

St. Mary's Good Samaritan

co-sponsored by Felician Services & SSM Health Care

January 30, 2012

RECEIVED

Mr. Dale Galassie, Chairperson
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd floor
Springfield, IL 62761

FEB 0 1 2013

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: 2012 / 2013 Annual Progress Report for Project # 08-050
(Good Samaritan Physicians & Ambulatory Services Building)

Dear Mr. Galassie,

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 project reached substantial completion on October 12, 2012. Listed below are key milestones throughout the course of the project:

- The Physicians & Ambulatory Services Building / Physician Surgery Center Commencement Schedule was approved by the Steering Team on October 9, 2009.
- The share offering for the Surgery Center (located inside the Physicians & Ambulatory Services Building) was finalized on August 21, 2009. All 40 available physician shares were sold.
- Illinois Department of Public Health completed reviews of drawings for the Physicians & Ambulatory Services Building in July, 2010 without further comments.
- In August, 2010, the Planning Board confirmed receipt of notification that the Surgery Center space (located inside the Physicians & Ambulatory Services Building) will be reduced to 10,937 GSF. The GSF reduced by the surgery center has been converted to lease space in the building. This notification was received by the Planning Board with no further action required.
- In October, 2010, the project was obligated with a signed contract for the Medical Office Building construction between Mt. Vernon Physicians, LLC / Frauenshuh and McCarthy Building Companies for \$14,466,899. (A copy of this contract was submitted in the 2011 Progress Report.)
- Construction of the project began in April, 2011, and a public groundbreaking ceremony for both the Medical Office Building and the Physician Surgery Center at Good Samaritan (to be located inside the M.O.B.) was held in May, 2011. (See current construction images attached.)
- In November, 2011, an informational letter was accepted by the IHFPB with notification that Physician Services Corporation of Southern Illinois, an affiliate of Good Samaritan Regional Health Center, will be leasing the 4th floor of the MOB and the build-out costs will be recorded on Good Samaritan's capital books. The scope of the project does not change, and the overall cost of the project remains within the approved permit amount. (See letter of receipt from IHFPB, attached.)
- Certificate of temporary occupancy granted by the City of Mt. Vernon on October 8, 2012.
- Substantial completion was reached on October 12, 2012.
- Final submittal package provided to IDPH on October 22, 2012.
- The IHFSRB approved a permit renewal for the project on November 11, 2012, extending the permit until June 30, 2013 in order to allow time to finalize audited financials.

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- Physician offices were relocated to the 4th floor Medical Plaza lease space on December 14, 2012.
- Mock IDPH survey was held December 18th and 19th, 2012.
- Community Open House / tours conducted on January 5 and 6, 2013 through hospital and portions of Medical Plaza.
- The IDPH inspection was held on January 15 and 16, 2013 for the hospital and relevant areas of the Medical Plaza.
- IDPH approval (license acquisition) received on January 25, 2013.
- Patient move day / official opening of entire Medical Plaza occurred on January 27, 2013.
- As of January, 2013, over 95% of space is officially leased.
- Through December, 2011, \$34,854,704 in expenses have been paid-out towards the project.

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	\$19,734
Site Preparation	\$765,000	--
New Construction Contracts	\$30,303,939	\$28,402,990
Contingencies	\$2,675,535	\$81,920
Architectural / Engineering Fees	\$1,890,948	\$1,749,759
Consulting & Other Fees	\$2,077,131	\$1,322,646
Movable or Other Equipment	\$3,629,500	\$2,066,555
Net Interest Exp during Construction	\$1,909,771	\$1,134,279
<u>Other Costs to be Capitalized</u>	<u>\$142,523</u>	<u>\$65,967</u>
Total Statement of Probable Cost	\$43,458,347	\$34,854,704

An audit of the project financials will be completed, and the final report will be submitted to the Planning Board prior to the renewal date, June 30, 2013.

If you should have any questions about this Progress Report, or would like additional information, feel free to contact me at (618) 899-1002.

Sincerely,



Michael Warren, FACHE
President, Good Samaritan Regional Health Center