



July 11, 2018

Mike Constantino  
Illinois Health Facilities and Service Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

RE: Project #18-002 – Retina Surgery Center

Dear Mr. Constantino,

Please accept this letter on behalf of the applicant for Project #18-002 – Retina Surgery Center. In keeping with Section 1130.635(c), the applicant may submit to the State Board written responses regarding the facts set forth in the review or findings of the Board staff and the Board staff may revise any findings to address corrections of errors. **We ask that the State Board staff revise the following findings/errors within the State Board report for Project #18-002:**

- On page 4 of the State Board report, the summary of “non-compliant” criterion incorrectly cites a finding of non-compliance under 77 IIAC 1110.1540(d) – Service Demand. Please revise the report to remove this error in the State Board report for the following reasons:
  - First, the citation to 1110.1540(d) is not the correct citation for the Service Demand criteria.
  - Second, the State Board report correctly found the applicant to be compliant with Section 1110.1540(c)(3) – Service Demand on pages 13 and 14 of the State Board report.
- On page 4 of the State Board report, the summary of “non-compliant” criterion incorrectly cites a finding of non-compliance under 77 IIAC 1120.120 – Availability of Funds. The summary citation states: “The letters from First Bank and Trust did not give assurance that the mortgage/loan will be made should this project be approved.” Page 19 of the report contains another explanation of the same finding. Please revise the report to remove this finding of non-compliance with 77 IIAC 1120.120 in the State Board report for the following reason:
  - The finding is solely based on the language within the letter from the applicant’s bank. This language has been verified and approved by the State Board staff as compliant with this criterion on multiple occasions. As seen in Attachment A to this letter, the State previously approved the same language for meeting this criteria in Project (17-041) and Project (16-028), which were both subsequently approved by the Board.
- On page 4 of the State Board report, the summary of “non-compliant” criterion incorrectly cites a finding of non-compliance under 77 IIAC 1120.140(a) – Reasonableness of Financing Arrangements. The summary citation states: “The letters from First Bank and Trust did not give assurance that the mortgage/loan will

be made should this project be approved.” Page 22 of the report contains another explanation of the same finding. Please revise the report to remove this finding of non-compliance with 77 IIAC 1120.140(a) in the State Board report for the following reason:

- The finding is solely based on the language within the letter from the applicant’s bank. This language has been verified and approved by the State Board staff as compliant with this criterion on multiple occasions. As seen in Attachment A to this letter, the State previously approved the same language for meeting this criteria in Project (17-041) and Project (16-028), which were both subsequently approved by the Board.
  
- On page 4 of the State Board report, the summary of “non-compliant” criterion incorrectly cites a finding of non-compliance under 77 IIAC 1120.140(b) – Terms of Debt Financing. The summary citation states: “The letters from First Bank and Trust did not give assurance that the mortgage/loan will be made should this project be approved.” Page 22 of the report contains another explanation of the same finding. Please revise the report to remove this finding of non-compliance with 77 IIAC 1120.140(b) in the State Board report for the following reason:
  - The finding is solely based on the language within the letter from the applicant’s bank. This language has been verified and approved by the State Board staff as compliant with this criterion on multiple occasions. As seen in Attachment A to this letter, the State previously approved the same language for meeting this criteria in Project (17-041) and Project (16-028), which were both subsequently approved by the Board.

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Sincerely,



Bryan Niehaus, JD, CHC  
Senior Consultant  
The Advis Group



**ATTACHMENT A**

#17-041

 **First Midwest Bank**

August 14, 2016

Anton Fakhouri, M.D.  
Palos Hills Surgery Center, LLC  
10330 South Roberts Road, Suite 3000  
Palos Hills, IL 60465

Dear Dr. Fakhouri:

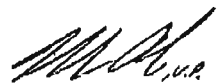
It is my understanding that Palos Hills Surgery Center, LLC ("PHSC") plans to expand upon its existing ambulatory surgical treatment center ("ASTC") located at 10330 South Roberts Road, Suite 3000, Palos Hills, IL 60465. I further understand that PHSC will require loans for certain capital expenditures and equipment purchases for an amount not to exceed \$5,000,000. PHSC has been a good and valuable customer of First Midwest Bank for several years. Based upon the positive business experiences from working with PHSC, and subject to the completion of requisite due diligence and credit approvals, First Midwest Bank is prepared to extend Palos Hills Surgery Center, LLC up to \$5,000,000 in credit exposure to finance the ASTC expansion.

This letter is not intended to be and should not be construed as a commitment by First Midwest Bank to lend money; nevertheless, it is intended to serve as a statement of interest to engage in further discussions between PHSC and First Midwest Bank for the proposed financing opportunity and may form the basis for a discussion of various credit accommodations.

In addition, please let this letter serve as confirmation that \$2,709,612.00 is available within PHSC's checking account as of August 14, 2017.

I trust that this letter is sufficient for your needs. Should you, or the Illinois Health Facilities and Services Review Board, have any questions or comments, please do not hesitate to contact me directly at (708) 576-7091.

Sincerely,



Mohammed Abunada  
Vice President  
First Midwest Bank

Attachment 34 Exhibit 1

#16-028



June 15, 2016

**DuPage Medical Group**  
1100 W 31st St, Suite 300  
Downers Grove, IL 60515

Attention: Dennis Fine

Dear Mr. Fine:

It is my understanding that DuPage Medical Group ("DuPage") plans to expand upon its existing ambulatory surgical center, The Surgical Center of DuPage Medical Group, located at 2725 South Technology Drive in Lombard, IL (the "Lombard ASC"). I further understand that DuPage will require loan(s) for certain capital expenditures and equipment purchases for an amount not to exceed \$6,500,000. DuPage has been a good and valuable customer of Bank of America ("BofA") for several years. Based upon the positive business experience working with DuPage, BofA is interested in discussing the proposed financing opportunity with DuPage for its expansion project.

This letter is not intended to be and should not be construed as a commitment by BofA to lend money; nevertheless, it is intended to serve as a statement of interest to engage in further discussions between DuPage and BofA for the proposed financing opportunity and may form the basis for a discussion of various credit accommodations. Any commitments to make credit available to DuPage will be evidenced in a separate writing which, if and when issued, will supercede and replace this letter.

Please do not hesitate to contact me should you have any questions. I can be reached at [robert.laporte@baml.com](mailto:robert.laporte@baml.com) or (980) 387.1282.

Very truly yours,

BANK OF AMERICA, N.A.

A handwritten signature in black ink, appearing to read "Robert LaPorte", written over a horizontal line.

Robert LaPorte

Senior Vice President, Global Commercial Banking

October 3, 2017

Retina Surgery Center, LLC  
8780 W. Golf Road  
Niles, Illinois 60714

Attention: Dr. John Michael

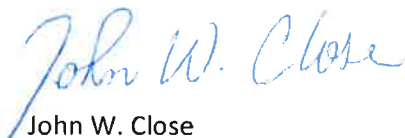
Dear Dr. Michael:

It is my understanding that Retina Surgery Center ("ENTITY") plans to establish an ambulatory surgical treatment center ("ASTC") located at 8780 W. Golf Road, Niles, Illinois 60714. I further understand that Retina Surgery Center LLC will require loans(s) for certain capital expenditures and equipment purchases for an amount not to exceed \$2,200,000. Retina Surgery Center, LLC and Dr. John Michael have been a good and valuable customer of Bank for several years. Based upon the positive business experiences from working with Retina Surgery Center, LLC and Dr. John Michael and subject to the completion of requisite due diligence and credit approvals, Bank is prepared to extend Retina Surgery Center, LLC up to \$2,200,000 in credit exposure to finance the ASTC project.

This letter is not intended to be a should not be construed as a commitment by Bank to lend money; nevertheless, it is intended to serve as a statement of interest to engage in further discussions between Retina Surgery Center, LLC and BANK for the proposed financing opportunity and may form the basis for a discussion of various credit accommodations.

I trust that this letter is sufficient for your needs. Should you, or the Illinois Health Facilities and Services Review Board, have any questions or comments, please do not hesitate to contact me directly at 847-733-7400.

Sincerely,



John W. Close  
Vice President  
First Bank & Trust

