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July 31, 2019

RECEIVED
AUG 1 2019
HEALTH FACILITIES &
SERVICES REVIEW BOARD

VIA FEDEX

Courtney Avery
Board Administrator
Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Permit Renewal Request- Illinois Vascular Care, Project #17-072

Dear Ms. Avery:

On April 17, 2018, the Illinois Health Facilities and Services Review Board ("HFSRB") approved Project #17-072 to establish a single specialty Ambulatory Surgical Treatment Center ("ASTC") at 846 East Algonquin Road, Suite 103, Schaumburg, Illinois. On June 18, 2018, the HFSRB approved our first permit renewal request to extend our project completion date to August 3, 2019. The purpose of this letter is to request a Permit Renewal pursuant to Ill. Admin. Code 1130.740. Enclosed you will find a check with the permit renewal fee. This is our second permit renewal.

Request Project Completion Date

The permit holder requests that the HFSRB grant a permit renewal and establish May 1, 2020 as the project completion date for this project.

Status of the Project

Since our approval at the April 17, 2018 HFSRB meeting, the permit holders have attempted to move the project forward but have experienced unexpected delays. Our commitment to this project and meeting the needs of this patient population remain unchanged, but there have been unexpected obstacles and we are ensuring that this project be undertaking in the most prudent manner possible and consistent with the commitments made to this Board. The project was financially committed by execution of a contract with general contractor for the project and architectural plans for the facility were prepared and submitted to the Illinois Department of Public Health ("IDPH") Design and Construction Section, Division of Life Safety and Construction for review. However, since that time we have run into unexpected issues with the property owner of the physical space where the facility will be located. The existing building owner has taken positions with regards to our lease negotiations that are not acceptable and, if unable to be resolved, could challenge the viability of this project, as proposed and approved. We

continue our discussions with the ultimate goal being the execution of the lease as described in the application via a letter of intent we submitted with this project. In the event that we are unable to come to an agreement we understand that we will need to relinquish this permit and will need to submit another Certificate of Need application for a different physical location. To date $228,257.75 of the original $3,106,690 designated for the project has been spent, and the balance designated for this project remains available and will be used to pay expenses related to Project #17-072.

Statement Regarding Project Completion

This project calls for the permit holder to modernize space in an existing structure consistent with IDPH ASTC building standards. The construction work can commence immediately after approval from IDPH is received. Additionally, the permit holder has prepared the IDPH ASTC License application and once submitted the permit holder will be required to pass a survey of the facility before the license will be issued.

This permit renewal is being sought to allow for enough time for lease negotiations to finish, IDPH to approve the construction plans, and allow the construction work to commence, and once construction is complete the permit holder will schedule a survey with IDPH. Once the survey has been successfully completed, IDPH will issue the facility an ASTC license. At this time if we are able to complete the lease negotiations we anticipate that the project will be completed in accordance with the permit letter issued by the HFSRB, and we do not anticipate the need to alter the project in any way.

Confirmatory Evidence of Permit Compliance

Attached is a verified statement from William Brennan that confirms the permit holders are complying with the scope, costs, and conditions of the project approved by the HFSRB, pursuant to the permit letter issued for this project. Additionally, the aforementioned verified statement confirms that there are sufficient financial resources available to complete this project.

If you have any questions or need any additional information regarding the project or this permit renewal request, please feel free to contact me at 312-212-4967.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

Juan Morado, Jr.

JM:
Enclosure

cc: Mike Constantino, Senior Project Reviewer (via email)

State of Illinois
County of Cook

Verification

I, William Brennan, being first duly sworn, on oath, depose and state as follows:

1. I serve as the Special Project Manager for Nephrology Associates of Northern Illinois and Indiana, LTD ("NANI").

2. The construction plans for Illinois Vascular Care ("IVC") located at 846 East Algonquin Road, Suite 103, Schaumburg, Illinois 60173, has been submitted to the Illinois Department of Public Health ("IDPH").

3. The project was financially committed through an agreement with the general contractor for the project.

4. Construction has not commenced because we have been unable to reach terms with the property owner and we are awaiting approval by IDPH of our construction plans.

5. Our project cost for IVC will be in accordance with the permit issued by the Illinois Health Facilities and Services Review Board as Project #17-072.

6. All funding expended for the IVC facility will be in accordance with the permit issued by the Health Facilities and Services Review Board as Project # 17-072.

7. NANI has sufficient financial resources available to complete Project #17-072.

8. NANI has complied with the conditions associated with the permit issued for Project #17-072, and will continue to do so.

Under penalties as provided by law pursuant to § 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.

William Brennan (signature)

7/11/19 (date)

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