



STATE OF ILLINOIS  
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO: <b>H-03</b>	BOARD MEETING: April 30, 2019	PROJECT NO: 19-003	PROJECT COST:
FACILITY NAME: River North Center for Reproductive Health		CITY: Chicago	Original: \$15,615,112
TYPE OF PROJECT: Substantive			HSA: VI

**PROJECT DESCRIPTION:** The Applicants (River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C.) proposes to establish a limited-specialty ASTC in 18,258 GSF of leased space at a cost of \$15,615,112. The anticipated project completion date is June 30, 2021.

## **EXECUTIVE SUMMARY**

### **PROJECT DESCRIPTION:**

- **The Applicants** (River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C.) proposes to establish a limited-specialty ASTC in 18,258 GSF of leased space at a cost of \$15,615,112. The anticipated project completion date is June 30, 2021.
- The proposed facility will have four procedure rooms and ten recovery stations. The surgery center will provide Urology and Gynecology surgical services, emphasizing Assisted Reproductive Technology (ART) and infertility issues.
- The proposed facility will be located in a modernized building, located at 361 West Chestnut Street, Chicago.

### **WHY THE PROJECT IS BEFORE THE STATE BOARD:**

- The proposed project is before the State Board because it establishes a health care facility as defined at 20/ILCS 3960/3.

### **PURPOSE OF THE PROJECT:**

- Fertility Centers of Illinois (FCI) proposes to develop a center of excellence to provide superior infertility solutions and reproductive endocrinology to patients of the Chicago metropolitan area, and throughout the Midwest. The proposed surgery center will be the only ASTC in Cook County dedicated to the diagnosis and treatment of infertility. River North Center for Reproductive Health will be the only surgery center with a dedicated embryology lab in the City of Chicago dedicated solely to the diagnosis and treatment of infertility. Procedures performed at the proposed center will include reproductive endocrinology as well as male reproductive health (urology) and therapeutic surgical procedures (general gynecology). The Applicant anticipates that the facility will treat patients from across Illinois, the United States, and the quite possibly the world, for hard to solve fertility issues.

### **PUBLIC HEARING/COMMENT:**

- A public hearing was offered regarding the proposed project, but none was requested. Three letters of support was received by State Board Staff. The file contains no letters of opposition.

### **SUMMARY:**

- The State Board Staff has reviewed the Application for Permit, the materials submitted in support of this project, and data contained in the 2017 IDPH ASTC profile. The proposed project, as mentioned above, is an effort to improve access to Reproductive Health Services and Assisted Reproductive Technology (ART), to the residents of the Chicago service area.
- There are ten ASTCs in the proposed GSA, and eighteen hospitals (See Table Seven). The applicant notes the proposed facility will be the only reproductive health center in the Chicago area, offering advanced surgical procedures for the reproductive health of both male and female patients. Board staff notes all the hospitals and five of the eight ASTCs perform gynecologic/urologic surgical services. However, none provide the depth of the services to be offered at the proposed surgery center.
- The majority of the referrals for the proposed ASTC will be coming from physicians associated with Fertility Centers of Illinois, S.C., and the facilities in which their historical referrals originated. There is surgical capacity at eleven of the eighteen hospitals and eight of the ten ASTCs in the service area. Further, four of the eight ASTCs in the service area are classified as underperforming per the State standard.
- Medicare and Medicaid do not provide reimbursement for fertility treatments, which while not involving the delivery of healthcare, are lifestyle focused services and not medically necessary services.”

- The Applicant addressed twenty-three criteria and did not meet the following:

<b>State Board Standards Not Met</b>	
<b>Criteria</b>	<b>Reasons for Non-Compliance</b>
77 ILAC 1110.120 (b) – Projected Utilization	The State Board Staff can only accept physician referrals that were performed in an IDPH licensed hospital or ASTC. Three hundred of 7,322 referrals provided came from IDPH licensed facilities. Three hundred procedures will justify one procedure room and not the four rooms being requested.
77 ILAC 1110.235 (c) (2) – Geographic Service Area	By rule 50% of the physician referrals are to come from within the 10-mile GSA. Only 18.6% of the referrals come from within this GSA.
77 ILAC 1110.235 (c) (3) – Service Demand	The Applicants have not identified enough demand to justify the four procedure rooms and 10 recovery stations being requested.
77 ILAC 1110.235 (c) (5) – Treatment Room Need Assessment	The Board Staff has accepted 300 procedures for a total of 276 hours which will justify one procedure room and four recovery stations and not the four procedure rooms and 10 recovery stations being requested.
77 ILAC 1110.235 (c) (6) – Service Accessibility	<p>The Applicants are required to address one of the four criteria below:</p> <ul style="list-style-type: none"> <li>A) There are no other IDPH-licensed ASTCs within the identified GSA</li> <li>B) The other IDPH-licensed ASTC and hospital surgical/treatment rooms used for those ASTC services proposed by the project within the identified GSA are utilized at or above the utilization level specified in 77 Ill. Adm. Code 1100;</li> <li>C) The ASTC services or specific types of procedures or operations that are components of an ASTC service are not currently available in the GSA or that existing underutilized services in the GSA have restrictive admission policies;</li> <li>D) The proposed project is a cooperative venture sponsored by 2 or more persons, at least one of which operates an existing hospital.</li> </ul> <p>There are existing ASTCs in the GSA and there is existing capacity (i.e. procedure rooms) to accommodate the demand (300 procedures) identified by this project. These procedures are currently being performed in IDPH licensed facilities and finally the proposed project is not a cooperative venture with a hospital.</p>
77 ILAC 1110.235 (c) (7) – Unnecessary Duplication/ Maldistribution	There is a surplus of operating/procedure rooms in this GSA and there are existing facilities currently operating below the State Board standard of 1,500 hours per operating/procedure room.

**State Board Standards Not Met**

<b>Criteria</b>	<b>Reasons for Non-Compliance</b>
77 ILAC 1120.120 – Availability of Funds	The Applicants provided a compilation report on the forecasted financial statements. The compilation report from an outside CPA firm did not review the assumptions made in compiling the information nor did the CPA examine (i.e. audit) the forecast. Additionally, the Board Staff did not accept the Bank Letter because confirmation of the loan, should this project be approved, was not provided.

**STATE BOARD STAFF REPORT**  
**Project #19-003**  
**River North Center for Reproductive Health, Chicago**

<b>APPLICATION/ CHRONOLOGY/SUMMARY</b>	
Applicants(s)	River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C.
Facility Name	River North Center for Reproductive Health
Location	361 West Chestnut Street, Chicago
Permit Holder	River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C.
Operating Entity/Licensee	River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C.
Owner of Site	361 Chestnut LLC
Proposed Gross Square Feet	18,258 GSF
Application Received	January 23, 2019
Application Deemed Complete	January 25, 2019
Financial Commitment Date	April 30, 2021
Anticipated Completion Date	June 30, 2021
Review Period Ends	May 25, 2019
Review Period Extended by the State Board Staff?	No
Can the Applicants request a deferral?	Yes

**I. Project Description**

The Applicants (River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C. ) proposes to establish a limited-specialty ASTC in 18,258 GSF of leased space at a cost of \$15,615,112. The anticipated project completion date is June 30, 2021.

**II. Summary of Findings**

- A. State Board Staff finds the proposed project does not conformance with all relevant provisions of Part 1110.
- B. State Board Staff finds the proposed project does not conformance with all relevant provisions of Part 1120.

**III. General Information**

The Applicants are River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C. River North Surgery Center is a limited liability company, organized in September 2012, and is a subsidiary of Fertility Surgical Partners, LLC. Fertility Centers of Illinois, S.C., is a group of practicing physicians in the Chicago area specializing in infertility issues. Its physicians predominately practice and refer patients to hospitals and clinics in the Chicago area. The Applicants' facility proposes to provide Assisted Reproductive Technology (ART), that includes gynecological, urological, and obstetrical surgical services. These specialties, combined with Reproductive

Endocrinology, will result in a state of the art ASTC for couples experiencing infertility issues.

**IV. Health Service Area**

The proposed ASTC will be located in the HSA VI Health Service Area. This service area consists of the City of Chicago. The geographic service area for this project is a 10-mile radius consisting of 36 zip codes with an approximate population of 1,833,320 residents (2016 census data) [See page 63 of the Application for Permit].

**V. Project Costs and Sources of Funds**

The Applicants are funding this project with cash in the amount of \$2,302,290, a mortgage in the amount of \$6,929,163, and leases with a fair market value of \$6,233,659. The estimated start-up costs and operating deficit is \$415,481.

<b>TABLE ONE</b>				
<b>Project Uses and Sources of Funds</b>				
<b>Uses of Funds</b>	<b>Reviewable</b>	<b>Non-reviewable</b>	<b>Total</b>	<b>% of Total</b>
Preplanning Costs	\$79,602	\$0	\$79,602	.5%
Site Survey Soil Investigation	\$0	\$20,000	\$20,000	.1%
Site Preparation	\$0	\$300,000	\$300,000	2%
New Construction Contracts	\$2,829,944	\$1,944,800	\$4,744,794	30.5%
Contingencies	\$282,999	\$194,480	\$477,479	3%
Architectural/Engineering Fees	\$290,292	\$188,452	\$478,744	3%
Consulting and Other Fees	\$66,000	\$5,000	\$71,000	.4%
Movable or Other Equipment	\$311,110	\$2,018,724	\$2,329,834	15%
Fair Market Value of Leased Space/Equipment	\$2,638,425	\$3,595,234	\$6,233,659	40%
Other Costs to be Capitalized	\$850,000	\$0	\$850,000	5.5%
<b>Total Uses of Funds</b>	<b>\$7,348,422</b>	<b>\$8,266,690</b>	<b>\$15,615,112</b>	<b>100.00%</b>
<b>Source of Funds</b>				
Cash and Securities	\$1,367,999	\$934,291	\$2,302,290	15.7%
Leases (Fair Market Value)	\$2,638,425	\$3,595,234	\$6,233,659	40%
Mortgages/Bank Loan	\$3,191,998	\$3,737,165	\$6,929,163	44.3%
<b>Total Sources of Funds</b>	<b>\$7,348,422</b>	<b>\$8,266,690</b>	<b>\$15,615,112</b>	<b>100.00%</b>

**Note:** The proposed project will involve a gut/rehab of an existing building that will house the Surgery Center. This will involve installation of new mechanical, new electrical and a sprinkler system; structural reinforcement of the roof; construction of a new ramp and canopy; reframing of the floor to permit installation of new duct work; and other modifications to make the building ADA compliant. Based upon discussion with State Board staff on August 30, 2018, the new construction standard is applicable to this project.

Net book value of equipment to be transferred to the surgery center (\$150,000) and emergency generator (\$700,000)

V. **Background of the Applicants, Purpose of the Project, Safety Net Impact, Alternatives**

A) **Criterion 1110.110(a) - Background of the Applicants**

To address this criterion the Applicants must provide a list of all facilities currently owned in the State of Illinois and an attestation documenting that no adverse actions<sup>1</sup> have been taken against any applicant's facility by either Medicare or Medicaid, or any State or Federal regulatory authority during the 3 years prior to the filing of the Application with the Illinois Health Facilities and Services Review Board or a certified listing of adverse action taken against any applicant's facility; and authorization to the State Board and Agency access to information in order to verify any documentation or information submitted in response to the requirements of the application for permit.

1. The Applicants do not currently own or operate any health care facilities in Illinois subject to this criterion. The Applicants have furnished authorization allowing the State Board and IDPH access to all information to verify information in the application for permit. [Application for Permit page 52]
2. Evidence of ownership of the site has been provided as required at pages 27-38 through a letter of intent for lease from 361 Chestnut, LLC. The proposed ASTC will be 100% owned by the Applicants, and the organizational chart on page 42 of the Application for Permit supports this.
3. A Certificate of Good Standing for River North Surgery Center, LLC, Fertility Surgical Partners, LLC, and Fertility Centers of Illinois S.C. have been provided as required. An Illinois Certificate of Good Standing is evidence that an Illinois business franchise (i.e. Illinois Corporation, LLC or LP) is in existence, is authorized to transact business in the state of Illinois and complies with all state of Illinois business requirements and therefore is in "Good Standing" in the State of Illinois. [Application for Permit page 40]
4. The Applicants provided evidence that they were in compliance with Executive Order #2006-05 that requires *all State Agencies responsible for regulating or permitting development within Special Flood Hazard Areas shall take all steps within their authority to ensure that such development meets the requirements of this Order. State Agencies engaged in planning programs or programs for the promotion of development shall inform participants in their programs of the existence and location of Special Flood Hazard Areas and of any State or local floodplain requirements in effect in such areas. Such State Agencies shall ensure that proposed development within Special Flood Hazard Areas would meet the requirements of this Order.* [Application for Permit pages 43-44]
5. The proposed location of the facility is in compliance with the Illinois State Agency Historic Resources Preservation Act which requires *all State Agencies*

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<sup>1</sup> "Adverse action is defined as a disciplinary action taken by IDPH, CMMS, or any other State or federal agency against a person or entity that owns or operates or owns and operates a licensed or Medicare or Medicaid certified healthcare facility in the State of Illinois. These actions include, but are not limited to, all Type "A" and Type "AA" violations." (77 IAC 1130.140)

*in consultation with the Director of Historic Preservation, institute procedures to ensure that State projects consider the preservation and enhancement of both State owned and non-State-owned historic resources (20 ILCS 3420/1). [Application for Permit pages 45-46]*

**B) Criterion 1110.110(b) – Purpose of the Project**

To demonstrate compliance with this criterion the Applicants must document that the project will provide health services that improve the health care or well-being of the market area population to be served. The Applicants shall define the planning area or market area, or other area, per the applicant's definition. The Applicants shall address the purpose of the project, i.e., identify the issues or problems that the project is proposing to address or solve. Information to be provided shall include, but is not limited to, identification of existing problems or issues that need to be addressed, as applicable and appropriate for the project.

Fertility Centers of Illinois (FCI) proposes to develop a center of excellence to provide superior infertility solutions and reproductive endocrinology to patients of the Chicago metropolitan area, and throughout the Midwest. The proposed surgery center will be the only ASTC in Cook County dedicated to the diagnosis and treatment of infertility. River North Center for Reproductive Health will be the only surgery center with a dedicated embryology lab in the City of Chicago dedicated solely to the diagnosis and treatment of infertility. Procedures performed at the proposed center will include reproductive endocrinology as well as male reproductive health (urology) and therapeutic surgical procedures (general gynecology). The Applicants anticipate that the facility will treat patients from across Illinois, the United States, and the quite possibly the world, for hard to solve fertility issues.

**C) Criterion 1110.110 (c) Safety Net Impact**

All health care facilities, except for skilled and intermediate long-term care facilities licensed under the Nursing Home Care Act, shall provide a safety net impact statement, which shall be filed with an application for a substantive project (see Section 1110.40). Safety net services are the services provided by health care providers or organizations that deliver health care services to persons with barriers to mainstream health care due to lack of insurance, inability to pay, special needs, ethnic or cultural characteristics, or geographic isolation. [20 ILCS 3960/5.4]

This is a substantive project. A safety net impact statement is required and has been provided on page 121 of the Application for Permit. According to the Applicants: *“River North Center for Reproductive Health will not have a material impact on essential safety net services in the community. As documented in the physician referral letters, a majority of the procedures performed at River North Center for Reproductive Health are currently performed by FCI physicians in their offices. The primary services provided by River North Center for Reproductive Health are family building and medical services that do not closely relate to services provided in a hospital setting. The proposed project does not intersect in any meaningful way with healthcare services provided by area hospitals. River North Center for Reproductive Health is a newly formed entity that has no historical data on Medicaid or Charity Care. Medicare and Medicaid do not provide reimbursement for fertility treatments, which while not involving the delivery of healthcare, are lifestyle focused services and not medically necessary services.”*

#### **D) Criterion 1110.110 (d) - Alternatives to the Proposed Project**

To demonstrate compliance with this criterion the Applicants must document that the proposed project is the most effective or least costly alternative for meeting the health care needs of the population to be served by the project.

The Applicants considered three alternatives to the proposed project.

The first alternative was to maintain status quo and do nothing. This would mean the Applicants continue to perform IVF treatments in one procedure room at the River North medical practice office, and counter IDPH licensure requirements which forbid the provision of the full spectrum of reproductive services at the River North medical office. The Applicant main goal is to provide this full spectrum of service in one location, and this alternative contradicts the Applicant's mission. There were no project costs identified, and this alternative was rejected.

The second alternative considered was to expand surgical capabilities at the River North Medical Offices. The Applicants note the procedures in which they specialize are cyclic in nature and require precise time blocks to increase/induce pregnancy and fertility in its patients. The Applicants discovered that physical plant limitations, and safety code/potential code compliance issues would render this alternative infeasible. Based on these limitations at the existing facility, this alternative was rejected.

The third option was to utilize existing ASTCs and Hospitals with excess capacity. While this option was viewed as most cost effective, the absence of human embryology and andrology laboratories at these facilities rendered each facility unacceptable. These laboratories are an integral component of Assistive Reproductive Technologies (ART), and to build these labs in existing hospitals and ASTCs would prove costly and invasive of already limited space. A facility this highly specialized requires unique floor plans, with proximity to procedure rooms that cannot be realized in an existing hospital or ASTC. Because of this need for specialized service space, this alternative was rejected. No project cost was identified with this alternative.

The fourth and chosen option was to establish a specialized ASTC, built to specifications to include a floor plan to accommodate ART and its related modalities. The site chosen will foster a seamless care system and contribute greatly to the Applicant's mission of establishing a center of excellence in reproductive technology. The centralized location in the City of Chicago will enhance accessibility for both patients and clinical staff, and its four procedure rooms will allow for the provision of care, with no obstacles in terms of procedure timeliness. While this option was viewed as most costly (\$15,615,112), the logistical capabilities of this alternative alone are expected to prove that this alternative is truly the most cost-effective.

#### **VI. Project Scope and Size, Utilization and Unfinished/Shell Space**

##### **A) Criterion 1110. 120 (a) - Size of Project**

To demonstrate compliance with this criterion the Applicants must document that that the physical space proposed for the project is necessary and appropriate. The proposed square footage cannot

deviate from the square footage range indicated in Appendix B, or exceed the square footage standard in Appendix B if the standard is a single number, unless square footage can be justified by documenting, as described in subsection (a)(2).

The Applicants are proposing four procedure rooms and ten recovery stations in 7,881 GSF of reviewable space for the surgery center.

The State Board Standard for procedure rooms is 1,660-2,200 DGSF per room. The State Board does not have a gross square footage standard for recovery rooms in an ASTC. The Applicants are proposing four procedure rooms and ten recovery rooms in a total of 7,881 GSF of clinical space. The State Standard is 8,800 GSF of clinical space. The Applicants have successfully addressed this criterion.

<b>TABLE TWO</b>				
<b>Cost/Space Requirements</b>				
Department	Cost	Proposed GSF	State Standard GSF	Difference
ASTC/Recovery	\$7,348,422	7,881	8,800	-919 GSF
Total Reviewable	\$7,348,422	7,881		
Non-reviewable				
Administrative	\$8,266,690	10,739	No Standard	
Total	\$8,266,690	10,739		

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT TO BE IN CONFORMANCE WITH CRITERION SIZE OF THE PROJECT (77 ILAC 1110.120 (a))**

**B) Criterion 1110.120(b) - Project Services Utilization**

To demonstrate compliance with this criterion the Applicants must document that, by the end of the second year of operation, the annual utilization of the clinical service areas or equipment shall meet or exceed the utilization standards specified in Appendix B. The number of years projected shall not exceed the number of historical years documented. All Diagnostic and Treatment utilization numbers are the minimums per unit for establishing more than one unit, except where noted in 77 Ill. Adm. Code 1100. [Part 1110 Appendix B]

Projected volume for the surgery center is based upon physician referral letters from Fertility Centers of Illinois, and facilities under the operational control of Advocate Medical Group. The referral letters do not delineate the specific types of procedures performed, both historical and projected. However, the projected utilization in this criterion (application, p. 60), does distinguish between two surgical procedures, surgical and hysterosalpingograms. Table Three breaks down the number of each of the two mentioned projected procedures to be performed in the second year of operation and arrives at a total time for each procedure. Once combined, and calculated into hours, it appears the applicant has met the requirement of this criterion.

Referrals from Fertility Centers of Illinois cannot be accepted because these are office base physician referrals and State Board rule requires that the referrals must come from IDPH

licensed ASTCs or Hospitals. As Table Three illustrates of the 7,114 physician referrals provided, 300 referrals have been accepted. The 300 referrals will justify 276 hours.

The State Board standard for procedure rooms is 1,500 hours per procedure room. The State Board Standard for recovery rooms is four recovery rooms per procedure room. If the referrals materialize the Applicants can justify one procedure room and four recovery stations

**TABLE THREE**

<b>Cost/Space Requirements</b>		
<b>Hospital/ASTC</b>	<b>Historical Referrals (last 12 months)</b>	<b>Projected Referrals</b>
Fertility Centers of Illinois (office-based referrals)	7,114	7,022
Advocate Medical Group Facilities		
Advocate Illinois Masonic Medical Ctr.	500	250
Weiss Memorial Hospital	40	20
Mercy Medical Center	30	15
Presence St. Joseph Hospital	30	15
Sub Total	7,714	7,322*
Minus Office-Based Referrals		-7,022
<b>Total Accepted Referrals</b>		<b>300</b>

**TABLE THREE (continued)**

**Calculation of Minutes Hours for Accepted Procedures**

<b>Procedures</b>	<b>Total Procedures</b>	<b>% of Total Procedures</b>	<b>Accepted Procedures</b>	<b>#of Accepted Procedures</b>	<b>Minutes</b>	<b>Hours</b>
Surgical Procedures	4,372	60%	300	180	42	126
HSG	2,950	40%	300	120	75	150
	7,322	100%				276

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION PROJECTED UTILIZATION (77 ILAC 1110.120 (B))**

**C) Assurances**

To document compliance with this criterion the Applicants representative who signs the CON application shall submit a signed and date statement attesting to the applicant's understanding that, by the end of the second year of operation after project completion, the Applicants will meet or exceed the utilization standards specified in Appendix B.

The Applicant provided the necessary assurance as required on page 84 of the application.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT TO BE IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1110.120 (e))**

**VII. Non-Hospital Based Ambulatory Surgical Treatment Center Services**

**A) Criterion 1110.235 (c) (1) - Introduction**

Ambulatory Surgical Treatment Centers required to be licensed pursuant to the Ambulatory Surgical Treatment Center Act are defined as health care facilities subject to the requirements of the Illinois Health Facilities Planning Act and HFSRB rules (77 Ill. Adm. Code 1100, 1110, 1120 and 1130). Facilities devoted to abortion and related care, including those licensed as PSTCs under the ASTC Act are not subject to HFSRB rules related to Non-Hospital Based ASTCs. The addition of any other ASTC services (other than abortion-related services) will require a CON permit.

**B) Criterion 1110.235 (c) (2) - Geographic Service Area Need**

To demonstrate compliance with this criterion the Applicants must document that the ASTC services and the number of surgical/treatment rooms to be established, added or expanded are necessary to serve the planning area's population, based on the following:

**A) 77 Ill. Adm. Code 1100 (Formula Calculation)**

As stated in 77 Ill. Adm. Code 1100, no formula need determination for the number of ASTCs and the number of surgical/treatment rooms in a geographic service area has been established. Need shall be established pursuant to the applicable review criteria of this Part.

**B) Service to Geographic Service Area Residents**

The applicant shall document that the primary purpose of the project will be to provide necessary health care to the residents of the geographic service area (GSA) in which the proposed project will be physically located.

i) The applicant shall provide a list of zip code areas (in total or in part) that comprise the GSA. The GSA is the area consisting of all zip code areas that are located within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) of the project's site.

ii) The applicant shall provide patient origin information by zip code for all admissions for the last 12-month period, verifying that at least 50% of admissions were residents of the GSA. Patient origin information shall be based upon the patient's legal residence (other than a health care facility) for the last 6 months immediately prior to admission.

The geographic service area for an ASTC located in Chicago, Illinois is a 10-mile radius. This service area consists of 36 zip codes with an approximate population of 1,833,320 residents. The Applicants provided patient origin information for Fertility Centers of Illinois (FCI) in the referral letter for the previous calendar year (470 zip codes/4,439 patients) which shows 826 (18.6%) of the patients identified by this criterion will reside within this 10-mile radius. [See pages 63-69 of the Application for Permit].

By rule 50% of the patient origin for all admissions for the last 12-months must come from within the 10-mile GSA. According to the material provided only

18.6% of the referrals come from within the 10-mile GSA. The Applicants have not met this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS NOT CONFORMANCE WITH GEOGRAPHIC SERVICE AREA NEED (77 ILAC 1110.235 (c) (2))**

**C) Criterion 1110.235(c)(3) - Service Demand – Establishment of an ASTC Facility**

To demonstrate compliance with this criterion the Applicants must document that the proposed project is necessary to accommodate the service demand experienced annually by the applicant, over the latest 2-year period, as evidenced by historical and projected referrals. The applicant shall document the information required by subsection (c)(3) and either subsection (c)(3)(B) or (C):

By rule only referrals from IDPH licensed ASTCs or hospitals can be used to justify the demand for the establishment of an ASTC.

The Applicants provided referral letters from Fertility Centers of Illinois (FCI), Advocate Medical Group, and Dr. Samuel Ohlander M.D. Urologist. In the letters (application, p. 124-127, and the project file), the earlier-mentioned clinicians/facilities documented the number of surgical cases performed in the previous calendar year, as well as the number of cases they intend to perform at the proposed surgery center.

Per 77 ILAC 1110.120 (b) only 300 referrals have been accepted which justifies one procedure room and four recovery stations and not the four procedure rooms and ten recovery stations being proposed by the Applicants. The Applicants have not met the requirements of this criterion.

Physician/Facility	Historical Referral Volume	Projected Referral Volume
Fertility Centers of Illinois	7,114	7,022
Advocate Medical Group	600	300
Dr. Samuel Ohlander M.D.	45	47
Total	7,759	7,369

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION SERVICE DEMAND (77 ILAC 1110.235(c)(3))**

**D) Criterion 1110.235(c)(5) - Treatment Room Need Assessment**

A) To demonstrate compliance with this criterion the Applicants must document that the proposed number of surgical/treatment rooms for each ASTC service is necessary to service the projected patient volume. The number of rooms shall be justified based upon an annual minimum utilization of 1,500 hours of use per room, as established in 77 Ill. Adm. Code 1100.

B) For each ASTC service, the applicant shall provide the number of patient treatments/sessions, the average time (including setup and cleanup time) per patient treatment/session, and the methodology used to establish the average time per patient treatment/session (e.g., experienced historical caseload data, industry norms or special studies).

As stated above the Applicants have not provided enough referrals to justify the four procedure rooms and ten recovery stations being proposed. The Applicants have not met this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION TREATMENT ROOM NEED ASSESSMENT (77 ILAC 1110.235(c)(5))**

**E) Criterion 1110.235(c)(6) - Service Accessibility**

To demonstrate compliance with this criterion the proposed ASTC services being established or added are necessary to improve access for residents of the GSA. The applicant shall document that at least one of the following conditions exists in the GSA:

- A) There are no other IDPH-licensed ASTCs within the identified GSA of the proposed project;
- B) The other IDPH-licensed ASTC and hospital surgical/treatment rooms used for those ASTC services proposed by the project within the identified GSA are utilized at or above the utilization level specified in 77 Ill. Adm. Code 1100;
- C) The ASTC services or specific types of procedures or operations that are components of an ASTC service are not currently available in the GSA or that existing underutilized services in the GSA have restrictive admission policies;
- D) The proposed project is a cooperative venture sponsored by 2 or more persons, at least one of which operates an existing hospital. Documentation shall provide evidence that:
  - i) The existing hospital is currently providing outpatient services to the population of the subject GSA;
  - ii) The existing hospital has sufficient historical workload to justify the number of surgical/treatment rooms at the existing hospital and at the proposed ASTC, based upon the treatment room utilization standard specified in 77 Ill. Adm. Code 1100;
  - iii) The existing hospital agrees not to increase its surgical/treatment room capacity until the proposed project's surgical/treatment rooms are operating at or above the utilization rate specified in 77 Ill. Adm. Code 1100 for a period of at least 12 consecutive months; and
  - iv) The proposed charges for comparable procedures at the ASTC will be lower than those of the existing hospital.

i) This Applicants acknowledge the existence of ASTCs in the service area currently providing obstetric/gynecologic surgical service, but also notes the absence of ASTCs with a dedicated embryology/andrology lab focused on the science of reproductive health. Fertility Centers of Illinois (FCI), has continued to provide superior infertility solutions and reproductive endocrinology to the metropolitan Chicago area, and the Midwest. Its services are unduplicated in the Chicago area.

ii) There are currently eighteen hospitals and ten ASTCs in the service area. The eighteen area hospitals are less efficient and are a higher cost setting for patients. Of the ten ASTCs in the service area, only five perform Obstetric/gynecologic surgical procedures. According to the Applicants,

none have dedicated embryology/andrology lab services, nor are they equipped to provided ART (Assisted Reproductive Technology) or IVF (In-Vitro Fertilization).

- iii) The proposed procedures can be performed at the existing facilities with excess capacity within the 10-mile GSA.
- iv) The proposed project is not a cooperative venture with a hospital.

The Applicants are required to address one of the four conditions identified above. The Applicants were unable to do this. The Applicants have not met this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS NOT CONFORMANCE WITH SERVICE ACCESSIBILITY (77 ILAC 1110.235 (c) (6))**

**F) Criterion 1110.235 (c) (7) - Unnecessary Duplication/Mal-distribution**

- A) To demonstrate compliance with this criterion the Applicants must document that the project will not result in an unnecessary duplication. The applicant shall provide the following information for the proposed GSA zip code areas identified in subsection (c) (2) (B) (i):
  - i) the total population of the GSA (based upon the most recent population numbers available for the State of Illinois); and
  - ii) the names and locations of all existing or approved health care facilities located within the GSA that provide the ASTC services that are proposed by the project.
- B) The applicant shall document that the project will not result in maldistribution of services. Maldistribution exists when the GSA has an excess supply of facilities and ASTC services characterized by such factors as, but not limited to:
  - i) a ratio of surgical/treatment rooms to population that exceeds one and one-half times the State average;
  - ii) historical utilization (for the latest 12-month period prior to submission of the application) for existing surgical/treatment rooms for the ASTC services proposed by the project that are below the utilization standard specified in 77 Ill. Adm. Code 1100; or
  - iii) insufficient population to provide the volume or caseload necessary to utilize the surgical/treatment rooms proposed by the project at or above utilization standards specified in 77 Ill. Adm. Code 1100.
- C) The applicant shall document that, within 24 months after project completion, the proposed project:
  - i) will not lower the utilization of other area providers below the utilization standards specified in 77 Ill. Adm. Code 1100; and
  - ii) will not lower, to a further extent, the utilization of other GSA facilities that are currently (during the latest 12-month period) operating below the utilization standards.

The population within the GSA in Illinois is 1,833,320. The ratio of operating/procedure rooms per 1,000 population is .245 within this GSA [450 operating/procedure rooms ÷ (1,833,320/1,000 or 1,833.3)]. The ratio of operating/procedure rooms per 1,000 population in the State of Illinois is .214 [2,778 operating/procedure rooms ÷ (12,978,800/1,000 or 12,978.8)]. To have a surplus of operating/procedure rooms within the 10-mile GSA the ratio of rooms to population

within the GSA must be 1.5 times the State of Illinois ratio or .32 operating/procedure rooms per thousand population. There is not a surplus of rooms within this GSA based upon this ratio.

There are ten ASTCs within the 10-mile GSA with thirty-seven operating/procedure rooms. The 2017 IDPH ASTC survey shows five provide the surgical specialties proposed as part of this project (Obstetrics/Gynecology/Urology).

However, it is noted that the highly specialized nature of the services provided (ART/IVF/Embryology/Andrology) are unique to the service area. The Applicant's attestation of its IVF and ART patients being the variance to this criterion of duplication and maldistribution are accurate. While data contained in the 2017 IDPH ASTC survey proves otherwise, and Table Seven illustrates the existence of five ASTCs in the service area providing Obstetric/Gynecologic surgical services, none of these facilities identified provide the services/modalities to treat infertility/reproductive health issues.

While the Board Staff recognizes the uniqueness of the procedures being proposed there is existing capacity (procedure rooms) that can accommodate the demand (300 procedures) identified by this project. The Applicants have not met the requirements of this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH UNNECESSARY DUPLICATION MALDISTRIBUTION OF SERVICE (77 ILAC 1110.235(c)(7))**

**G) Criterion 1110.235(c)(8) - Staffing**

**A) Staffing Availability**

The applicant shall document that relevant clinical and professional staffing needs for the proposed project were considered and that the staffing requirements of licensure and The Joint Commission or other nationally recognized accrediting bodies can be met. In addition, the applicant shall document that necessary staffing is available by providing letters of interest from prospective staff members, completed applications for employment, or a narrative explanation of how the proposed staffing will be achieved.

**B) Medical Director**

It is recommended that the procedures to be performed for each ASTC service are under the direction of a physician who is board certified or board eligible by the appropriate professional standards organization or entity that credentials or certifies the health care worker for competency in that category of service.

The staffing of the proposed ASTC is explained on page 79 of the Application for Permit and the Applicants believe the staffing requirements of IDPH licensing and accreditation agencies will be met once the proposed ASTC achieves licensure.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION STAFFING (77 IAC 1110.235(c)(8)).**

**H) Criterion 1110.235(c)(9) - Charge Commitment**

*In order to meet the objectives of the Act, which are to improve the financial ability of the public to obtain necessary health services; and to establish an orderly and comprehensive health care delivery system that will guarantee the availability of quality health care to the general public; and*

*cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process [20 ILCS 3960/2], the applicant shall submit the following:*

- A) a statement of all charges, except for any professional fee (physician charge); and
- B) a commitment that these charges will not increase, at a minimum, for the first 2 years of operation unless a permit is first obtained pursuant to 77 Ill. Adm. Code 1130.310(a).

Information regarding charges has been provided at pages 80-81 of the Application for Permit and the Applicants have committed that these charges will not increase, at a minimum for the first 2 years of operation unless a permit is first obtained. (See Application for Permit Page 82)

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION CHARGE COMMITMENT (77 IAC 1110.235(c)(9)).**

**D) Criterion 1110.235(c)(10) - Assurances**

- A) The applicant shall attest that a peer review program exists or will be implemented that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for the ASTC services, and if outcomes do not meet or exceed those standards, that a quality improvement plan will be initiated.
- B) The applicant shall document that, in the second year of operation after the project completion date, the annual utilization of the surgical/treatment rooms will meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100. Documentation shall include, but not be limited to, historical utilization trends, population growth, expansion of professional staff or programs (demonstrated by signed contracts with additional physicians) and the provision of new procedures that would increase utilization.

The Applicants have provided the necessary attestation that a peer review will be implemented for the proposed surgery center and that the proposed surgery center in the second year of operation after project completion date will meet or achieve target utilization.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION ASSURANCES (77 IAC 1110.235(c)(10)).**

**IX. Financial Viability**

**A) Criterion 1120.120 – Availability of Funds**

To demonstrate compliance with this criterion the Applicants must document that resources are available to fund the project.

The Applicant is funding this project with cash in the amount of \$2,302,290, a mortgage in the amount of \$6,929,163, the fair market value of leases totaling \$6,233,659, and Other Funds and Sources amounting to \$150,000.

The Applicants provided a compilation report prepared by *PBC Advisors* to provide a forecasted balance sheet, income statement, cash flow statement, and a retained earnings statement. The Applicants also supplied a letter from Wintrust Commercial Bank, Lake

Forest, attesting to their solid financial history with the Applicants, and a willingness to review their request to borrow resources needed for the mortgage portion of the project costs.

The bank letter did not contain language “*if the application for permit is approved the loan will be made.*” The Applicant projected financial statements are illustrated in Table Six.

<b>TABLE SIX</b>		
<b>Pro Forma Financial Statement</b>		
<b>River North Surgery Center, LLC</b>		
	Year One	Year Two
Cash	\$1,068,228	\$2,449,454
Current Assets	\$1,726,687	\$3,200,298
Total Assets	\$10,344,575	\$11,373,028
Current Liabilities	\$738,492	\$762,947
Total Liabilities	\$10,344,575	\$11,373,028
Total Revenue	\$5,267,671	\$6,006,755
Expenses	\$4,021,668	\$4,014,702
Depreciation	\$445,159	\$445,159
Excess of Revenues over Expenses	\$800,844	\$1,546,894

The compilation report did not review the management assumptions of the information provided nor did the CPA examine (i.e. audit) the forecast. Additionally, the Board Staff did not accept the Bank Letter because confirmation of the loan should this project be approved was not provided. The Applicants have not met the requirements of this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION AVAILABILITY OF FUNDS (77 IAC 1120.120).**

**B) Criterion 1120.130 - Financial Viability**

**To demonstrate compliance with this criterion the Applicants must document an “A” or better bond rating or provide 3 years of historical financial ratios as required by the State Board or qualify for the financial waiver.**

The Applicants have submitted projected financial viability ratios for 2022 (the first full year year after project completion).

Based upon the explanation above the Applicants are in compliance with the requirements of this criterion.

**TABLE SEVEN**  
**River North Surgery Center, LLC**  
**Projected Financial Viability Ratios**

	State Board Standard	2021
Current Ratio	>1.5	4.19
Net Margin %	>3.5%	26%
LTD to Capitalization	<80%	48%
Projected Debt Service Coverage	>1.75	2.85
Days Cash on Hand	>45	223
Cushion Ratio	>3.0	3.07

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION FINANCIAL VIABILITY (77 IAC 1120.130).**

**X. Economic Feasibility**

**A) Criterion 1120.140(a) –Reasonableness of Financing Arrangements**

To demonstrate compliance with this criterion the Applicants must document an “A” or better bond rating or attest to the following

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
  - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
  - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

The Applicants supplied a letter attesting to a willingness to lend funds for the mortgage from Wintrust Bank (see project file) and a letter signed by Marcus Williamson attesting that borrowing is less costly than the liquidation of existing investments (Application for Permit page 115). It appears the Applicants have met the requirement of this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION REASONABLENESS OF PROJECT COSTS (77 IAC 1120.140(a)).**

**B) Criterion 1120.140(b) – Conditions of Debt Financing**

To demonstrate compliance with this criterion the Applicants must document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment is less costly than constructing a new facility or purchasing new equipment.

The Applicants attested the selected form of debt financing for the project will be at the lowest net cost available and that borrowing is less costly than the liquidation of existing investments.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION TERMS OF DEBT FINANCING (77 IAC 1120.140(b)).**

**C) Criterion 1120.140 (c) – Reasonableness of Project Costs**

To demonstrate compliance with this criterion the Applicants must document that the estimated project costs are reasonable and shall document compliance

Only reviewable/clinical project costs are subject to State Board review. The State Board does not have a standard for offsite work, consulting costs, equipment costs and net interest during construction. Itemization of all costs are presented at the end of this report. 2019 is considered the midpoint of the construction for this project. Itemization of all costs can be found at pages 107-108 of the Application for Permit.

The State Board Standard for the construction and contingency costs of an ASTC is based upon previously approved ASTC projects based upon 2015 data and inflated to the midpoint of construction. Moveable Equipment not in construction contracts for an ASTC is based upon 2008 data and inflated by 3% to the midpoint of construction. [See Appendix 1120 Appendix]

Only Clinical Costs are reviewed in this criterion. The clinical gross square footage for modernization is 7,881 GSF.

**Pre-Planning** – These costs total \$79,602, which is 2.3% of the new construction, contingencies, and equipment costs (\$3,424,103). This appears **reasonable** compared to the State standard of 5%.

**New Construction and Contingencies** – These costs total \$3,112,993 or \$395.00/GSF. ( $\$3,112,993/7,881=\$395.00$ ). This appears **reasonable** when compared to the State Board Standard of \$414.90/GSF [2020 mid-point of construction].

**Contingencies** – These costs total \$282,999 and are 9.9% of new construction costs. This appears **reasonable** when compared to the State Board Standard of 10%.

**Architectural and Engineering Fees** – These costs total \$290,292 and are 9.3% of new construction and contingencies (\$3,112,993). These costs appear **reasonable** when compared to the State Board Standard of 6.42% - 9.64%.

**Consulting and Other Fees** – These costs are \$66,000. The State Board does not have a standard for these costs.

**Movable Equipment** – These costs total \$311,110. The State Board Standard is \$504,437 per operating room ( $\$311,110/4 = \$77,777.50/\text{room}$ ). The Applicants proposes to establish four operating/procedure rooms, which **meets the requirements** for this criterion.

**Fair Market Value of Leased Space and Equipment** – These costs total \$2,638,425. The State Board does not have a standard for these costs.

**Other Costs to be Capitalized** – These costs total \$850,000. The State Board does not have a standard for these costs.

The Applicants have met the financial requirements for this criterion, and a positive finding results for this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION THE REASONABLENESS OF PROJECT COSTS (77 IAC 1120.140(c)).**

**D) Criterion 1120.140(d) – Projected Direct Operating Costs**

To document compliance with this criterion the Applicants must document the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct costs mean the fully allocated costs of salaries, benefits and supplies for the service.

The Applicants are estimating \$328.91 in direct operating costs per surgical case by the second year after project completion. The State Board does not have a standard for this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION PROJECTED DIRECT OPERATING COSTS (77 ILAC 1120.140(d))**

**E) Criterion 1120.140(e) – Total Effect of the Project on Capital Costs**

To document compliance with this criterion the Applicants must document the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

The Applicants are estimating \$98.29 in capital costs per surgical case by the second year after project completion. The State Board does not have a standard for this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION PROJECTED TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS (77 ILAC 1120.140(e))**

**TABLE SEVEN**

**Facilities in the 10-Mile Travel Radius of Proposed Facility**

Facility	City	Type	Distance	OR/Procedure Rooms	Hours	Medicaid	Medicare	Met Standard? <sup>(1)</sup>
ASTC								
<b>River North Same Day Surgery</b>	Chicago	Multi	.6	4	3,476	Y	Y	N
<b>Surgery Center at 900 N. Michigan</b>	Chicago	Multi	.6	5/2	8,136/7711	N	Y	Y/N
<b>Grand Avenue Surgical Center&gt;</b>	Chicago	Multi	.6	3	600	N	N	N
<b>Gold Coast Surgicenter&gt;</b>	Chicago	Multi	.7	4	5,402	N	Y	N
<b>25 East Same Day Surgery Center&gt;</b>	Chicago	Multi	1.1	4	4,385	Y	Y	N
<b>Rush Surgicenter&gt;</b>	Chicago	Multi	2.3	4	8,847	N	Y	Y
<b>Western Diversey Surgery Center&gt;</b>	Chicago	Multi	3.4	2	1,061	N	N	N
<b>Fullerton Surgery Center</b>	Chicago	Multi	5.9	3	1,497	Y	y	N
<b>Advanced Ambulatory Surgery</b>	Chicago	Multi	8.8	3	1,052	N	Y	N
<b>North Shore Surgical Center</b>	Lincolnwood	Multi	8.9	3	3,915	Y	Y	N
<b>#Facility under construction or in ramp-up phase</b>								
>Provides Gynecology Procedures								

**TABLE SEVEN (continued)**  
**HOSPITALS WITHIN 10 MILES OF PROPOSED PROJECT**

Facility	City	Distance	OR/Procedure Rooms	Hours	Medicaid	Medicare	Utilization Met?
<b>Northwestern Memorial Hospital</b>	Chicago	.9	70/18	102,712/33,321	Y	Y	N/Y
<b>Rush University Medical Center</b>	Chicago	2.2	33/11	63,899/12,375	Y	Y	Y/N
<b>John H. Stroger Hospital</b>	Chicago	2.5	20/9	35,063/13,472	Y	Y	Y/Y
<b>University of Illinois Hospital at Chicago</b>	Chicago	2.6	21/7	46,492/7,469	Y	Y	Y/N
<b>Advocate Illinois Masonic Medical Ctr.</b>	Chicago	2.7	18/10	25,752/8,374	Y	Y	Y/N
<b>Norwegian American Hospital</b>	Chicago	3.1	5/2	2,282/477	Y	Y	N/N
<b>Mercy Hospital &amp; Medical Center</b>	Chicago	3.6	10/6	8,431/4,855	Y	Y	N/N
<b>Thorek Memorial Hospital</b>	Chicago	3.9	5/12	1,385/500	Y	Y	N/N
<b>Weiss Memorial Hospital</b>	Chicago	4.7	10/4	7,608/2,189	Y	Y	N/N
<b>Methodist Hospital of Chicago</b>	Chicago	5.5	4/3	1,068/1,685	Y	Y	N/N
<b>Swedish Covenant Hospital</b>	Chicago	6.1	10/4	16,140/4,379	Y	Y	Y/N
<b>Provident Hospital of Cook County</b>	Chicago	6.7	10/1	3,642/127	Y	Y	N/N
<b>Loretto Hospital</b>	Chicago	6.7	5	320	Y	Y	N

**TABLE SEVEN (continued)**  
**HOSPITALS WITHIN 10 MILES OF PROPOSED PROJECT**

Facility	City	Distance	OR/Procedure Rooms	Hours	Medicaid	Medicare	Utilization Met?
<b>VHS West Suburban Hospital</b>	Oak Park	7.1	8/4	6,800/7,916	Y	Y	N/Y
<b>Community First Medical Center</b>	Chicago	7.4	9/4	3,254/4,595	Y	Y	N/N
<b>University of Chicago Medical Center</b>	Chicago	7.7	35/15	88,097/12,637	Y	Y	Y/N
<b>Rush Oak Park Hospital</b>	Oak Park	8.6	9/3	7,259/1,695	Y	Y	N/N
<b>MacNeal Hospital</b>	Berwyn	9.1	12/6	12,985/4,527	Y	Y	N/N

Travel time determined using formula in 77IAC 1100.510 (d)  
 Data taken from CY 2017 Hospital/ASTC Profiles  
 NA – information not available

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