

CERTIFICATE OF NEED DOCKET

a summary of actions of the Illinois Health Facilities and Services Review Board

AUGUST 2011

This Docket summarizes the actions taken by the Illinois Health Facilities and Services Review Board (HFSRB) at its August 16 meeting in Joliet.

UPDATED ASSESSMENT OF CON OR COE APPLICABILITY POSTED

The Certificate of Need or Exemption to Permit Assessment of Applicability worksheet has been updated. It is posted at: http://www.hfsrb.illinois.gov/hfpb_annouce.htm. It is also available electronically upon request.

Potential applicants are not required to submit this form. However, to request a staff advisory opinion, the first five pages of the form must be included with the request.

BOARD NOTES

The HFSRB continues to allow public comment on projects on its meeting agenda under its interpretation of a new requirement under the Open Meetings Act. At the August 16 meeting, public comment supporting a project was alternated with opposing comment. A new document that sets forth the formal guidelines for public participation is now posted at:

<http://www.hfsrb.illinois.gov/pdf/Guidelines%20-%20Public%20Hearing%207-25-2011.pdf>.

All applicants should be aware that there may be significant time taken to accommodate public comment. As a result, it is possible that the Board may not be able to complete its agenda.

2011 MEETING DATES

- **Next Meeting: October 12 – 13** (note change to a two day meeting)
- Tuesday, November 22

2012 MEETING DATES

Note that the following dates have not yet been posted and are subject to change.

- Tuesday, January 10
- Tuesday, February 28
- Tuesday, April 17
- Tuesday, June 5
- Tuesday, July 24
- Tuesday, September 11
- Tuesday, October 30
- Tuesday, December 18

Locations have not yet been determined for the 2011 or 2012 meetings.

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IHA CERTIFICATE OF NEED DOCKET

August 2011

I. CERTIFICATE OF NEED

A. INITIAL ACTION ON APPLICATIONS SUBSEQUENT TO REVIEW

This category contains information on projects eligible for initial consideration by the Board. These completed applications have been reviewed by the state's staff and are divided into sections for non-substantive and substantive projects. The Board may either approve the project or issue a negative vote, termed an "Intent-to-Deny," in which case the applicant is given the opportunity to appear before the Board again to submit additional information and put the project up for an additional vote.

NON-SUBSTANTIVE

A-1 Advocate Christ Medical Center-Ambulatory Pavilion, Oak Lawn (11-019)

Project to construct a nine-story ambulatory pavilion to include a Heart and Vascular Institute, Neuroscience Institute, and Cancer Institute. Other services include: women's health, pre-admission testing, laboratory, pulmonary function testing, general radiology and fluoroscopy, ultrasound, endoscopy, and mammography. The pavilion will add 14 ORs for a total of 40 ORs at Advocate Christ Medical Center. There will be 14,337 DGSF of shell space. Project cost is \$202,301,558.

Review Board Action: Permit Issued

A-2 Meadowbrook Manor LaGrange, LaGrange (11-021)

Project to modernize an existing 197-bed LTC facility located at 339 South 9th Street and to construct a three-story addition. Project cost is \$28,630,369.

Review Board Action: Permit Issued

A-3 DSI Arlington Heights Renal Center, Arlington Heights (11-027)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 18-station ESRD facility is located at 17 W. Golf Road. Project cost is \$4,574,651.

Review Board Action: Permit Issued

A-4 DSI Buffalo Grove Rental Center, Buffalo Grove (11-028)

Project to change ownership from DSI Buffalo Grove, LLC, CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 16-station ESRD facility is located at 1291 W. Dundee Road. Project cost is \$9,813,647.

Review Board Action: Permit Issued

A-5 DSI Evanston Renal Center, Evanston (11-029)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 18-station ESRD facility is located at 1715 Central Street. Project cost is \$2,003,887.

IHA CERTIFICATE OF NEED DOCKET

August 2011

Review Board Action: Permit Issued

A-6 DSI Hazel Crest Renal Center, Hazel Crest (11-030)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 17-station ESRD facility is located at 3470 W. 183rd Street. Project cost is \$14,801,847.

Review Board Action: Permit Issued

A-7 DSI Loop Renal Center, Chicago (11-031)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 28-station ESRD facility is located at 1101 S. Canal Street. Project cost is \$5,633,602.

Review Board Action: Permit Issued

A-8 DSI Markham Renal Center, Markham (11-032)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 24-station ESRD facility is located at 3053-55 W. 159th Street. Project cost is \$100,000.

Review Board Action: Permit Issued

A-9 DSI Schaumburg Renal Center, Schaumburg (11-033)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 14-station ESRD facility is located at 1156 Roselle Road. Project cost is \$13,258,102.

Review Board Action: Permit Issued

A-10 DSI Scottsdale Renal Center, Chicago (11-034)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 35-station ESRD facility is located at 4651 W. 79th Street. Project cost is \$22,295,899.

Review Board Action: Permit Issued

A-11 DSI South Holland Renal Center, South Holland (11-035)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 20-station ESRD facility is located at 16136 South Park Avenue. Project cost is \$14,444,642.

Review Board Action: Permit Issued

A-12 DSI Waukegan Renal Center, Waukegan (11-036)

Project to change ownership from DSI Renal, Inc., CDSI I Holding Company, Inc. to DaVita, Inc. DaVita, Inc. will acquire 100% of the outstanding stock of CDSI I Holding Company. The 22-station ESRD facility is located at 1616 Grand Avenue. Project cost is \$6,913,588.

IHA CERTIFICATE OF NEED DOCKET

August 2011

Review Board Action: Permit Issued

SUBSTANTIVE

A-13 ARA McHenry Dialysis, McHenry (11-016)

Project to establish a 12-station ESRD facility at 4209 Shamrock Lane. Project cost is \$2,187,768.

Review Board Action: Deferred by Board

A-14 Decatur Memorial Hospital, Decatur (11-020)

Project to discontinue the 61-bed skilled nursing unit and move 31 existing med/surg beds to that space. Project cost is \$0.

Review Board Action: Permit Issued

A-15 Fresenius Medical Care Lockport, Lockport (11-022)

Project to establish a 12-station ESRD facility at 1143-1165 E. 9th Street. Project cost is \$3,268,325.

Review Board Action: Voted Intent to Deny

A-16 Oak Forest Hospital, Oak Forest (11-037)

Project to discontinue Oak Forest Hospital including 137 med/surg beds, 58 rehab beds, eight ICU beds, and a 10-bed long term care unit. Project cost is \$0.

Review Board Action: Permit Issued with Conditions

B. ACTION ON APPLICATIONS SUBSEQUENT TO INTENT-TO-DENY

This category provides a description of the project and lists the Board action taken, either approval or final denial.

B-1 Fresenius Medical Care East Aurora, Aurora (10-086)

Project to establish a 12-station ESRD facility at 924 E. New York Street, in leased space. Project cost is \$4,368,990.

Review Board Action: Denied

C. APPLICATIONS SUBSEQUENT TO ADMINISTRATIVE HEARING/JUDICIAL REVIEW

This category describes formal board actions taken in response to applicant's motion for reconsideration or in response to decisions rendered by the administrative appeal officer or a court.

None

D. APPLICATIONS PENDING SUBSEQUENT TO INTENT-TO-DENY

This category lists those projects that have received an Intent-to-Deny vote and are awaiting further Board consideration or additional information sent by the applicant. The

IHA CERTIFICATE OF NEED DOCKET

August 2011

applicant has 60 days to either submit additional information or negotiate modifications to the application. If no indication is given that additional material will be provided, the Review Board will take action on the application at its next meeting.

D-1 Mercy Crystal Lake Hospital and Medical Center, Crystal Lake (10-089)

Project to establish a 70-bed acute care hospital at the south east corner of State Route 31 and Three Oaks Road. It will have 100 med/surg, 20 OB, and eight ICU beds. There will also be an adjoining multi-specialty physician clinic. Project cost is \$115,114, 525.

D-2 Centegra Hospital, Huntley (10-090)

Project to construct a 128-bed hospital on the east side of Haligus Road between Algonquin and Reed Roads. It will have 100 med/surg, 20 OB, and eight ICU beds. Project cost is \$233,160,352.

D-3 Crest Hill Dialysis, Crest Hill (11-004)

Project to establish a 12-station ESRD facility at 20660 Caton Farm Road. Project cost is \$1,984,179.

E. APPLICATIONS PENDING ADMINISTRATIVE HEARING/JUDICIAL REVIEW

This category contains information on those projects which the Board has denied and which the applicant is appealing.

None

F. APPLICATIONS WITHDRAWN/FINAL DENIAL

F-1 Central DuPage Hospital, Winfield (11-023)

Project to add 11 beds to the existing 13-bed AMI category of service. Project cost is \$1,047,200.

Withdrawn/Complete

G. APPLICATIONS IN THE REVIEW PROCESS

This category provides project descriptions and anticipated Board hearing dates on applications that have been deemed complete by the state staff, and are under their review. Once applications are deemed complete, the staff has 60 days in the case of non-substantive projects and 90 days in the case of substantive projects to complete their review.

NON-SUBSTANTIVE

G-1 Provena United Samaritans Medical Center, Danville (11-039)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 174-bed community hospital is located at 812 N. Logan Street. Project cost is \$170,471,667.

IHA CERTIFICATE OF NEED DOCKET

August 2011

Tentative Board Hearing Date: October 12-13, 2011

G-2 Provena Mercy Medical Center, Aurora (11-040)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 299-bed community hospital is located at 1325 N. Highland Avenue. Project cost is \$336,129,667.

Tentative Board Hearing Date: October 12-13, 2011

G-3 Provena St. Joseph Hospital, Elgin (11-041)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 177-bed community hospital is located at 77 N. Airlite Street. Project cost is \$344,692,667.

Tentative Board Hearing Date: October 12-13, 2011

G-4 Provena Covenant Medical Center, Urbana (11-042)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 210-bed community hospital is located at 1400 W. Park Avenue. Project cost is \$267,376,667.

Tentative Board Hearing Date: October 12-13, 2011

G-5 Our Lady of the Resurrection Medical Center, Chicago (11-043)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 299-bed community hospital is located at 5645 W. Addison Street. Project cost is \$215,527,925.

Tentative Board Hearing Date: October 12-13, 2011

G-6 Provena St. Mary’s Hospital, Kankakee (11-044)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 182-bed community hospital is located at 500 W. Court Street. Project cost is \$195,996,667.

Tentative Board Hearing Date: October 12-13, 2011

G-7 Belmont and Harlem Surgery Center, Chicago (11-045)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the

IHA CERTIFICATE OF NEED DOCKET

August 2011

parent entity of Resurrection Health Care Corporation and Provena Health. This multi-specialty ASTC with four ORs is located at 3101 N. Harlem Avenue. Project cost is \$4,838,704.

Tentative Board Hearing Date: October 12-13, 2011

G-8 Manteno Dialysis Center, Manteno (11-046)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. This ESRD facility is located at 5 E. Division Street. Project cost is \$1,084,288.

Tentative Board Hearing Date: October 12-13, 2011

G-9 Resurrection Medical Center, Chicago (11-047)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 360-bed community hospital is located at 7435 W. Talcott. Project cost is \$550,729,657.

Tentative Board Hearing Date: October 12-13, 2011

G-10 Saint Joseph Hospital, Chicago (11-048)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 360-bed community hospital is located at 2900 N. Lake Shore Drive. Project cost is \$375,362,016.

Tentative Board Hearing Date: October 12-13, 2011

G-11 Saint Francis Hospital, Evanston (11-049)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 271-bed community hospital is located at 355 N. Ridge Avenue. Project cost is \$305,388,953.

Tentative Board Hearing Date: October 12-13, 2011

G-12 Saint Mary of Nazareth Hospital, Chicago (11-050)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 387-bed community hospital is located at 2233 W. Division Street. Project cost is \$297,655,283.

Tentative Board Hearing Date: October 12-13, 2011

IHA CERTIFICATE OF NEED DOCKET

August 2011

G-13 Provena St. Joseph Medical Center, Joliet (11-051)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 480-bed community hospital is located at 333 N. Madison Street. Project cost is \$622,383,667.

Tentative Board Hearing Date: October 12-13, 2011

G-14 Holy Family Medical Center, Des Plaines (11-052)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 188-bed long-term acute care hospital is located at 100 N. River Road. Project cost is \$166,499,169.

Tentative Board Hearing Date: October 12-13, 2011

G-15 Saint Elizabeth Hospital, Chicago (11-053)

Project to change ownership under the proposed merger of the Resurrection and Provena systems. This merger will be through a common “super parent” corporation that will become the parent entity of Resurrection Health Care Corporation and Provena Health. The 108-bed community hospital is located at 1431 N. Claremont. Project cost is \$51,828,180.

Tentative Board Hearing Date: October 12-13, 2011

G-16 Sarah D. Culbertson Memorial Hospital, Rushville (11-056)

Project to discontinue the 29-bed general long-term care unit. Project cost is \$0.

Tentative Board Hearing Date: October 12-13, 2011

G-17 Fresenius Medical Care North Avenue, Melrose Park (11-057)

Project to add two stations to a 22-station ESRD facility located at 911 North Avenue. Project cost is \$44,350.

Tentative Board Hearing Date: October 12-13, 2011

G-18 Fresenius Medical Care Plainfield, Plainfield (11-058)

Project to add 4 stations to a 12-station ESRD facility at 2320 Michas Drive. Project cost is \$101,700.

Tentative Board Hearing Date: October 12-13, 2011

G-19 Proctor Community Hospital, Peoria (11-063)

Project to discontinue 22 med/surg beds and replace them with an 18-bed AMI category of service for geriatric patients. Project cost is \$639,993.

Tentative Board Hearing Date: October 12-13, 2011

IHA CERTIFICATE OF NEED DOCKET

August 2011

G-20 Manor Court of Princeton, Princeton (11-065)

Project to add 49 General LTC beds to an existing facility and to discontinue 22 Sheltered Care beds. The total bed complement will be 125 General LTC beds. Project cost is \$2,960,521.

Tentative Board Hearing Date: November 22, 2011

SUBSTANTIVE

G-21 U.S. Renal Care Oak Brook Dialysis, Downers Grove (11-024)

Project to establish a 13-station ESRD facility at 1201-1213 Butterfield Road. Project cost is \$1,861,668.

Tentative Board Hearing Date: October 12-13, 2011

G-22 U.S. Renal Care Bolingbrook Dialysis, Bolingbrook (11-025)

Project to establish a 13-station ESRD facility at 396 Remington Boulevard. Project cost is \$2,486,029.

Tentative Board Hearing Date: October 12-13, 2011

G-23 U.S. Renal Care Streamwood Dialysis, Streamwood 11(11-026)

Project to establish a 13-station ESRD facility at 141—149 Irving Park Road. Project cost is \$1,678,573.

Tentative Board Hearing Date: October 12-13, 2011

G-24 Fresenius Medical Care Naperville, Naperville (11-038)

Project to establish a 16-station ESRD facility at 2451 S. Washington St. Project cost is \$4,920,300.

Tentative Board Hearing Date: October 12-13, 2011

G-25 Fresenius Medical Care Northfield, Northfield (11-054)

Project to establish a 12-station ESRD facility at 480 Central Avenue in Northfield and discontinue an 8-station ESRD facility located at 2953 Central Street in Evanston. Project cost is \$3,596,325.

Tentative Board Hearing Date: October 12-13, 2011

G-26 Transitional Care Center of Naperville, Naperville (11-055)

Project to establish a 120-bed skilled nursing facility near the intersection of Arbiter Court and Diehl Road. The facility will provide short-term skilled rehabilitation and specialized programs in orthopedics, wound care, and cardiac rehabilitation for high-acuity patients. Project cost is \$18,325,873.

IHA CERTIFICATE OF NEED DOCKET

August 2011

Tentative Board Hearing Date: October 12-13, 2011

G-27 Fresenius Medical Care Logan Square, Chicago (11-059)

Project to establish a 12-station ESRD facility in leased space at 2734 N. Milwaukee Avenue. Project cost is \$3,085,275.

Tentative Board Hearing Date: October 12-13, 2011

G-28 Naperville Fertility Center, Inc., Naperville (11-060)

Project to establish a limited-specialty ASTC with one OR at 11&15 Washington St. Project cost is \$6,935,250.

Tentative Board Hearing Date: October 12-13, 2011

G-29 Satellite Dialysis of Glenview, Glenview (11-061)

Project to establish a 16-station ESRD facility at 2601 Compass Road. Project cost is \$4,112,506.

Tentative Board Hearing Date: October 12-13, 2011

G-30 Illinois Center for Foot & Ankle Surgery, Oak Lawn (11-062)

Project to discontinue an ASTC with one OR at 4650 Southwest Highway. Project cost is \$0.

Tentative Board Hearing Date: October 12-13, 2011

G-31 Freeport Memorial Hospital, Freeport (11-064)

Project to discontinue the hospital's 26-bed General Long Term Care category of service. Project cost is \$0.

Tentative Board Hearing Date: October 12-13, 2011.

H. APPLICATIONS RECEIVED – COMPLETENESS DETERMINATION PENDING

None

I. APPLICATIONS DEEMED INCOMPLETE

None

IHA CERTIFICATE OF NEED DOCKET

August 2011

J. EXEMPTION REQUESTS

This category lists health care facilities projects that were granted an exemption (unless noted otherwise).

Exemption	Applicant	Project Description
E-010-11	Methodist Medical Center of IL, Peoria	Iowa Health System will become the sole corporate member of Methodist Health Systems Corporation. Iowa Health System will make a \$175,000,000 capital commitment to Methodist Health Systems. Project cost is \$0.

K. EXEMPTION REQUESTS PENDING

This category lists exemption requests that have not been acted upon by the chairman or the Health Facilities and Services Review Board.

None