2 for therapy.	1416.90 (236.15 per device)
Interpreter on Wheels	1	2	New Item	Dena Battaglia would be point of contact to determine if our Language Line contract allows for another iPad to be purchased.	0
Workstation on Wheels	5	5	Replace	Current workstations will need to remain in the space for future units to use. Current WoWs are nearing end of service life.	36191.70 (7238.34 per device)
Remote patient safety (RPS) monitor	N/A	4	Relocate	CHM has RPS monitors that are lent to the units by PFS. CHW does not have RPS at this time but monitors were purchased for the location – may relocate back to CHW.	0
Alaris IV Pump	6 (PAR level)	6 (PAR level)	Relocate	UHS will relocate pumps back to CHW when rehab moves.	0
SCD Machine	4 (PAR level)	12 (PAR level)	Relocate	UHS will relocate SCD machines back to CHW when rehab moves and increase PAR level due to reduced staffing of UHS at CHW	0
Kangaroo Enteral Feeding Pump	0 (PAR level)	4 (PAR level)	Relocate	UHS will relocate Kangaroos back to CHW when rehab moves and initiate a PAR level on the nursing units due to decreased staffing of UHS at CHW.	0

IP Rehab Equipment List – Current and Future State

Sharps boxes	22 (+4 PAR level)	22 (+6 PAR level)	Relocate	Houseman delivers. May need to relocate sharps boxes back to CHW.	0
Chair Alarms	6 (PAR level)	6 (PAR level)	Relocate	UHS will relocate chair alarms back to CHW when rehab moves.	0
Blanket Warmer	1	2	Relocate	Utilize devices present at CHW	0
Wipe Warmer	1	2	Relocate	Utilize devices present at CHW	0
Shower Chair	2	4	New Item	Current shower chairs will be too large for the showers in the patient rooms. One shower chair can be kept on each pod and cleaned between patient uses.	1000.00 (250.00 per device)
Bariatric Shower Chair	0	1	New Item	Current shower chairs can support a bariatric patient but are too big to fit in the future shower rooms at CHW.	1340.00
Shower Bench	2	4	New Item	Shower benches that are currently in the 640/650 shower rooms will need to stay as they will be used by future unit in the space.	1212.00 (303.00 per device)
Bariatric Shower Bench	0	1	New Item	New item needed for CHW space. Current state we rent equipment.	500.00
Therapy Tracking System	0	1	Use Existing System	Current state we use an excel sheet but the limitations are difficult to work around. Future state we would like something more reliable and user friendly.	0
Car Simulator	1	1	New Item/ Replace	New car module for rehab space. Existing car module would stay at CHM.	13040.00
Portable pulse oximeter	10	10	Relocate	Bring current pulse oximeters from CHM to CHW.	0
Lite gait	1	1	Relocate	Take lite gait from CHM to CHW.	0
Full length mirror on wheels	1	1	Relocate	From CHM to CHW.	0
Nu Steps	2	2	Relocate	From CHM to CHW.	0
Soiled Linen Bins	4	4	Relocate	From CHM to CHW.	0

IP Rehab Equipment List – Current and Future State

Large Linen Cart	1	1	Relocate	From CHM to CHW. (questionable)	0
Upper Extremity Bikes	2	2	Relocate	From CHM to CHW.	0
Washer	1	1	Replace	For ADL Apartment	700.00
Dryer	1	1	Replace	For ADL Apartment	700.00
Hydrocollator	1	1	Replace	For heat packs	1000
Hot packs	10	10	New Item	New item for CHW space. Current items staying at CHM.	200
Cold pack machine	1	1	Relocate	For cold packs	0
Cold packs	10	10	New Item	New item for CHW space. Current items staying at CHM.	200.00
Refrigerator	5	5	Replace	5 full size	2500.00
Oven	1	1	Replace	For ADL Apartment	600.00
Microwave	3	3	Replace	For ADL Apartment and breakrooms	250.00
Kitchen table	1	1	Replace	For ADL Apartment	200.00
Residential Style Bed	0	1	New Item	For ADL Apartment	1000.00
Dresser	1	1	Replace	For ADL Apartment	100.00
Ceiling Track System	0	5 areas	New item	1 in gym, 4 in patient rooms	0 (accounted for in build)
Mat tables (PT)	4	4	Relocate	From CHM to CHW.	0
OT treatment table	1	3	Relocate/New Item		3900.00 (1300.00 per device)
Stair trainer	1	1	Relocate	From CHM to CHW.	0
Treadmill	1	1	Relocate	From CHM to CHW.	0
Parallel bars	1	1	New Item	Current unit at end of service	5180.19
Weights, bolsters, weighted dowel rods	Misc	Misc	Relocate	From CHM to CHW.	0
Rebounder with trampoline	1	1	Relocate	From CHM to CHW.	0
TIMS unit	0	1	New Item	For video swallow	37974.00

IP Rehab Equipment List – Current and Future State

Hausted Chair	0	1	New Item	For video swallow	8266.56
IOP1	0	1	New Item	For speech therapy	1909.00
Splinting equipment	Misc	Misc	Replace	Current equipment at end of service	500.00
Therapy laptops	10	14	Relocate / Replace	Current laptops are older generation near end of service	0
Vacuum	0	1	New Item	For ADL Apartment	100.00
Speech Evaluation and Treatment tools	0	Misc	New Items	Currently shared with acute at CHM. Need new items for CHW.	2145.75
O2 storage cabinet	3	3	Relocate	Utilize equipment from CHW	0
Standard Wheelchairs	22	22	Relocate	Relocate from CHM to CHW	0
Bariatric Wheelchair	3	3	Relocate/New Item	Relocate from CHM to CHW. Need 1 additional. 3 bariatric rooms being made at CHW.	0
Left-handed drive Wheelchair	2	2	Relocate	Relocate from CHM to CHW	0
Right-handed drive Wheelchair	2	2	Relocate	Relocate from CHM to CHW	0
High-back Wheelchair	2	2	Relocate	Relocate from CHM to CHW	0
O2 tank holder for wheelchairs	4	10	Relocate	Use current rolling O2 tank holders	0
Sit-to-stand	1	1	Existing at CHW	Current equipment will need to stay on the 6 th floor. CHW had lift equipment so we may be able to use what is at the building already.	0
Hoyer Lift	1	1	Existing at CHW	Current equipment will need to stay on the 6 th floor. CHW had lift equipment so we may be able to use what is at the building already.	0

IP Rehab Equipment List – Current and Future State

Chair Scale	2	2	Relocate	Current equipment is outdated, noisy, clunky and hard to move in our existing space that is smaller.	0
Hip Kits (grabber, shoe horn, sock aid)	0	22	New Items	New item for each room to assist with ADL and maximize gains.	480.00 (20 per kit)
Patient Whiteboard	22	22	New Items	New whiteboards for each room	3585.78
Total:					155,231.88

Photo	Description	QTY	Price	Ext. Price
	Task Chairs- Allsteel Relate	30	\$530.00	\$15,900.00
	La-Z-Boy Koncort Power & Lift Recliner- Black Poly Arm Caps <i>***Power Lift Recliner not included in total furniture***</i>	22	\$1,700.00	\$37,400.00
	La-Z-Boy Rema Recliner w/pull out foot tray & Black Poly Arm Caps	22	\$2,000.00	\$44,000.00
	Stance Transcend Overbed Table	22	\$625.00	\$13,750.00

Photo	Description	QTY	Price	Ext. Price
	Siance Kindred Nitestand (no casters or locking mechanism)	22	\$500.00	\$11,000.00
	Lounge Tables- 36"X36", laminate to w/X-base	5	\$405.00	\$2,025.00
	Lounge Chairs & Dining- Allsteel Inspire, Armless, Poly back and seat.	44	\$215.00	\$9,460.00
	Dining Tables- 72" x 36"	5	\$600.00	\$3,000.00

Photo	Description	QTY	Price	Ext. Price
	Conference Room Chairs- Allstel Clarity	7	\$545.00	\$3,815.00
	Conference Room Table- Gunlock Breifing 96"x42" (no power)	1	\$3,200.00	\$3,200.00
	Speech Offices- Single ped desk (task chair included in above quantity)	3	\$650.00	\$1,950.00
	Supervisor's Office- Desk & 2 guest chairs (task chair included in above quantity).	2	\$3,500.00	\$7,000.00
				\$0.00

Photo	Description	QTY	Price	Ext. Price
			Furniture Total	\$115,100.00
			Freight	\$5,000.00
			Installation	\$15,000.00
			Total	\$135,100.00

Installation Notes:
Installation Based on Regular Business
Hours

PHASED INSTANTATION/STORAGE	\$ 11,967
TOTAL	<u>\$ 147,067 -</u>
SILWAGE + ARTWORK ADD	\$ 20,000

