



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET ITEM: C-02	BOARD MEETING: December 4, 2018	EXEMPTION NUMBER: E-059-18
EXEMPTION APPLICANT(S): Naperville Medical Properties, LLC, KAERP V MO REIT, LLC, and Rollingridge Center, LLC		
FACILITY NAME and LOCATION: DMG Pain Management Surgery Center		

STATE BOARD STAFF REPORT
CHANGE OF OWNERSHIP

I. The Exemption Application

The Applicants (Naperville Medical Properties, LLC, KAERP V MO REIT, LLC, and Rollingridge Center, LLC) propose the sale of the building housing a limited-specialty ASTC located at 2940 Rollingridge Road, Naperville, Illinois. The owner of the site will be Naperville Medical Properties, LLC and the licensed entity will remain DMG Pain Management Surgery Center, LLC. The purchase price for the building is \$12,960,000 and the expected completion date is December 31, 2018.

The exemption is before the State Board because the transaction is a change of ownership of a health care facility's physical plant and capital assets with no change in the licensee/operating entity.

II. Applicable Rules

The Illinois Health Facilities Planning Act (20 ILCS 3960/6) states the State Board shall establish by regulation the procedures and requirements regarding issuance of exemptions. An exemption shall be approved when information required by the Board by rule is submitted. Projects eligible for an exemption, rather than a permit, include, but are not limited to, change of ownership of a health care facility, discontinuation of a category of service, and discontinuation of a health care facility, other than a health care facility maintained by the State or any agency or department thereof or a nursing home maintained by a county.

"Change of Ownership" means a change in the person who has operational control of an existing health care facility or *a change in the person who has ownership or control of a health care facility's physical plant and capital assets*. *A change of ownership is indicated by, but not limited to, the following transactions: sale, transfer, acquisition, leases, change of sponsorship or other means of transferring control.* [20 ILCS 3960/3]

The State Board's rule (77 IAC 1130.500 & 77 ILAC 1130.520) specifies the requirements necessary for a change of ownership of an exemption application to be filed with the State Board. The State Board may, by rule, delegate authority to the Chairman to grant permits or exemptions when applications meet all of the State Board's review criteria and are unopposed [20 ILCS 3960/5].

The State Board Staff Notes: No support or opposition letters were submitted and there was no request for a public hearing. All of the requirements of the State Board have been met [Application for Exemption pages 31-35].

STATE BOARD STAFF FINDS THE EXEMPTION FOR THE CHANGE OF OWNERSHIP IN CONFORMANCE WITH CRITERIA (77 ILAC 1130.500 & 77 ILAC 1130.520)