

**RECEIVED**

JUN 20 2011

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

4268 I-55 NORTH  
MEADOWBROOK OFFICE PARK  
JACKSON, MISSISSIPPI 39211  
PHONE: 601.351.2400  
FAX: 601.351.2424  
MAILING ADDRESS:  
P. O. BOX 14167  
JACKSON, MISSISSIPPI 39236

www.bakerdonelson.com

CHARLES W. FERGUSON  
Direct Dial: (601) 351-2479  
Direct Fax: (601) 592-2479  
Internet Address: cferguson@bakerdonelson.com

June 14, 2011

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

Re: Surgery Center of Southern Illinois

Dear Mr. Constantino:

On June 9, 2011, I received a copy of a letter to you from Kelvin Birk dated June 6, 2011 in which Mr. Birk asserts that I informed him that Ron Osman's inquiry into purchasing the above referenced surgery center "was for the purpose of utilizing the real estate only" and "that Mr. Osman was not looking at the transaction for the purpose of operating the surgery center," the implication being that Mr. Osman intends to shut the center down.

The purpose of this letter is to inform you that the statement attributed to me in Mr. Birk's letter is not accurate. At no time has Mr. Osman ever conveyed to me that he intended to shut the surgery center down and at no time did I ever convey to Mr. Birk that Mr. Osman intended to shut the facility down. In my first phone conversation with Mr. Osman, he informed me that he was one of the founding investors of this surgery center. He seemed then and continues to seem excited about the opportunity to be involved with the center again.

Mr. Osman contacted me on January 5, 2011 and inquired about submitting an offer to purchase my client's interest in the surgery center. During my initial phone conference with him, Mr. Osman discussed in general terms what he believed to be the value of the real estate and equipment. He requested basic financial information so he could value the business and specifically said that he was interested in obtaining a CON and continuing to operate the surgery center. On January 6, 2011, Mr. Osman sent me an email outlining the material financial terms of his offer, despite not receiving any financial information. This email specifically stated that approval by the Illinois Health Facility Board would be a contingency to closing. Later that evening, I verbally informed Mr. Birk of Mr. Osman's inquiries. On January 7, 2011, I sent Mr.

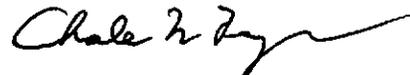
Mike Constantino  
June 14, 2011  
Page 2

Birk an email disclosing the purchase price offered by Mr. Osman and informing Mr. Birk that my client felt obligated to evaluate both Dr. Ahmad's offer and Mr. Osman's offer.

During the period of time my client was evaluating the merits of both Dr. Ahmad's and Mr. Osman's offer to purchase my client's interest in the surgery center, Mr. Birk called and inquired as to whether Dr. Ahmad should consider increasing his offer. Since Mr. Birk was privy to the amount offered by Mr. Osman and knew his client's offer was lower, I was a little surprised by the question. I recall informing Mr. Birk that Mr. Osman's pricing of the transaction was slightly above the value Mr. Osman placed on the real estate and equipment alone, and suggesting that yes, in fact, he should consider a higher offer. That statement is entirely different from what Mr. Birk asserts in his June 6th correspondence and I am unclear as to anything I may have said to Mr. Birk which would cause him to believe that Mr. Osman intends to purchase my client's interest in the surgery center with the intention of closing the center. In fact, on January 10, 2011, Mr. Birk and I had a phone conference in which Mr. Birk attempted to convince me that Mr. Osman's chances of getting approval from the Illinois Health Facilities and Services Review Board were much lower than Dr. Ahmad's. This phone conference was followed up by an email to me from Mr. Birk later that day. I also received a letter from Mr. Birk dated January 13, 2011, in which Mr. Birk stated that Dr. Ahmad and several other doctors "will vehemently oppose the CON of Osman, assuming that Osman can get to the point of completing and submitting a bona fide CON." Based upon this correspondence, it is unclear to me as to the point in time that Mr. Birk became of the opinion that Mr. Osman did not intend to obtain a CON and continue operating the surgery center.

It is unfortunate that Mr. Birk did not give me any advance notice that he was going to make such assertions to you or copy me on his correspondence so that I could respond in a more timely manner.

Very truly yours,



Charles W. Ferguson

cc: Kelvin Birk