

St. Mary's Good Samaritan

Incorporated

January 22, 2010

Cosponsored by Felician Services, Inc.
and SSM Health Care

RECEIVED

JAN 27 2010

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Mr. Mike Mills
Compliance Administrator
Illinois Health Facilities Planning Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761



Re: 2009 / 2010 Annual Progress Report for Project # 08-050
Good Samaritan Physicians & Ambulatory Services Building

Dear Mr. Mills,

In accordance with Section 1130.760 of the Administrative Code, this letter serves as the annual Progress Report for Project 08-050 (Good Samaritan Physicians & Ambulatory Services Building). This project was approved by the Health Facilities Planning Board on January 28, 2009 along with two other related projects -- Good Samaritan replacement hospital (project 08-051) and Physician Surgery Center at Good Samaritan (project 08-070).

STATUS REPORT

The following is an outline of progress towards the Physicians & Ambulatory Services Building through January 22, 2010:

- The process of creating and finalizing the design drawings began on October 15, 2009.
 - Drawings are anticipated to be complete by March 3, 2010.
- The share offering for the Surgery Center (which will be located inside the Physicians & Ambulatory Services Building) was finalized on August 21, 2009. All 40 available physician shares were sold.
- The Physicians & Ambulatory Services Building / Physician Surgery Center Commencement Schedule was approved by the Steering Team on October 9, 2009.
- Through January 22, 2010, \$1,027,166 in expenses have been paid towards the project.

This project's construction period (approximately 17 months) is less than the construction period of the adjoining replacement hospital (approximately 30 months). The Physicians & Ambulatory Services Building, the Surgery Center, and the replacement hospital are intended to open simultaneously. Therefore, we will be requesting a one-year "Extension of Obligation" in April, following the completion of the construction drawings and submission of these drawings to the Illinois Department of Public Health.

The Medical Office Building / Ambulatory Surgery Project Commencement schedule is attached for your reference. The schedule is based on our intention to request a one-year "Extension of Obligation".

Although this is a major construction project, there is no attachment for the Application and Certification of Payment for the construction contract, as construction has not officially begun.

605 North 12th Street
Mt. Vernon, IL 62864
618.242.4600

www.smgsi.com

COSTS & FINANCING

Project Cost & Sources of Funds – Total

<u>Cost</u>	<u>CON Permit Amount</u>	<u>Expenditures-to-Date</u>
Preplanning Costs	\$35,000	\$10,854
Site Survey & Soil Investigation	\$29,000	--
Site Preparation	\$765,000	--
New Construction Contracts	\$30,303,939	--
Contingencies	\$2,675,535	--
Architectural / Engineering Fees	\$1,890,948	\$907,135
Consulting & Other Fees	\$2,077,131	\$92,397
Movable or Other Equipment	\$3,629,500	--
Net Interest Exp during Construction	\$1,909,771	--
Other Costs to be Capitalized	\$142,523	\$16,780
Total Statement of Probable Cost	\$43,458,347	\$1,027,166

ANTICIPATED DATE OF COMPLETION

As shown on the attached Commencement Schedule, the construction of the Physicians & Ambulatory Services Building is estimated to begin in April, 2011 and complete before the December 31, 2012 required completion date as listed in the Certificate of Need permit.

If you should have any questions about this Progress Report, or would like additional information, feel free to contact me at (618) 241-2201.

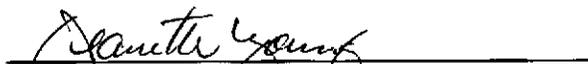
Sincerely,



Michael Warren, FACHE
President, Good Samaritan Regional Health Center

State of Illinois, County of Jefferson

I, Jeanette Young, Notary, attest that the person known to me as Michael Warren, appeared before me and affixed his hand and seal above on this 22nd day of January, 2010.



Jeanette Young, Notary
My Commission expires December 5, 2010



STATE OF ILLINOIS

HEALTH FACILITIES PLANNING BOARD

525 WEST JEFFERSON STREET • SPRINGFIELD, ILLINOIS 62761 • (217)782-3516

January 31, 2009

CERTIFIED MAIL
RETURN RECEIPT REQ!

Michael Warren, Vice President
Good Samaritan Regional Health Center
605 North 12th Street
Mt. Vernon, Illinois 62864

RE: **PERMIT**: Illinois Health Facilities Planning Act 20 ILCS 3960

Dear Mr. Warren:

On January 28, 2009, the Illinois Health Facilities Planning Board approved the application for permit for the referenced project based upon the project's substantial conformance with the applicable standards and criteria of Part 1110 and 1120. In arriving at a decision, the State Board considered the findings contained in the State Agency Report, the application material, and any testimony made before the State Board.

- **PROJECT**: #08-050 - Good Samaritan Physician and Ambulatory Services Building - The applicants are approved for the establishment of a medical office building at Veterans Memorial Drive and 42nd Street, Mt. Vernon, Illinois. The medical office building will house an ambulatory surgical treatment center, outpatient services, medical offices and other non-clinical services adjacent to Good Samaritan Regional Health Center in 141,139/GSF of new construction.
- **PERMIT HOLDERS**: Good Samaritan Regional Health Services, 605 North 12th Street, Mount Vernon, Illinois, SSM Regional Health Services, SSM Health Care Corporation, 477 N. Lindbergh, Blvd., St. Louis, Missouri, and Mount Vernon Physicians, LLC, 7101 West 78th Street, Suite 100, Minneapolis, Minnesota. The operating entity/licensee is Mount Vernon Physicians, LLC, and the owner of the site is Good Samaritan Regional Health Services.
- **PERMIT AMOUNT**: \$43,458,347.
- **PROJECT OBLIGATED BY**: July 28, 2010
- **PROJECT COMPLETION DATE**: December 31, 2012

This permit is valid only for the defined construction or modification, site, amount and the named permit holder and is not transferable or assignable.

OFFICE OF THE EXECUTIVE SECRETARY

In accordance with the Planning Act, the permit is valid until such time as the project has been completed, provided that all post permit requirements have been fulfilled, pursuant to the requirements of 77 Ill. Adm. Code 1130. The permit holder is responsible for complying with the following requirements in order to maintain a valid permit. Failure to comply with the requirements may result in expiration of the permit or in State Board action to revoke the permit.

1. OBLIGATION-PART 1130.720

The project must be obligated prior to the Project Obligation Date, unless the permit holder obtains an "Extension of the Obligation Period" as provided in 77 Ill. Adm. Code 1130.730.

2. ANNUAL PROGRESS REPORT-PART 1130.760

An annual progress report must be submitted to IDPH every 12-month from the permit issuance date until such time as the project is completed.

3. PROJECT COMPLETION REQUIREMENTS-PART 1130.770

The permit holder must submit a written notice of project completion as defined in Section 1130.140. Each permit holder shall notify HFPB within 30 days following the project completion date and provide supporting documentation within 90 days following the completion date and must contain the information required by Section 1130.770.

This permit does not exempt the project or permit holder from licensing and certification requirements, including approval of applicable architectural plans and specifications prior to construction. Should you have any questions regarding the permit requirements, please contact Mike Constantino.

Sincerely,



Jeffrey S. Mark
Executive Secretary

cc: William Bell
Karen Senger
Jody Gudgel
Project File

