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HEALTH FACILITIES &
SERVICES REVIEW BOARD



Advocate Christ Medical Center

4440 West 95th Street || Oak Lawn, IL 60453 || T 708.684.8000 || advocatehealth.com

October 23, 2012

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: Type B Modification of Project Application 12-066

Dear Ms Avery:

Earlier this year, we submitted an application to develop a new patient bed tower. Planning for this project has been underway for a little over 5 years. Recent changes in health care delivery, both nationally and at Advocate, have caused us to re-examine the scope of this project in light of these changes. Attached please find the necessary documents to modify the original application we submitted in July 2012.

Our modification continues to address the need for modernization and additional capacity for high accuity care, but in a slightly reduced scope. This Type B modification includes the following changes to our proposed patient tower project:

- A reduction in square footage of nearly 69,000 square feet
- A reduction of nearly \$46 million in overall project costs
- The removal of two floors of the proposed project, including 36 ICU beds and shell space
- The relocation and modernization of 12 obstetrical beds within the existing Medical Center facility
- The addition of pre-stress construction expenses that will allow for additional vertical expansion of the tower should need justify expansion in the future.

This modification is a result of significant developments in the health care enviroment. As you may be aware, Advocate is nationally recognized for its work in preparing for health reform. Through our work as an Accountable Care Organization (ACO), we have partnered with both the Medicare program and Blue Cross Blue Shield of Illinois to bring down the cost of care we provide while improving quality.

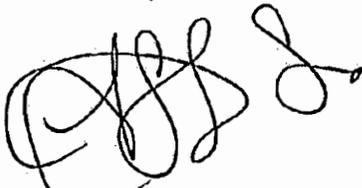
This is difficult and challenging work, but we know we are beginning to make progress. Our initial results indicate that patients in our ACO have fewer hospitalizations. As these initial results have come in, we began to re-examine our patient tower project. We have known for some time that our current number

October 23, 2012
Ms. Courtney Avery

of intensive care beds on the Medical Center's campus is insufficient and a major expansion is necessary. However, we have decided to reduce the number of beds we are building, and at the same time, design a building that can accommodate additional floors in the future should further expansion become necessary. This allows us to build for what we expect demand to be over the next several years, and gives us options for the future.

Once again, we would like to thank both the Health Facilities and Review Board and the State Staff for allowing Advocate Christ Medical Center to defer this project and submit this project modification. We look forward to working with State Staff through the review of our modification and being able to present the merits of this essential project to the Illinois Health Facilities Planning Board in December. Please feel free to contact Jeffrey So at (708) 684-5763 with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey So', with a stylized flourish at the end.

Jeffrey So
Director of Business Development and Community Relations

Enclosure

cc: Mike Constantino

HEALTH FACILITIES AND SERVICES
REVIEW BOARD

MODIFICATION TO
APPLICATION FOR PROJECT #12-066

TO

CONSTRUCT A NEW PATIENT TOWER

At

ADVOCATE CHRIST MEDICAL CENTER
Oak Lawn, Illinois

October 2012

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2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Advocate Health and Hospital Network and Advocate Health and Hospital Corporation d/b/a Advocate Christ Medical Center (Medical Center) filed an application to develop a new patient tower that was deemed complete by the HFSRB on July 31, 2012. On October 15, 2012, the applicants requested that the project be deferred. The project has since been modified and sections of the application relating to the modifications have been updated and are included in this document.

The scope of the modifications includes the removal of two floors of the proposed patient tower; the new project includes 7 levels rather than the 9 originally proposed. The first level would have housed 36 adult intensive care beds; consequently, the proposed addition of intensive care beds has been reduced from 108 beds to 72 beds (a net increase of 50 authorized intensive care beds). The second level would have housed 12 obstetric beds and a nursery as well as shell space. These 12 obstetric beds and a nursery will be redeveloped in modernized space rather than in new construction. There is no longer any shell space in the project. The addition of pre-stress construction expenses have been included in order to accommodate additional floors in the future should further expansion become necessary.

This project modification is the result of recent changes in health care delivery, both nationally and at Advocate. Advocate is nationally recognized for its work in preparing for health reform. Through work as an Accountable Care Organization (ACO), Advocate has partnered with both the Medicare program and Blue Cross Blue Shield of Illinois to bring down the cost of care provided while improving quality.

In addition, the System revisited a coordinated Master Facilities Plan to address the long- and short-term capital needs of the entire Advocate Health Care System. This planning effort was updated and a better understanding of the overall specific capital needs of each of the system facilities has been evaluated. This better understanding of the total needs across Advocate has encouraged leadership to review and re-evaluate capital investments and adjust capital fund commitments across the System. As a result of these Systemwide initiatives, the Medical Center's project has been reduced.

Planning for this project has been in progress for more than 5 years. The currently proposed project has undergone multiple iterations until both the Medical Center and Advocate Health Care leadership were confident that the modification outlined in this document would meet the needs of the Medical Center's very high acuity patient population, would be operationally efficient and conservatively sized, and would facilitate improved safety and overall value to the patients.

The proposed project has three major components, all of which are necessary to serve critically ill patients from the broad geographic area served by Advocate Christ Medical Center (ACMC, the Medical Center). The project will be accomplished by constructing and modernizing space for these very high acuity services. First, the Medical Center proposes to increase the number of adult intensive care beds by 50. To achieve this increase, 72 new intensive care beds will be constructed and 22 existing intensive care beds will be vacated. Next, the Medical Center proposes to increase by 17, or from 39 to 56, the number of obstetric beds for high risk antepartum, postpartum and gynecology patients. All of the proposed obstetric beds, as well as labor/delivery/recovery, surgical delivery rooms (C-Section rooms), and related Phase I recovery areas will be relocated to new construction. Finally, the Medical Center will modernize the space vacated by the obstetric services for 64 neonatal intensive care beds, (or 27 more than are currently authorized), and an enlarged OB Triage Area.

The proposed patient tower will have the following functions in new construction:

Roof	Elevator Machine Room
Level 8	Intensive Care Beds and Non Clinical Space
Level 7	Intensive Care Beds and Non Clinical Space
Level 6	Postpartum Beds, Newborn Nursery, and Non Clinical Space
Level 5	There is no Level 5*
Level 4	There is no Level 4*
Level 3	Mechanical Space
Level 2	Antepartum Obstetric Beds/Labor/Delivery/Recovery, Surgical Delivery Suite, Phase I Recovery, and other Non Clinical Space
Level 1	Public Space, Café, and other Non Clinical Space
Ground Level	Kitchen, Morgue, and other Non Clinical Space

***Note: There is no level 4 or 5 due to the matching of floor levels with existing building levels.**

Connector	A connector between the existing tower and the new patient tower will provide direct linkage between the two towers at Ground and Level 1 through Level 8. The connector will displace 19 medical surgical beds. Of these, 5 beds will be developed in existing rooms and the remainder will be placed in reserve.
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The space vacated by the obstetric service in the existing tower will house the following functions in modernized space:

Level 2	Level IIIC Neonatal Intensive Care Unit, OB Triage, and Non Clinical Space
Level 2	Reuse as GYN Postpartum/Obstetric Beds, Newborn Nursery, and Non Clinical Space

A site plan showing the location of the new construction and modernization and a stacking diagram showing the location of the functions in new construction and modernization are appended as Narrative, Exhibits 1 and 2.

Today, the Medical Center is experiencing an acute shortage of obstetric, adult intensive care and neonatal intensive care beds and an overall critical shortage of space. According to Kurt Salmon and Associates, a nationally respected facility planning firm, the Medical Center has 1,260,000 BGSF of space when national standards for similar tertiary care/education/research facilities suggest that it should have from 1,750,000 to 2,100,000 BGSF. This is a deficit from 490,000 BGSF to 840,000 BGSF. As an initial campus redevelopment process, the Medical Center added 324,675 BGSF of space in a new Ambulatory/Outpatient Pavilion that is currently under construction (Permit #11-019 approved on August 16, 2011). Even with this initiative, the Medical Center continues to have a deficit of from 165,325 BGSF to 515,325 BGSF. The proposed Project will add 308,090 BGSF of space.

Project Size

The amount of total physical space programmed for the proposed project is necessary and conservative compared to State Standards. The only apparent exception is Phase I recovery space – this exceeds the State Standard.

Project Size Compared to State Standards

Department/Service	Number of Key Rooms	Proposed BGSF/GSF Per Key Room	State Standard Per Key Room	Met Standard?
OB Triage	12	451	NA	NA
Labor/Delivery/Recovery	15	923	1,200 to 1,600	YES
Surgical Delivery/ C-section Rooms	4	881	2,075 per OR	YES
Phase I Recovery	4	401	180	NO
Obstetric Beds	56	632	500 to 660	YES
Newborn Nursery	24	75	106	YES
Neonatal Intensive Care	64	338	443 to 560	YES
Intensive Care Beds	72	618	600 to 685	YES
Medical Surgical Beds	394	259	500 to 600	YES
Morgue	1	2,597	NA	NA

The size of the Phase I recovery rooms is justified based on there being two patients and large equipment in each recovery room.

Project Utilization

The utilization of all the project departments/areas will exceed State Standard Target Occupancy by the second full year of utilization.

Project Utilization Compared to State Standards

Department/Service	Projected Utilization 2 nd Full Year	State Standard	Proposed Rooms	Met Standard?
OB Triage	7,770 Visits	NA	12	NA
Labor/Delivery/Recovery	17,913 hours	400 procedures per room	15	YES
Surgical Delivery/ C-section Rooms	1,734 surgeries	800 procedures	4	YES
	5,142 hours	1,500 hours/room	4	
Guidelines do not include one necessary room for emergency surgery.				
Phase I Recovery	NA	None	4	NA
Obstetric Beds	86.3 percent	78.0 percent	56	YES
Newborn Nursery	NA	NA	24	NA
Neonatal Intensive Care	92.3 percent	75.0 percent	64	YES
Intensive Care Beds	87.0 percent	60.0 percent	153	YES
Medical Surgical Beds	85.7percent	88.0 percent	394	YES
Morgue	NA	NA	1	NA

The Medical Center is striving for gold certification according to Leadership in Energy and Environmental Design (LEED) standards for sustainability.

The project has received strong community support; letters of support are included as Narrative, Exhibit 3 in the original application and on the HFSRB web site.

This project will be completed in three major phases. The proposed Patient Tower is expected to be completed in October 2016. At the completion of the Patient Tower, the intensive care beds, 24 of the obstetric beds and related services and the morgue will be relocated to the Tower.

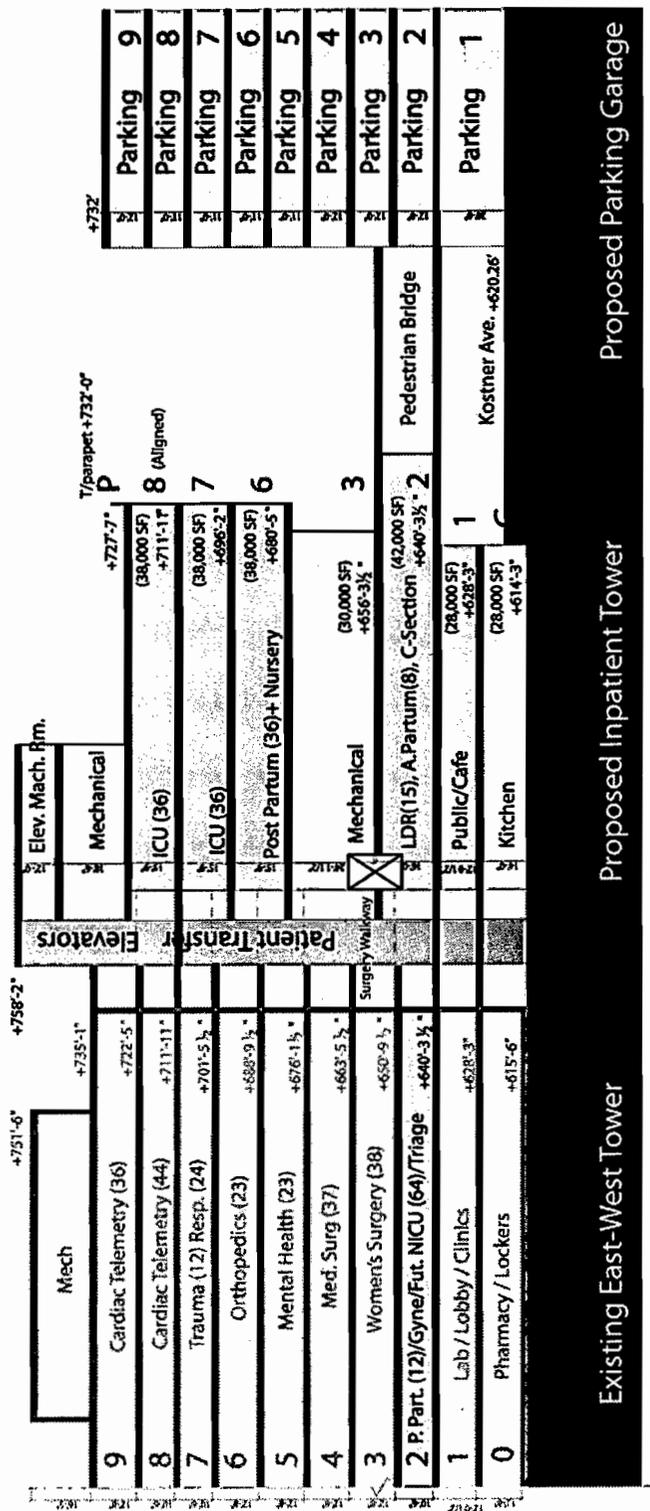
Next, the vacated obstetric space and the existing neonatal intensive care unit will be modernized for the expanded neonatal intensive care unit, OB Triage, 12 obstetric beds, and a nursery. These modernization projects are expected to be completed by April 2017. The completion of non

clinical construction and modernization will be completed in phases with the entire project by July 31, 2019.

Of the total square footage, 308,090 GSF will be in new construction; 87,646 GSF will be in modernization.

Total project cost is expected to be \$299,990,191 or \$45,766,789 less than the cost of the original project. The project will be funded with cash and securities and debt.

In accordance with the Illinois Administrative Code, Chapter II, Section 1110.40 (b), the project is classified as substantive because the project is neither emergency nor non substantive; further total project cost exceeds the HFSRB threshold.

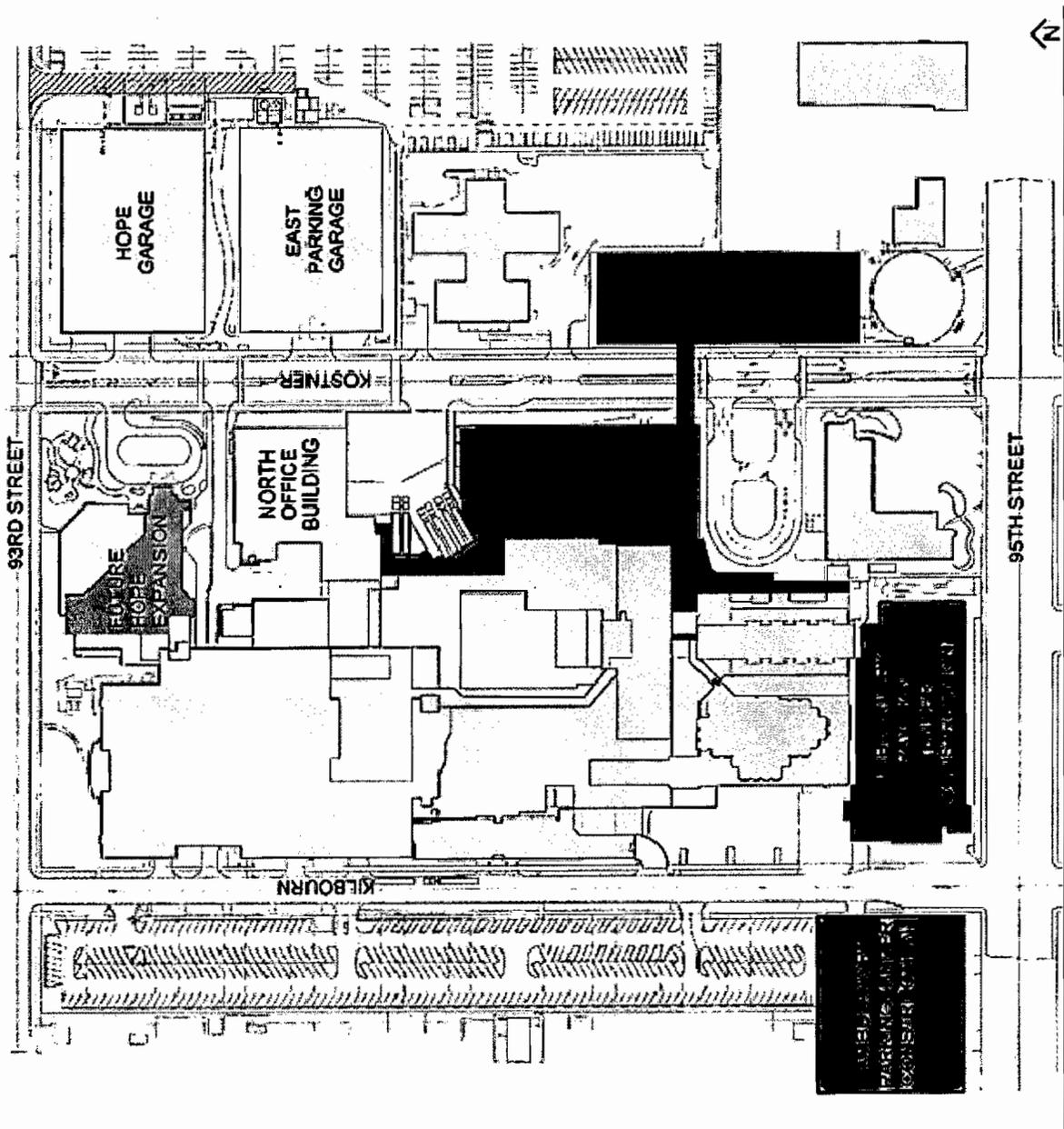


CANNONDESIGN  ACMC - NEW PATIENT TOWER STACKING (Revised: 10/10/12)

80T ACMC Patient Tower Modification 10/20/2012
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Existing East-West Tower
 Proposed Inpatient Tower
 Proposed Parking Garage

Modification Narrative
 Modified Stacking Diagram



MAY 2012

ADVOCATE CHRIST MEDICAL CENTER,
PROPOSED PATIENT TOWER, RENOVATIONS & PARKING GARAGE

80T ACMC Patient Tower Modification 10/20/2012
10/23/2012 2:59 PM

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: Advocate Christ Medical Center		CITY: Oak Lawn			
REPORTING PERIOD DATES: From: 12/31/10 to: 12/31/11					
Category of Service	Authorized Beds	Admissions	Patient Days ¹ (including observation)	Bed Changes	Proposed Beds
Medical/Surgical	378	23,481 ³	113,723 ³	+ 16	394 ⁵
Obstetrics	39	5,455 ³	15,712 ³	+ 17	56
Pediatrics	45	3,553	13,388	--	45
Intensive Care	103	5,260	32,937	+ 50	153
Comprehensive Physical Rehabilitation	37	911	12,536	--	37
Acute/Chronic Mental Illness	51	1,453	9,588	-12 ⁴	39
Neonatal Intensive Care	37 ²	654	10,910 ²	+ 27	64
General Long Term Care	--	--	--	--	--
Specialized Long Term Care	--	--	--	--	--
Long Term Acute Care	--	--	--	--	--
Other ((identify))	--	--	--	--	--
TOTALS:	690	40,767	208,794 ¹	+98	788

¹ Includes patient days and observation days in nursing units; excludes 2,163 observation days in 34 dedicated observation beds or stations.

² Includes only Level III neonatal days. Level II+ babies are also cared for in the neonatal intensive care beds per Permit #04-042. In 2011, there were 3,619 Level II+ inpatient days

³ Medical surgical and obstetric utilization revised after the 2011 Annual Questionnaire was submitted based on a Declaratory Ruling approved by the HFSRB on June 5, 2012.

⁴ The HFSRB approved bed adjustments at the July 23rd and July 24th Board meeting. By the action of the board, the Medical Center's authorized number of Acute/Chronic Mental Illness beds was reduced from 51 to 39 beds.

⁵ In 2012, the Medical Center invoked the 20-bed 10-percent rule and increased the number of authorized medical surgical beds by 16, or from 378 beds to 394 beds.

Facility Bed Capacity and Utilization, Exhibit 1 summarizes the Medical Center's bed changes between 2011 and the completion of the project in 2019.

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Advocate Health Care Network in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

JA Skogsbergh

SIGNATURE

James H. Skogsbergh

PRINTED NAME

President and CEO

PRINTED TITLE

William Santulli

SIGNATURE

William Santulli

PRINTED NAME

Executive Vice President, Chief Operating Officer

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 9th day of October 2012

Cristin G. Foster

Signature of Notary

Seal



Notarization:
Subscribed and sworn to before me
this 9th day of October 2012

Cristin G. Foster

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Advocate Health & Hospitals Corporation d/b/a Advocate Christ Medical Center in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

K. W. Lukhard
SIGNATURE

Kenneth W. Lukhard
PRINTED NAME

President
PRINTED TITLE

William Santulli
SIGNATURE

William Santulli
PRINTED NAME

Executive Vice President, Chief Operating Officer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 8th day of October 2012

[Signature]
Signature of Notary

Seal



Notarization:
Subscribed and sworn to before me
this 9th day of October 2012

Cristin G Foster
Signature of Notary

Seal



*Insert EXACT legal name of the applicant

Project Costs and Sources of Funds – Modification

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$1,240,265	\$3,130,235	\$4,370,500
Site Survey and Soil Investigation	\$86,140	\$177,260	\$263,400
Site Preparation	\$640,200	\$899,800	\$1,540,000
Off Site Work	\$1,578,390	\$3,004,610	\$4,583,000
New Construction Contracts	\$48,461,575	\$92,012,925	\$140,474,500
Modernization Contracts	\$13,805,866	\$15,591,702	\$29,397,568
Contingencies	\$5,072,044	\$11,606,661	\$16,678,705
Architectural/Engineering Fees	\$4,030,778	\$6,803,851	\$10,834,629
Consulting and Other Fees	\$3,462,880	\$6,453,120	\$9,916,000
Movable or Other Equipment (not in construction contracts)	\$38,324,000	\$5,958,000	\$44,282,000
Bond Issuance Expense (project related)	\$932,500	\$1,218,100	\$2,150,600
Net Interest Expense During Construction (project related)	\$5,943,669	\$7,764,054	\$13,707,723
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized	\$9,452,756	\$12,338,810	\$21,791,566
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$133,031,063	\$166,959,128	\$299,990,191
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ 41,834,504	\$ 54,647,285	\$96,481,789
Pledges			
Gifts and Bequests			
Bond Issues (project related)	\$ 88,241,243	\$ 115,267,159	\$203,508,402
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			\$299,990,191
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

**ACMC - Patient Tower + NICU
PROJECT COSTS – Modification**

Cost Items	Clinical	Non Clinical	TOTAL
Pre-Planning	\$ 1,240,265	\$ 3,130,235	\$ 4,370,500
Site and Facility Planning	\$ -	\$ 3,130,235	\$ 3,130,235
Programming thru SD	\$ 1,240,265		\$ 1,240,265
Site survey	\$ 86,140	\$ 177,260	\$ 263,400
Soils Investigation	\$ 24,400	\$ 56,000	\$ 80,400
Site Survey & Title	\$ 22,800	\$ 42,200	\$ 65,000
Traffic studies	\$ 38,940	\$ 79,060	\$ 118,000
Site Preparation	\$ 640,200	\$ 899,800.00	\$ 1,540,000
Prep Work (Demo, clearing , grading)	\$ 415,800	\$ 444,200.00	\$ 860,000
Earthwork, drainage, stone, foundati	\$ 158,400	\$ 321,600.00	\$ 480,000
Misc excavation, all backfill areas	\$ 66,000	\$ 134,000.00	\$ 200,000
OFF-Site Work	\$ 1,578,390	\$ 3,004,610.00	\$ 4,583,000
Site Work: Grading, Caissons, Conc	\$ 504,900	\$ 1,025,100.00	\$ 1,530,000
Main Entry Plaza reconfigure + land	\$ 545,490	\$ 1,107,510.00	\$ 1,653,000
MWRD - retention	\$ 174,900	\$ 355,100.00	\$ 530,000
ComEd - power extension from Ko	\$ 293,700	\$ 396,300.00	\$ 690,000
Kostner Associate curb cut / drop-of	\$ 59,400	\$ 120,600.00	\$ 180,000
New Construction	\$ 48,461,575	\$ 92,012,925	\$ 140,474,500
Building Shell & Core	\$ 48,461,575		\$ 48,461,575
Administrative / Storage / Public areas	\$ -	\$ 92,012,925	\$ 92,012,925
	\$ -		
Modernization	\$ 13,805,866	\$ 15,591,702	\$ 29,397,568
NICU, PP, Normal Nursery, OB Triag	\$ 13,805,866		\$ 13,805,866
Administrative / Storage / Public areas	\$ -	\$ 15,591,702	\$ 15,591,702
Central Plant Expansion (included abo	\$ -		\$ -
Contingencies	\$ 5,072,044	\$ 11,606,661	\$ 16,678,705
New Construction	\$ 3,698,360	\$ 9,186,290	\$ 12,884,650
Modernization	\$ 1,373,684	\$ 2,420,371	\$ 3,794,055
Architect/Eng Fees	\$ 4,030,778	\$ 6,803,851	\$ 10,834,629
Architect / Engineering Fees N	\$ 2,818,216	\$ 5,355,500	\$ 8,173,716
Architect / Engineering Fees M	\$ 1,212,562	\$ 1,448,351	\$ 2,660,913
Consulting and Other Fees	\$ 3,462,880	\$ 6,453,120	\$ 9,916,000
Building Civil Eng /misc	\$ 422,900	\$ 687,100	\$ 1,110,000
CON Consultant + CON Legal	\$ 102,300	\$ 207,700	\$ 310,000
CON Architect/Engineer Assistance	\$ 22,440	\$ 45,560	\$ 68,000
Permit/ Local Government review fee	\$ 82,500	\$ 167,500	\$ 250,000
Operational Consultants / Misc analy	\$ 160,850	\$ 324,950	\$ 485,800
Interior Design	\$ 87,450	\$ 177,550	\$ 265,000
Equipment Planner	\$ 163,350	\$ 331,650	\$ 495,000
MEP /Envelop Commissioning	\$ 140,250	\$ 284,750	\$ 425,000
IPD - ETIPS	\$ 874,500	\$ 1,775,500	\$ 2,650,000
LEED Certification / Commissioning	\$ 118,000	\$ 241,200	\$ 359,200
Parking Consultant	\$ 18,150	\$ 36,850	\$ 55,000
Contract project managers	\$ 430,340	\$ 467,660	\$ 898,000
Zoning / Local Government Represe	\$ 36,300	\$ 73,700	\$ 110,000
Wayfinding Consultant / Material Mgr	\$ 66,000	\$ 134,000	\$ 200,000
Technology Integration consultant	\$ 31,350	\$ 63,650	\$ 95,000
A/E CA (Const Admin) & Misc Cor	\$ 458,700	\$ 931,300	\$ 1,390,000
Reimburseables/ Renderings / Misc s	\$ 140,250	\$ 284,750	\$ 425,000
OL Const Consultant / P-Tube / Ele	\$ 107,250	\$ 217,750	\$ 325,000

Movable / Equipment	\$ 38,324,000	\$ 5,958,000	\$ 44,282,000
Kitchen Equipment / Misc		\$ 5,958,000	\$ 5,958,000
Head walls / Infant abduction	\$ 787,000		\$ 787,000
Medical / Misc	\$ 24,890,000		\$ 24,890,000
Med Surge beds, Morgue, misc	\$ 1,985,000		\$ 1,985,000
NICU	\$ 10,662,000		\$ 10,662,000
Bond Issuance / Finance Expense	\$ 932,500	\$ 1,218,100	\$ 2,150,600
30 months - Patient Tower	\$ 857,785	\$ 1,120,502	\$ 1,978,287
30 months - NICU	\$ 74,715	\$ 97,598	\$ 172,313
Net Interest	\$ 5,943,669	\$ 7,764,054	\$ 13,707,723
30 months - Patient Tower	\$ 5,735,630	\$ 7,492,298	\$ 13,227,928
30 months - NICU	\$ 208,039	\$ 271,756	\$ 479,795
Fair Market Value of Lease	\$ -	\$ -	\$ -
N/A	\$ -		
Other Costs to be Capitalized	\$ 9,452,756	\$ 12,338,810	\$ 21,791,566
Nurse stations	\$ 673,566		\$ 673,566
Utilities / Taps	\$ 128,000	\$ 172,000	\$ 300,000
Exterior Signage		\$ 780,000	\$ 780,000
Interior Signage	\$ 190,000	\$ 385,000	\$ 575,000
Telecom Infrastructure	\$ 214,500	\$ 435,500	\$ 650,000
Telecom Switch	\$ 158,400	\$ 321,600	\$ 480,000
Data Infrastructure + wireless PT d	\$ 693,000	\$ 1,407,000	\$ 2,100,000
Misc - Software - Cerner PT	\$ 1,750,000	\$ 1,000,000	\$ 2,750,000
Building Construction Permit	\$ 426,050	\$ 658,950	\$ 1,085,000
Infrastructure - Generator / switch ge	\$ 158,400	\$ 321,600	\$ 480,000
Security System / Access control	\$ 158,400	\$ 321,600	\$ 480,000
City, County & Municipal fees ****	\$ 1,100,000	\$ 1,620,000	\$ 2,720,000
CON Audit Consultant	\$ 25,000		\$ 25,000
Infrastructure - Generator / switch ge	\$ 92,400	\$ 187,600.00	\$ 280,000
MWRD Fee	\$ 25,740	\$ 52,260.00	\$ 78,000
Pac Stations / Equipment	\$ 1,500,000		\$ 1,500,000
Testing consultant	\$ 75,900	\$ 154,100	\$ 230,000
Expand Security / Equipment	\$ 200,000	\$ 400,000	\$ 600,000
CON Fee	\$ 100,000		\$ 100,000
IDPH Fee	\$ 125,000		\$ 125,000
NICU Misc	\$ 190,000	\$ 110,000	\$ 300,000
FF&E - entire Patient Twr	\$ 914,000	\$ 2,886,000	\$ 3,800,000
FF&E - NICU	\$ 330,000	\$ 670,000	\$ 1,000,000
Winter Conditions	\$ 224,400	\$ 455,600	\$ 680,000
Acquisition	\$ -	\$ -	\$ -
TOTAL	(\$ 133,031,063)	(\$ 166,959,128)	(\$ 299,990,191)
Source of Funds	43.36%	56.64%	100.00%
Cash and Securities	\$ 41,834,504	\$ 54,647,285	\$ 96,481,789
Bond Financing	\$ 88,241,243	\$ 115,267,159	\$ 203,508,402
Other funds and Sources	\$ -	\$ -	\$ -
TOTAL	(\$ 130,075,747)	(\$ 169,914,444)	(\$ 299,990,191)

Project Costs and Sources of Funds – Original

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$ 1,240,265	\$ 3,130,235	\$ 4,370,500
Site Survey and Soil Investigation	\$ 86,140	\$ 177,260	\$ 263,400
Site Preparation	\$ 640,200	\$ 1,299,800	\$ 1,940,000
Off Site Work	\$ 1,578,390	\$ 3,204,610	\$ 4,783,000
New Construction Contracts	\$ 57,951,836	\$ 113,083,575	\$ 171,035,411
Modernization Contracts	\$ 12,778,103	\$ 17,910,151	\$ 30,688,254
Contingencies	\$ 7,676,534	\$ 13,929,384	\$ 21,605,918
Architectural/Engineering Fees	\$ 4,091,824	\$ 8,359,482	\$ 12,451,306
Consulting and Other Fees	\$ 2,882,880	\$ 5,853,120	\$ 8,736,000
Movable or Other Equipment	\$ 42,335,000	\$ 6,840,000	\$ 49,175,000
Bond Issuance Expense (project)	\$ 724,704	\$ 1,471,369	\$ 2,196,073
Net Interest Expense During	\$ 4,311,159	\$ 8,752,959	\$ 13,064,118
Fair Market Value of Leased	\$ -	\$ -	-
Other Costs To Be Capitalized	\$ 13,117,590	\$ 12,330,410	\$ 25,448,000
Acquisition of Building or Other	\$ -	\$ -	\$ -
TOTAL USES OF FUNDS	\$ 149,414,625	\$ 196,342,355	\$ 345,756,980
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			\$ 138,709,655
Pledges			
Gifts and Bequests			
Bond Issues (project related)			\$ 207,047,325
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			\$ 345,756,980
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

**ACMC - Patient Tower + NICU – Original
PROJECT COSTS**

Cost Items	TOTAL
Pre-Planning	\$ 4,370,500
Site and Facility Planning	\$ 3,130,235
Programming thru SD	\$ 1,240,265
Site survey	\$ 263,400
Soils Investigation	\$ 80,400
Site Survey & Title	\$ 65,000
Traffic studies	\$ 118,000
Site Preparation	\$ 1,940,000
Prep Work (Demo, clearing, grading, shoring)	\$ 1,260,000
Earthwork, drainage, stone, foundation prep	\$ 480,000
Misc excavation, all backfill areas	\$ 200,000
OFF-Site Work	\$ 4,783,000
Site Work: Grading, Caissons, Concrete, ect	\$ 1,530,000
Main Entry Plaza reconfigure + landscape	\$ 1,653,000
MWRD - retention	\$ 530,000
ComEd - power extension from Kostner	\$ 890,000
Kostner Associate curb cut / drop-off	\$ 180,000
Architect/Eng Fees	\$ 12,451,306
Architect / Engineering Fees New 5.20%	\$ 9,902,338
Architect / Engineering Fees Mod 8.60%	\$ 2,548,968
Consulting and Other Fees	\$ 8,736,000
Building Civil Eng /misc	\$ 130,000
CON Consultant + CON Legal	\$ 310,000
CON Architect/Engineer Assistance	\$ 68,000
Permit/ Local Government review fees	\$ 250,000
Operational Consultants / Misc analysis	\$ 485,000
Interior Design	\$ 265,000
Equipment Planner	\$ 495,000
MEP /Envelop Commissioning	\$ 425,000
IPD - ETIPS	\$ 2,650,000
LEED Certification / Commissioning	\$ 360,000
Parking Consultant	\$ 55,000
Contract project managers	\$ 698,000
Zoning / Local Government Representation	\$ 110,000
Wayfinding Consultant / Material Mgmt	\$ 200,000
Technology Integration consultant	\$ 95,000
A/E CA (Const Admin) & Misc Consultants	\$ 1,390,000
Reimbursables/ Renderings / Misc support	\$ 425,000
OL Const Consultant / P-Tube / Elevator	\$ 325,000
Movable / Equipment	\$ 49,175,000
Kitchen Equipment / Misc	\$ 6,840,000
Head walls / Infant abduction	\$ 1,100,000
Medical / Misc	\$ 31,900,000
Misc	\$ 1,985,000
NICU	\$ 7,350,000

Other Costs to be Capitalized	\$	25,448,000
Nurse stations	\$	450,000
Utilities / Taps	\$	1,600,000
Exterior Signage	\$	1,171,410
Interior Signage	\$	863,590
Telecom Infrastructure	\$	650,000
Telecom Switch	\$	480,000
Data Infrastructure + wireless PT & NICU	\$	2,100,000
Misc - Software - Cerner PT & NICU	\$	2,750,000
Building Construction Permit	\$	685,000
Infrastructure - Generator / switch gear	\$	3,760,000
Security System / Access control	\$	480,000
City, County & Municipal fees	\$	500,000
CON Audit Consultant	\$	25,000
MWRD Fee	\$	78,000
Pac Stations / Equipment	\$	2,500,000
Testing consultant	\$	230,000
Expand Security / Equipment	\$	600,000
CON Fee	\$	100,000
IDPH Fee	\$	125,000
NICU Misc	\$	3,500,000
Pneumatic Tube System	\$	2,800,000

Attachment 9 – Exhibit 1 - Modification

Department	Cost / Space Requirements						Amount of Proposed Total GSF That Is:		
	Cost	Gross Square Feet		Proposed	New Construction	Remodeled		As Is	Vacated Space
		Existing	Proposed						
Clinical									
OB Triage	4,177,175	2,795	5,228			5,228			
Labor/Delivery/Recovery	12,704,467	9,444	12,063		12,063				
C-Section Suite	4,602,874	1,970	3,346		3,346				
Phase I Recovery	1,756,010	7,866	8,869		1,603		7,266		
<i>Existing C-Section Recovery</i>		600			1,603				
<i>Hospital Surgical Recovery</i>		2,796					2,796		
<i>Ambulatory</i>		4,470					4,470		
Obstetric Beds	31,395,331	18,410	35,409		25,845	5,760	3,804	3,112	
<i>Antepartum beds</i>			3,835		3,835				
<i>Postpartum beds</i>			31,574		22,010	5,760	3,804	3,112	
<i>2W</i>		5,761							
<i>2E</i>		5,733							
<i>3W</i>		6,916					3,804	3,112	
Newborn Nursery Bassinets	2,514,287	1275	2,705		1,504	1,201			
Neonatal Intensive Care Beds	18,877,108	6,848	21,657			21,657			
Intensive Care Beds	52,879,848	40,356	76,241		44,631		31,610	8,746	
<i>SINI</i>		9,464					9,464		
<i>MICCU</i>		8,746						8,746	
<i>PICU/PSHU</i>		8,518					8,518		
<i>ASHU</i>		9,806					9,806		
<i>SVTU/AHU</i>		3,822					3,822		
Medical Surgical Beds	1,689,495	103,290	102,229			2,199	100,030		
Morgue	2,434,468	979	2,597		2,597			979	
<i>Clinical to Non Clinical</i>		-1,641							
Total Clinical	133,031,063	191,592	270,344		91,589	36,045	142,710	12,837	

Source: **ACMC records.**

*Note: Existing and proposed space included in the table above is only for areas in the project and do not represented total campus square footage

Nonclinical									
Administrative		21,287,289	13,701	35,196	21,495	13,701			
Non Clinical Storage, Processing and Distribution		35,144,896	11,570	64,378	52,808	11,570			
Public Amenities		74,797,690	19,385	103,793	84,408	19,385			
Building Components		35,729,253	6,945	64,735	57,790	6,945			
Total Non-Clinical		166,959,128	51,601	268,102	216,501	51,601	0	0	0
Total Project		299,990,191	243,193	538,446	308,090	87,646	142,710		12,837

Source: ACMC records.

*Note: Existing and proposed space included in the table above is only for areas in the project and do not represented total campus square footage.

Attachment 9 – Exhibit 1 - Original

Dept. / Area	Total Costs	Cost Space Requirements					Amount of Proposed Total Department Gross Square Feet That Is:				
		Department Gross Square Feet		Proposed	New Const.	Remodeled	As Is	Vacated Space			
		Existing									
CLINICAL											
OB Triage	4,957,507	2,795	5,409			5,409					
Labor/Delivery/Recovery	12,745,068	9,444	13,853		13,853						
C-Section Suite	3,242,297	1,970	3,525		3,525						
Phase I Recovery	1,494,146	7,866	8,884		1,618		7,266				
Existing C-Section Recovery		600			1,618						
Hospital Surgical Recovery		2,796					2,796				
Ambulatory		4,470					4,470				
Obstetric Beds	30,092,105	18,410	36,506		32,702		3,804			8,873	
Antepartum beds			3,824		3,824						
Postpartum beds			28,878		28,878		3,804			8,873	
2W		5,761								5,761	
2E		5,733									
3W		6,916							3,804		3,112
Newborn nursery bassinets	1,658,502	1275	1,799		1,799						1,275
Neonatal Intensive Care Beds	29,419,740	6,848	31,968			31,968					
Intensive Care Beds	61,379,529	40,356	98,308		66,698				31,610		8,746
SINI		9,464					9,464				
MICCU		8,746									8,746
PICU/PSHU		8,518							8,518		
ASHU		9,806							9,806		
SVTU/AHU		3,822							3,822		
Medical Surgical Beds	2,017,097	96,090	93,840					2,191	91,649		
Morgue	2,390,634	979	2,597		2,597						979
Clinical to Non Clinical	0	-2,574									
TOTAL CLINICAL	149,414,625	183,459	296,689		122,792		39,568		134,329		19,873

Source: ACMC records.

*Note: Existing and proposed space included in the table above is only for areas in the project and do not represented total campus square footage.

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Cost Space Requirements							
Dept. / Area	Total Costs	Department Gross Square Feet			Amount of Proposed Total Department Gross Square Feet That Is:		
		Existing	Proposed	New Const.	Remodeled	As Is	Vacated Space
NON-CLINICAL							
Administrative	23,082,007	13,846	36,503	27,343	9,160		
Non Clinical Storage, Processing and Distribution	41,850,373	11,316	66,181	56,719	9,462		
Public Amenities	71,772,948	19,479	113,501	95,426	18,075		
Building Components	49,843,470	10,103	78,821	71,103	7,718		
Shell Space	9,793,557		15,488	15,488			
TOTAL NON-CLINICAL	196,342,355	54,744	310,494	266,079	44,415	0	0
TOTAL PROJECT	345,756,980	238,203	607,183	388,871	83,983	134,329	19,873

*Note: Existing and proposed space included in the table above is only for areas in the project and do not represented total campus square footage.

Alternative 7 – Develop a New Patient Tower Anticipating Advocate’s Leadership in Process Improvement and Quality Outcomes

- Alternative 7 provides for the next phase of the logical sequential development of the campus adding inpatient capacity and by freeing space for services that need to be expanded and remodeled. Expansion and remodeling will occur in a future backfill phase.
- Pre-stress expenses have been included in the alternative to allow for future expansion at such time as volume justifies the capital investment.
- The Advocate system includes 13 hospitals as well as numerous outpatient centers. Each of these facilities has capital needs. By phasing the Medical Center’s project, immediate capital demands at ACMC will be reduced, thereby allowing other high priority projects across the System to move forward.
- Alternative 7 does not include any additional medical surgical beds. With the addition of 16 beds using the 20-bed or 10 percent rule, the current authorized bed complement can either support additional volume or provide an opportunity to privatize additional medical surgical rooms.
- This alternative does not include pediatric services. Because of a longer expected planning horizon for Advocate Hope Children’s Hospital expansion, the modernization of the inpatient project was bifurcated into two phases with filing of a certificate of need for pediatric services expected sometime after the approval of the current application.
- Bifurcating the adult and pediatric services will decrease construction-related traffic on the site and in the neighborhood. The Medical Center is located in an urban neighborhood. Although the Medical Center has been able to acquire property adjacent to the original campus for parking, the area will remain constrained. By moving forward with the adult project first, to be followed by pediatric and backfill projects, there will be less construction congestion in the neighborhood at any one time. This phasing addresses concerns of some of the neighboring communities.
- The construction cost of this alternative is expected to be \$186,550,773. The total project cost is expected to be \$299,990,191 or \$45,766,789 less than the original project.

For these reasons, Alternative 7 is the alternative of choice.

Comparison of Modified Square Footage to State Standard

Department/Service	Number of Key Rooms	Proposed BGSF/GSF	Proposed BGSF/GSF/Room	State Standard / Allowable	Difference	Met Standard?
OB Triage	12	5,228 GSF	436 GSF	NA	NA	NA
Labor/Delivery/Recovery	15	12,063 GSF	804 GSF	1,600 GSF/LDR Room	-796 GSF/Room	Yes
Surgical Delivery/C-Section Rooms	4	3,346 GSF	837 GSF	2,075 GSF/OR	-1,238 GSF / Room	Yes
Phase I Recovery	4	1,603 GSF	401 GSF	180 GSF/Recovery Station	+221 GSF / Room	No
Combined Surgical Delivery (C-Section) Rooms and Phase I Recovery	8	4,949 Total GSF		9,020 Total GSF	-4,071	Yes

The surgical delivery rooms and the Phase I recovery rooms are co-located and share support spaces. When considered together, the proposed square footage of the two departments is less than the allowable square footage.

Allowable Square Footage

Number of surgical delivery rooms x State Standard square footage = allowable square footage

4 surgical delivery rooms x 2,075 allowable GSF per room = 8,300 allowable GSF

Number of Phase I recovery rooms x State Standard square footage = allowable square footage

4 Phase I recovery rooms x 180 allowable GSF per rooms = 720 allowable GSF

Proposed Square Footage

8,300 allowable surgical delivery GSF + 720 allowable Phase I recovery room GSF = 9,020 total combined allowable GSF

4,949 proposed GSF < 9,020 allowable GSF.

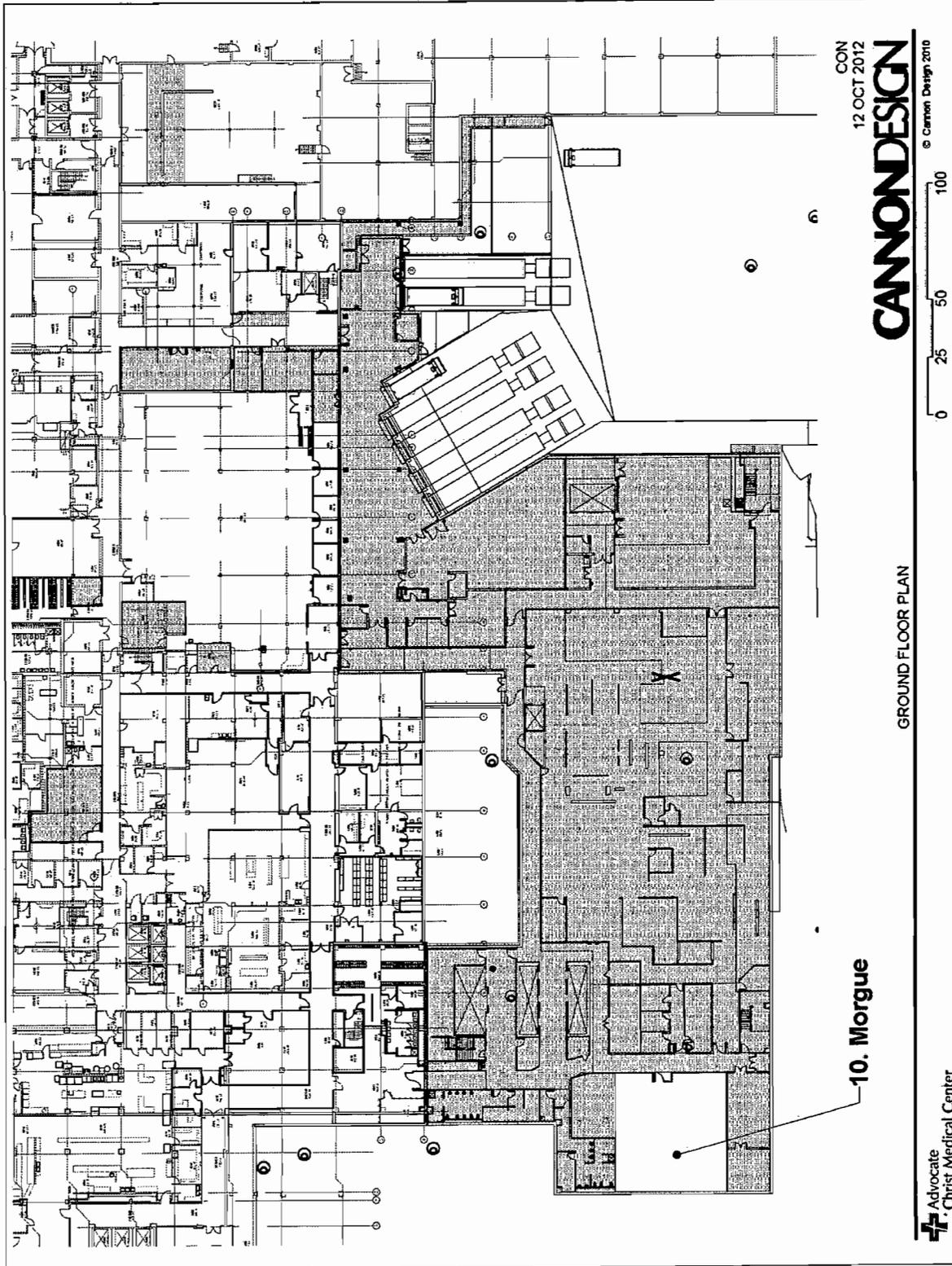
Comparison of Modified Square Footage to State Standard

Department/Service	Number of Key Rooms	Proposed BGSF/GSF	Proposed BGSF/GSF/Room	State Standard / Allowable	Difference	Met Standard?
OB Beds	56	35,409 GSF	632 GSF	660 GSF/Bed	-28 GSF / Room	Yes
Newborn Nursery	29	2,705 GSF	75.0 GSF	106 GSF/OB Bed	-31 GSF / OB Bed	Yes
Combined Obstetric Beds and Newborn Bassinets	56	38,114 GSF	681 GSF	766 GSF / OB Bed	- 85 GSF / Bed	Yes
Neonatal Intensive Care Beds	64	21,657 GSF	338 GSF	560 GSF/Bed or Bassinet	-222 GSF / Bed	Yes
Intensive Care Beds	153	7,624 GSF	498 GSF	685 GSF/Bed	-187 GSF / Bed	Yes
Medical Surgical Beds	394	102,229 GSF	259GSF	600 GSF/Bed	-341 GSF / Bed	Yes
Morgue	1	2,597 GSF	NA	NA	NA	Yes

² The Medical Center's obstetric program features family-centered care and all obstetric rooms will have rooming in capability. Hence in order to best determine the square footage of the obstetric rooms and the newborn nursery, the Medical Center assessed the total square footage for both functions.

Allowable Square Footage
 Number of obstetric rooms x State Standard square footage = allowable square footage
 56 obstetric rooms x 660 allowable GSF per room = 36,960 allowable GSF
 Number of obstetric beds x State Standard square footage = allowable square footage for the newborn nursery
 56 rooms x 106 allowable GSF per obstetric bed = 5,936 allowable GSF for the newborn nursery
 36,960 GSF allowable obstetric bed GSF + 5,936 allowable newborn nursery GSF = 42,896 allowable GSF
 Proposed Square Footage
 35,409 proposed obstetric room GSF + 2,705 proposed newborn nursery GSF = 38,114 proposed GSF
 38,114 proposed GSF < 42,896 allowable GSF

**Floor-by-Floor
Of the Proposed Patient Tower**



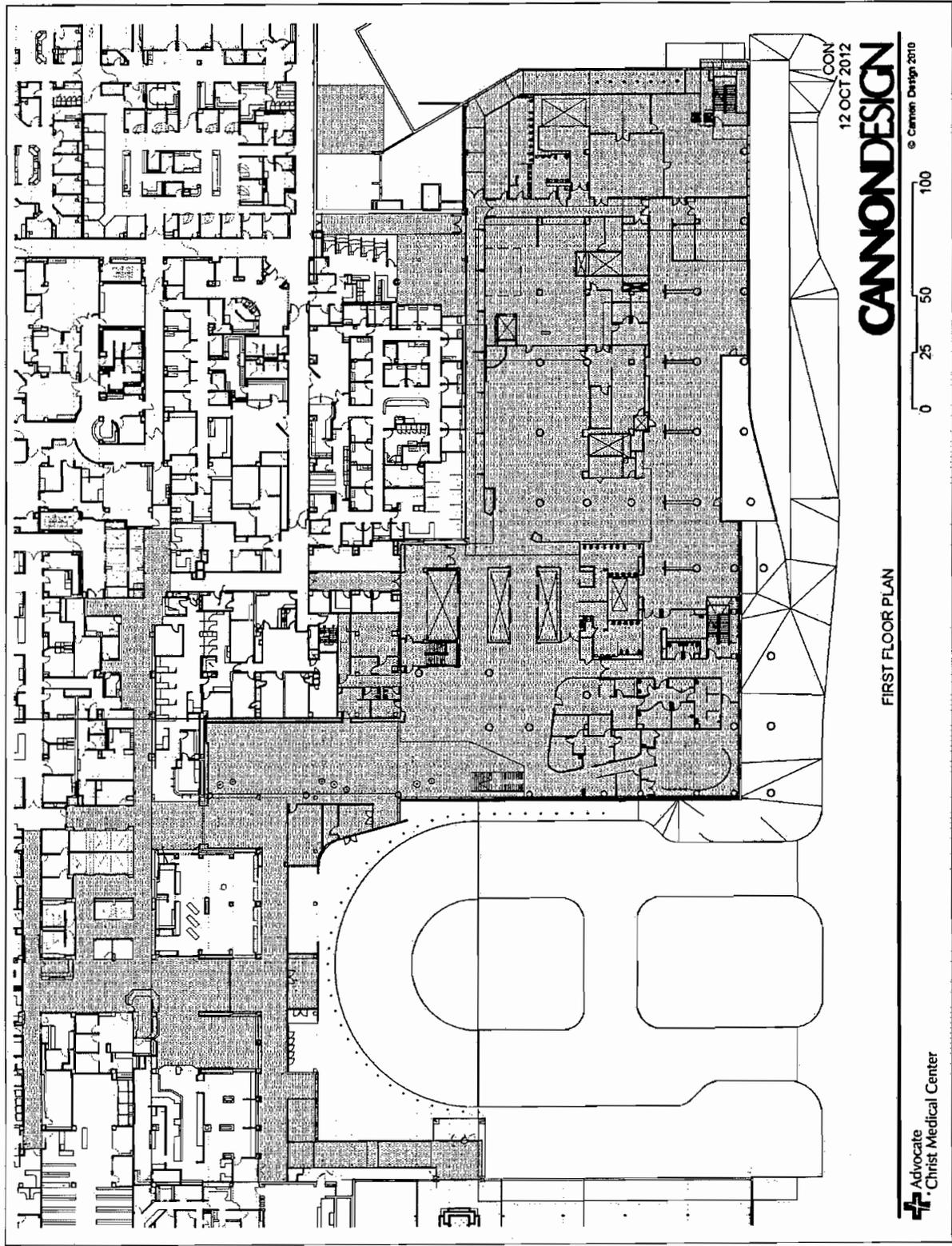
10. Morgue

GROUND FLOOR PLAN

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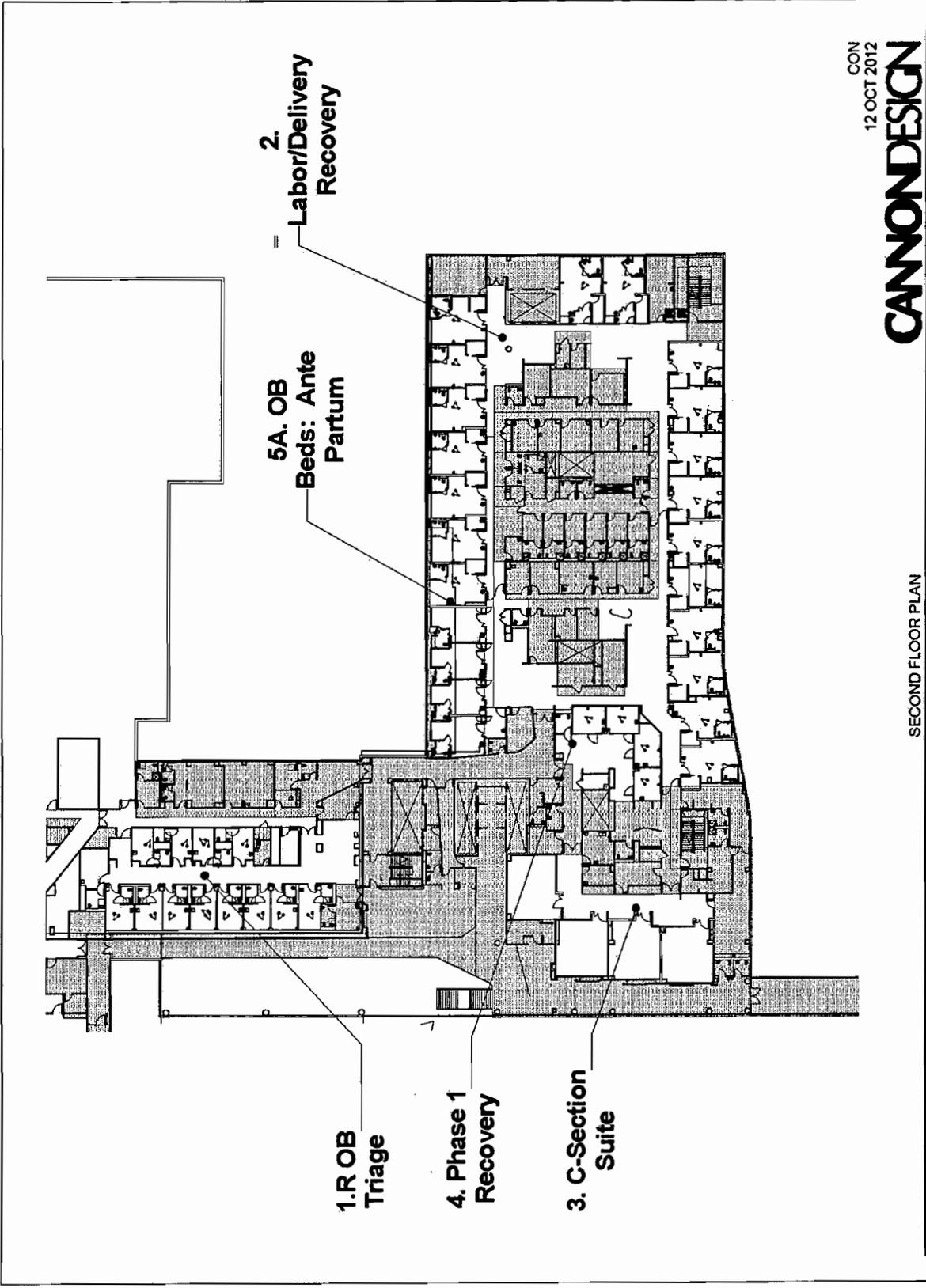


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Modification
Attachment 14
Size of the Project
Floor-by-Floor Drawings



SECOND FLOOR PLAN

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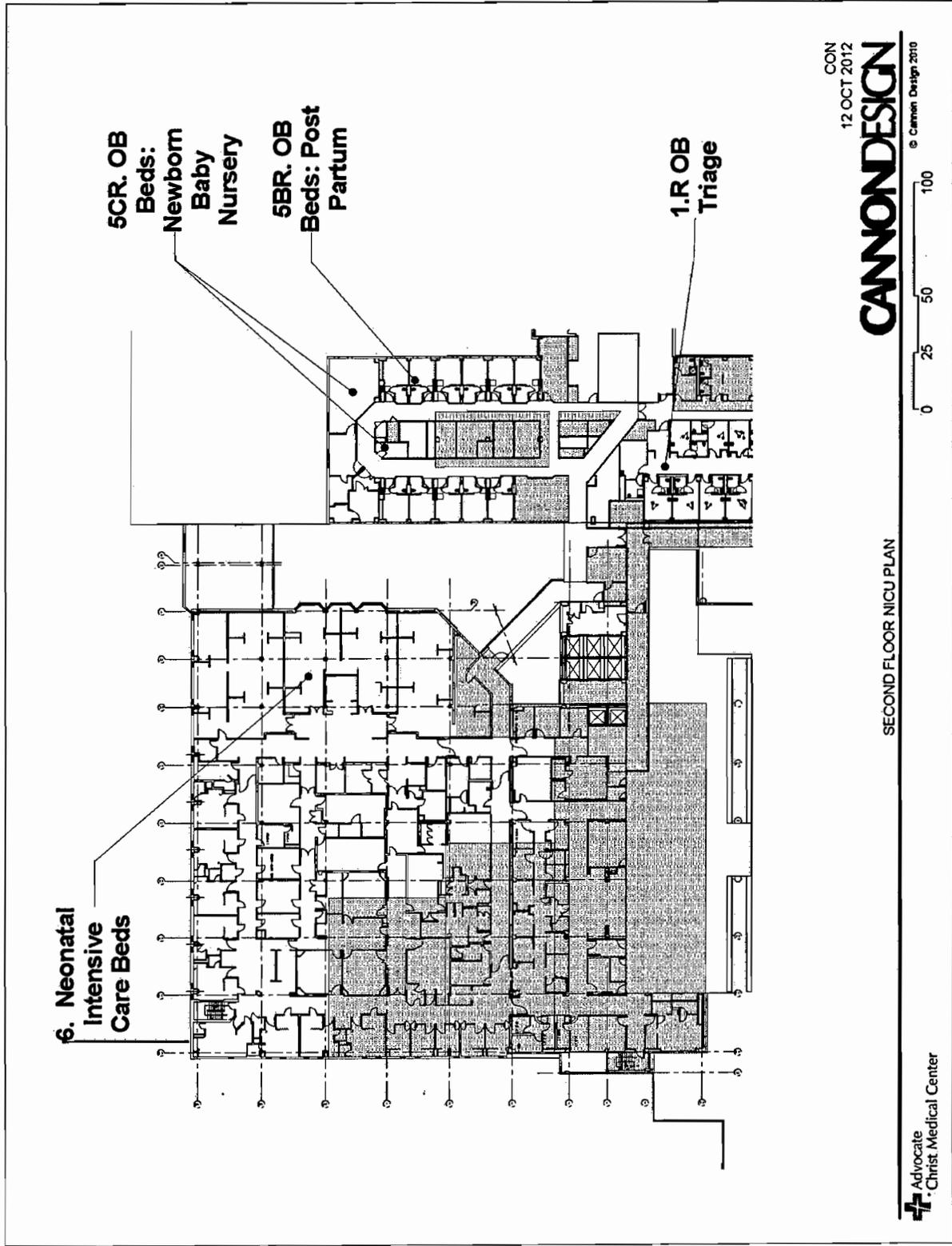
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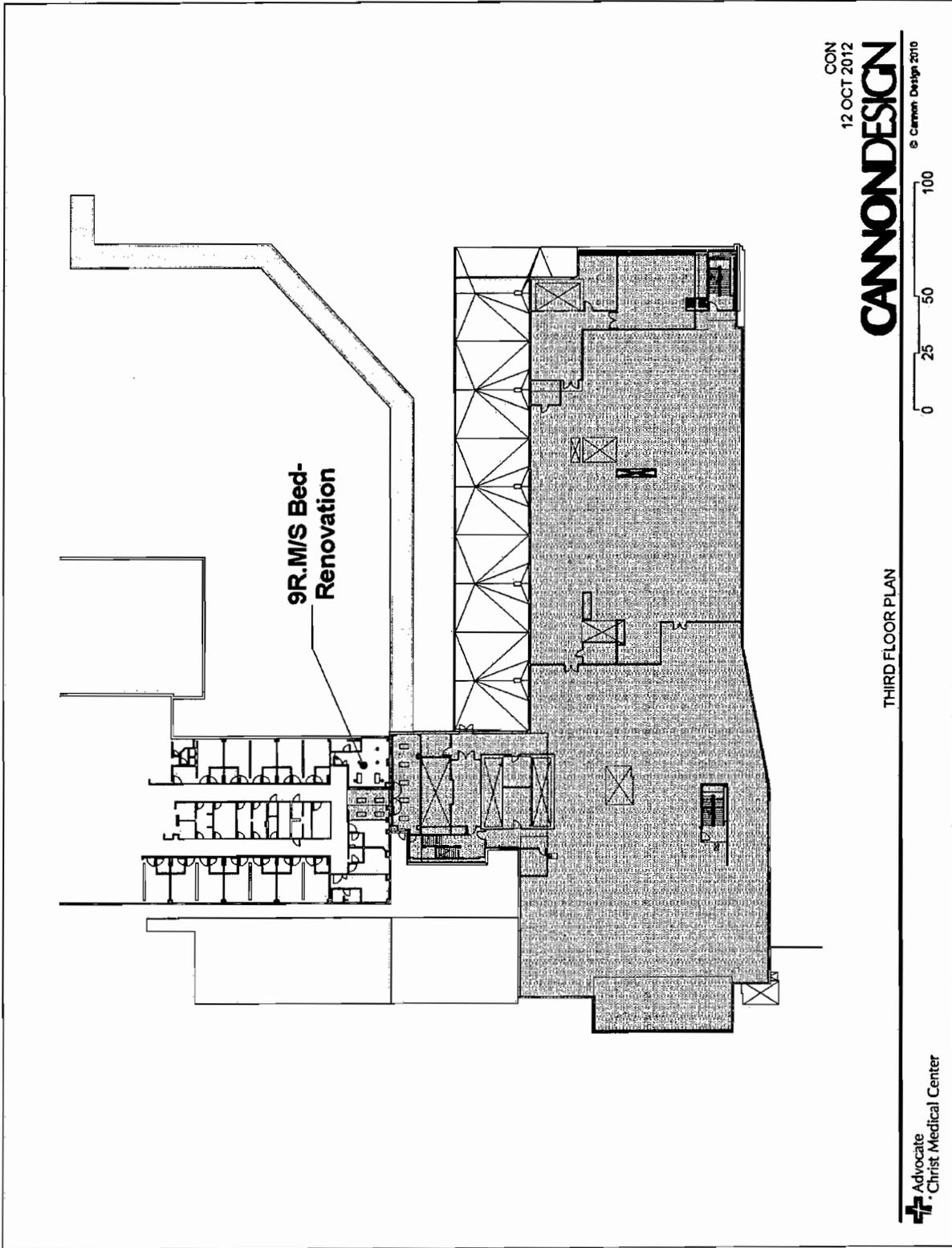


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Advocate
Christ Medical Center





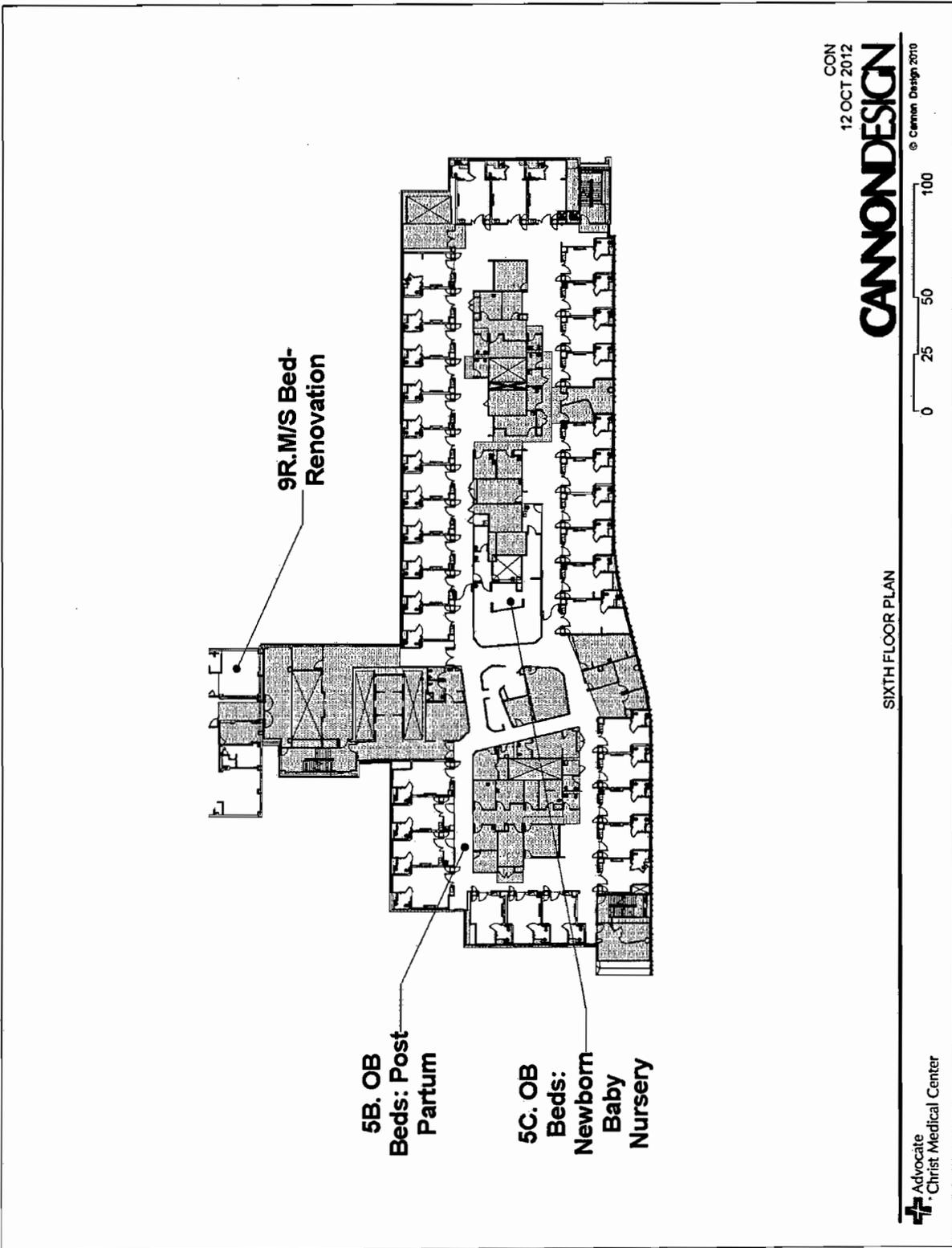
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THIRD FLOOR PLAN



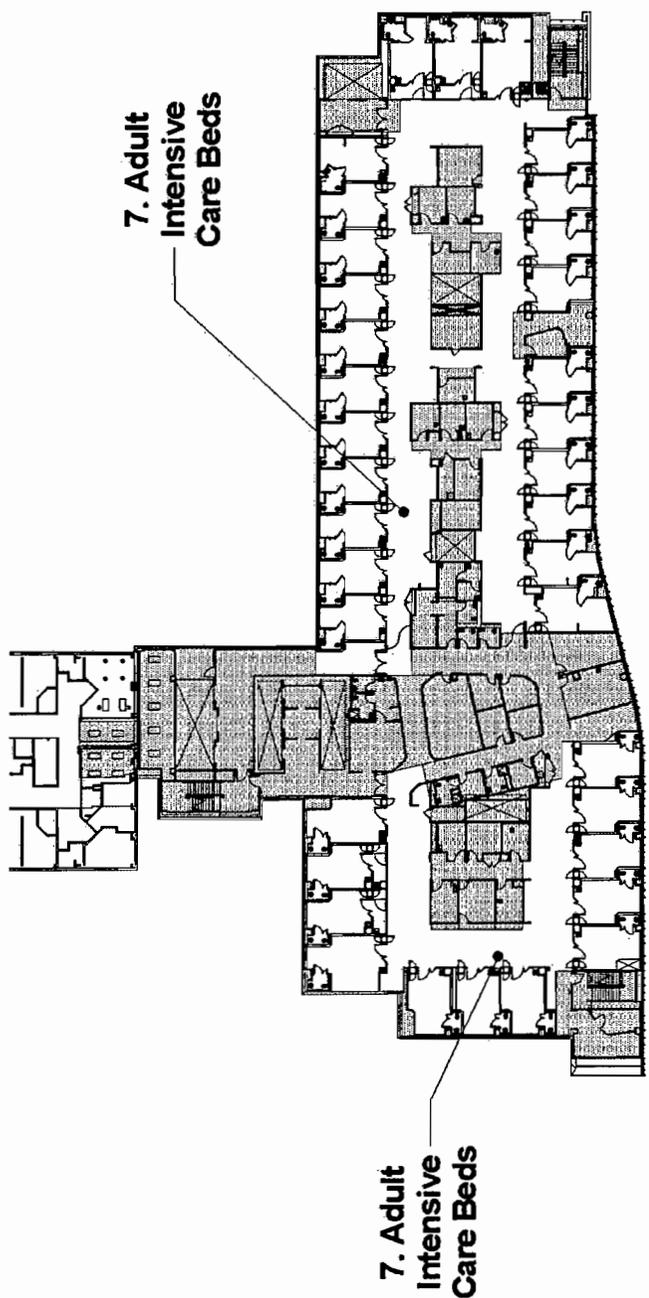
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SIXTH FLOOR PLAN

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7. Adult Intensive Care Beds

7. Adult Intensive Care Beds

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SEVENTH FLOOR PLAN



Advocate
Christ Medical Center

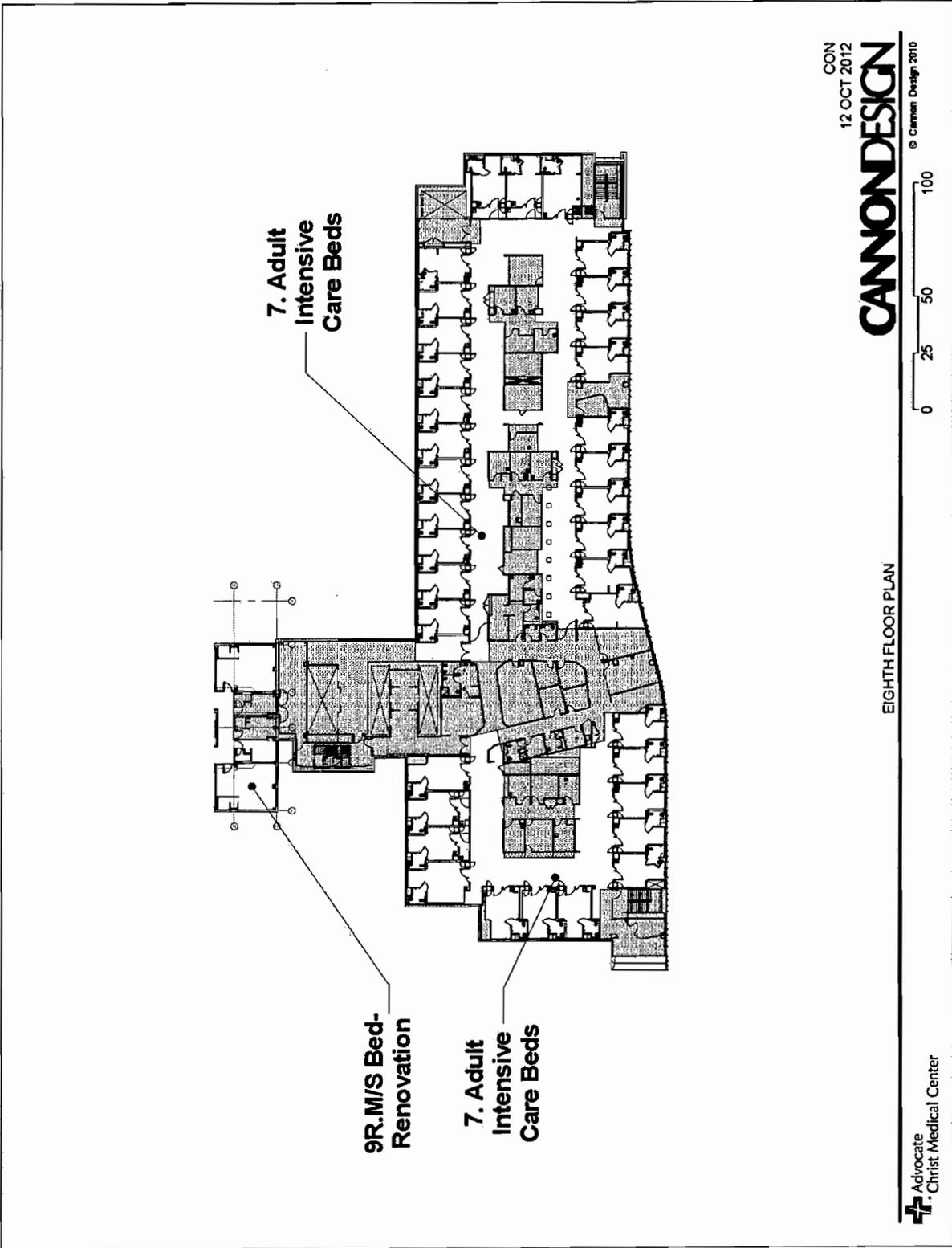
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Attachment 14

Size of the Project

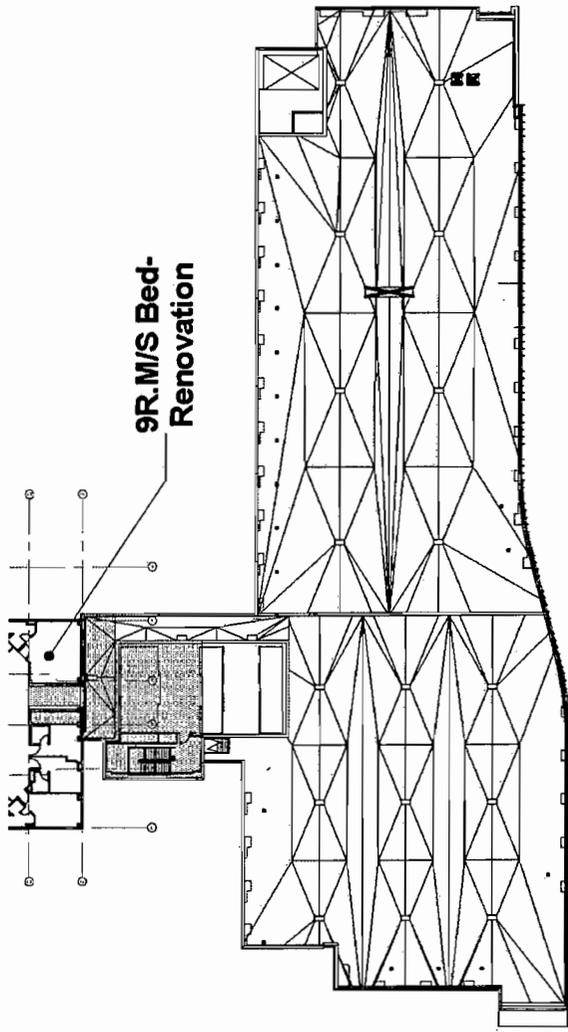
Floor-by-Floor Drawings



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EIGHTH FLOOR PLAN





9R. M/S Bed-Renovation

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12 OCT 2012

CANNONDESIGN

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NINTH FLOOR PLAN



80T ACMC Patient Lower Modification 10/20/2012

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Modification
Attachment 14
Size of the Project
Floor-by-Floor Drawings

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Attachment 15, Exhibit 1, provides documentation that the services that are part of the Patient Tower project proposed by Advocate Christ Medical Center meet or exceed the utilization standards specified in 1110 Appendix B.

See Attachment 20 and Attachment 37 for a narrative of the rationale that supports the projections.

**Proposed Services Utilization – Modification
Comparison of Modified Projected Services Utilization and State Standards**

Department/Service	Historical Utilization		Year		Projected Utilization	State Standard	Number		Met Standard?
	2010		Complete	Second Year			Current	Proposed	
OB Triage			2016	2018	7,770	NA	9	12	NA
Labor/Delivery/Recovery			2015	2017	17,913 hours of use	400 births per room	15	15	Yes
Surgical Delivery Room/C-Section Suite	1,440 C-Sections	1,463 C-Sections plus surgeries	2015	2017	1,734 C-Section and other OB surgeries performed in delivery room 5,142 hours of surgery	800 procedures per room or 3 rooms Alternative –1,500 hours of surgery per room or 4 rooms	3	4	Yes Guidelines do not include necessary emergency operating room.
Phase I Recovery	NA	NA	2015	2017	NA	None	3	4	NA
Obstetric Beds	16,287 days Incl. observation	15,712 days Incl. observation	2015	2017	17,636 days 48.3 ADC 86.3 percent occupancy	78 percent occupancy	39	56	Yes
Newborn Nursery Bassinets	Level 1 8,767 days	Level 1 8,367 days	2015	2017	NA	None	44	73	NA
Neonatal Intensive Care	14,604	14,529	2017	2019	21,900 days 60.0 ADC 92.3 percent occupancy	75 percent occupancy	37	64	Yes

**Proposed Services Utilization – Modification
Comparison of Modified Projected Services Utilization and State Standards**

Department/Service	Historical Utilization		Year		Projected Utilization	State Standard	Number		Met Standard?
	2010	2011	Complete	Second Year			Current	Proposed	
Total ICU (Adult and Pediatric)	33,925	32,934	2015	2017	48,559 days Incl. bypass 133.0 ADC 87.0 percent occupancy	60 percent	103	153	Yes
Adult Intensive Care Beds	26,534 days	26,147 days	2015	2017	35,624 days 97.6 ADC 75.7 percent occupancy 40,137 days Incl. bypass 110.0 ADC 85.3 percent occupancy	60 percent occupancy	79	129	Yes
Medical Surgical Beds	28,131 days Incl. bypass	28,262 days Incl. bypass	2015	2017	123,178 days 337.5 ADC 85.7	88 percent occupancy	394	379 staffed	Yes
Morgue	1,495	1,425	2017	2019	NA	None	1	1	NA

Source: Attachment 20 and 37

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE - MODIFIED

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage of the proposed shell space;
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function;
3. Evidence that the shell space is being constructed due to
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data are available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

1. The Total Gross Square Footage of the Proposed Shell Space and Vacated Space

There will be no shell space as part of this project. The applicants are responding to this criterion to describe the location and amount of vacated space in the project. There will be 12,837 total GSF of vacated space at the completion of the project. The vacated space will be located in the following areas:

Attachment 16, Table 1
Vacated Space at the Completion of the Patient Tower

Area/ Department	Current Location	GSF Being Vacated
OB Postpartum	Third Floor – 3W	3,112
MICCU	Forth Floor – 4S	8,746
Morgue	Ground Floor	979
Total		12,837

Source: ACMC records.

2. The Anticipated Use of the Vacated Space, specifying the Proposed GSF To Be Allocated to Each Department, Area or Function

At the present time, two-thirds of the Medical Center's medical surgical rooms are private.

Today's standard of care is private patient rooms because they provide the following benefits:

- Improved infection control
- Reduced medication errors
- Reduced number of patient falls
- Fewer sleep disturbances
- Improved patient confidentiality and privacy
- Reduced noise
- Reduced patient stress
- Improved social support
- Improved communication between patients and physicians
- Fewer costly internal patient transfers, and
- Ability to operate at higher occupancies.

The modernization of vacated space (excluding 2W, which is designated for 12-obstetric beds and a small nursery) is expected to occur after the completion of the current project and at such time as additional capital funds become available. Ultimately, the Medical Center's goal is to increase the proportion of private medical surgical beds, while not changing the number of authorized beds.

The existing 22-bed MICCU will be replaced with the addition of intensive care beds in the proposed Patient Tower. The 22 beds in the vacated space will be decommissioned and the area will be left vacant as part of this project. In the future, the vacated MICCU space will be used as a staging area while units in the existing hospital undergo renovation and modernization. In this process, beds will be temporarily relocated to the vacated MICCU while modernizing the unit in which the beds are located. When the modernization of one unit is complete and the beds returned to the newly modernized unit, the beds from another unit will temporarily move to the MICCU until that unit is modernized – and so on. The interim use of the MICCU has not been allocated redevelopment funds. The final reuse of the MICCU will be determined depending on need at the time, although it too may be used for privatization of medical surgical beds.

The existing morgue space will be reused to expand one or more non-clinical functions on the Ground Level of the existing tower.

Evidence that the Shell Space Is Being Constructed due to:

- a. Requirements of Governmental or Certification Agencies; or
- b. Experienced Increases in the Historical Occupancy or Utilization of those Areas Proposed To Occupy the Shell Space

There is no shell space in this project.

4. Provide:

- a. Historical utilization for the area for the latest 5-year period for which data are available; and
- b. Based on the average annual percentage increase for the period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

Review of Vacated Space

The following describes the rationale for the future use of the vacated space.

Over the last 5 years, the Medical Center has operated 378 medical surgical beds at occupancy rates of from 82.4 to 89.9 percent. During 2012, the Medical Center added 16 medical surgical beds by invoking the 20-bed rule or 10 percent rule, bringing the total authorized complement to 394 beds.

Attachment 16, Table 2
Medical Surgical Utilization, 2007 to 2011

Year	Admissions	Patient Days	Average Daily Census	Authorized Beds	Percent Occupancy
2007	24,351	120,177	329.3	378	87.1
2008	24,534	124,010	339.8	378	89.9
2009	24,423	118,167	323.7	378	85.6
2010	23,486	115,753	317.1	378	83.9
2011	23,481	113,723	311.6	378	82.4

Sources: 2011 Annual Hospital Questionnaire, 2007-2010 *Hospital Profiles*; Declaratory Ruling approved by HFSRB on June 5, 2012.

These high occupancies do not account for blocked beds. The second bed in a double room may be blocked for several reasons including a patient's need to be isolated because of a contagious condition, compromised immunity, gender, or a behavior issue. Ventilator and hospice patients also require private rooms. In addition to patient needs, mechanical and maintenance issues may take one or both beds in a room out of operation. At any one time, 10 or more beds of the medical surgical complement may be blocked. For example, if 10 beds were not available, the actual occupancy of the medical surgical beds in 2011 was 84.7 percent.

Of the 394 medical surgical beds, 15 will be placed in reserve. As the result of both blocked and reserved beds, only 369 or fewer medical surgical beds would be available for service at any one time.

This determination of operating occupancy does not account for peaks in census during some seasons and by day of the week. The Medical Center operates at one of the highest occupancies of any hospital in Illinois.

In the conceptual planning for the new patient tower, the design included a floor of medical surgical beds. However, several factors mitigated the need for this additional level and it was deleted from the project:

- Today, one-third of the medical surgical rooms at the Medical Center are double occupancy. This high percentage of two-bed rooms detracts from patient care, health outcomes, and operational efficiency. By reducing the number of medical surgical beds in double rooms and increasing the percentage of private rooms, the Medical Center will improve health outcomes and enhance patient care and operational efficiency.
- The Medical Center will have vacated space at the completion of the project. This space can also be used to increase the privatization of medical surgical beds.
- Current budget constraints do not allow the Medical Center to finish these spaces at the present time.

In the future, if utilization permits, the Medical Center will convert a portion of the double rooms into private rooms. This privatization of rooms is not part of this project.

Attachment 17 is not applicable.

MODIFICATION TO OBSTETRIC BED NEED

The number of obstetric beds proposed in the original application for Project #12-066 will not change as part of the modification. The number of proposed beds will remain at 56 (an increase of 17 beds). These beds are expected to realize over 85 percent occupancy by 2017, the second full year of operation.

$$17,636 \text{ obstetric days} \div 365 \text{ days per year} = 48.3 \text{ ADC} \div 56 \text{ beds} = 86.3 \text{ percent occupancy.}$$

The Medical Center concluded that the number of obstetric beds proposed in the original application was appropriate. Length of stay may decline modestly under the new delivery model; however, the originally projected occupancy of 86.3 percent was 8.3 percent higher than the State Agency Target Occupancy. The Medical Center does not expect, even with a decline in length of stay, that occupancy of the obstetric beds would be less than 78.0 percent 2 years after project completion.

Hence, the number of obstetric beds in the modified project remains the same.

In the original application, the Medical Center proposed developing the 56 obstetric beds in 25,845 GSF of new construction on three levels. In the modified project only 44 beds will continue to be in new construction. Level 6 in the original application included the remaining 12 beds and shell space. As part of the modified project, Level 6 will be eliminated, and the 12 obstetric beds formerly located on Level 6 will be remodeled in 5,760 GSF of contiguous space on 2 West of the existing tower (current obstetric space).

The proposed GSF equates to 632 per bed.

$$35,409 \text{ GSF} \div 56 \text{ beds} = 632 \text{ GSF per bed}$$

The State Agency Standard is 660 GSF per bed. The Medical Center's proposed GSF per bed is less than the State Agency Standard.

$$632 \text{ GSF per obstetrics bed} < 660 \text{ GSF State Agency Standard}$$

The original application describes how the Medical Center arrived at the original projected bed need.

MODIFICATION OF NEWBORN NURSERY BASSINET NEED

Advocate Christ Medical Center concluded that the number of 56 proposed obstetrical beds was appropriate.

Illinois hospital licensure requirements state that there “must be a number of bassinets at least equal to the number of postpartum beds and that when a rooming-in program is used, the total number of bassinets provided in these units may be appropriately reduced, but the full term nursery may not be omitted. Further licensure requires that bassinets...shall be provided in a number to exceed obstetric beds by at least 20 percent...

To meet these requirements, the Medical Center will have 44 rooming-in bassinets; of these, 8 will be in new construction on Level 2 and 36 will be on Level 6. There will be an additional 29 bassinets in nurseries, of these, 16 bassinets will be on Level 6 in new construction and 13 will be on Level 2 in modernized space. At project completion, there will be 73 total bassinets.

Obstetric beds x 1.20 licensure requirement = total required bassinets

56 obstetric beds x 1.20 = 68 total required bassinets

73 proposed bassinets > 68 required bassinets.

The full-term newborn nursery bassinets will be available for those times when a mother needs additional rest as well as for infant examinations, minor procedures and treatments by the pediatrician.

The 29 bassinets in the 2 newborn nurseries will be located in 2,705 GSF; of this, 1,504 GSF will be on Level 6 in new construction and 1,201 GSF in remodeled space in the existing tower.

Hence, the 29 bassinets will be in 2,705 GSF or 93 GSF per bassinet.

93 GSF per bassinet < 106 GSF State Agency Standard.

The original application describes how the Medical Center arrived at the original bed need.

MODIFICATION TO INTENSIVE CARE BED NEED

As the result of the development of a coordinated Master Facilities Plan to address the long-and short-term capital needs of the entire Advocate Health Care System, a modification of the original proposed Patient Tower has been incorporated in Advocate Christ Medical Center's long range development plan. This results in a modification of the original Project #12-066 by reducing one floor of 36 intensive care beds, bringing the total number of adult intensive care beds to 129 and the total number of intensive care beds (adult intensive care beds plus 24 pediatric intensive care beds) to 153.

This reduced number of intensive care beds will operate at 75.7 percent occupancy. The following calculation shows projected utilization with and without by-pass days.

Adult Intensive Care Bed Occupancy without By-Pass in 2017

33,462 CAGR projected adult intensive care days patient days + 2,162 new physician days =
35,624 adult intensive care days

$35,624 \text{ adult intensive care days} \div 365 \text{ days per year} = 97.6 \text{ ADC}$

$97.6 \text{ ADC} \div 129 \text{ beds} = 75.7 \text{ percent occupancy}$

Adult Intensive Care Bed Occupancy with By-Pass in 2017

37,975 CAGR projected adult intensive care days patient days + 2,162 new physician days =
adult intensive care days

$40,137 \text{ adult intensive care days} \div 365 \text{ days per year} = 110.0 \text{ ADC}$

$110.0 \text{ ADC} \div 129 \text{ beds} = 85.3 \text{ percent occupancy}$

Under both scenarios, projected intensive care bed occupancy exceeds the State Agency Target Occupancy of 60.0 percent.

The State Agency determines intensive care bed need by including adult and pediatric intensive care utilization. In addition to the 129 adult intensive care beds, the Medical Center also has 24 authorized pediatric beds. At the completion of the proposed modified project, the Medical Center will have a total of 153 intensive care beds. For purposes of this application, the Medical Center has assumed that pediatric intensive care utilization will remain constant at its current volume.

Total Intensive Care Bed Occupancy without By-Pass in 2017

39,607 CAGR projected total intensive care days patient days + 2,162 new physician days +
6,790 pediatric intensive care days = 48,559 total intensive care days

48,559 total intensive care days ÷ 365 days per year = 133.0 ADC

133.0 ADC ÷ 153 total intensive care beds = 86.7 percent occupancy

Total Intensive Care Bed Occupancy with By-Pass in 2017

42,154 CAGR projected total intensive care days patient days + 2,162 new physician days +
6,790 pediatric intensive care days = 51,106 total intensive care days

51,106 total intensive care days ÷ 365 days per year = 140.0 ADC

140.0 ADC ÷ 153 total intensive care beds = 91.5 percent occupancy

Hence, with the modified bed complement, projected adult volume and constant pediatric volume with and without by-pass patients can be accommodated. Under both scenarios, projected occupancy exceeds the State Agency Target Occupancy of 60.0 percent.

Currently the Medical Center has 6 intensive care units located in 40,356 GSF; of these 2 are pediatric care units.

At the conclusion of the project, 5 of the existing units (including the pediatric units) will remain as is in 31,610 GSF. The new patient tower will include 2 new units of 36 intensive care beds located in 44,631 GSF. The 8,746 GSF housing the unit to be decommissioned will be vacated.

At project completion, the 153 intensive care beds will be located in 76,241 GSF or 498 GSF per bed. The State Standard for intensive care bed is 685 GSF per bed. Hence, the Medical Center's intensive care beds are located in less than State Agency allowable GSF.

498 GSF per bed < 685 GSF per bed

The original application describes how the Medical Center arrived at the original projected bed need.

Adult Intensive Care Utilization without Bypass

CAGR Method ¹	2004	2005	2006	2007	2008	2009	2010	2011
Adult Intensive Care	19,608	19,576	18,447	20,570	25,870	25,935	26,534	26,147
Utilization								
Observation Days	-	-	-	-	-	-	-	-
Annual Growth	19,608	(32)	(1,129)	2,123	5,300	65	599	(387)
Percent Growth								
Target % State Occ	60%	60%	60%	60%	60%	60%	60%	60%
ADC	53.6	53.6	50.5	56.4	70.7	71.1	72.7	71.6
Bed Need	89.3	89.4	84.2	93.9	117.8	118.4	121.2	119.4

Adult Intensive Care Utilization with Bypass

CAGR Method ¹	2004	2005	2006	2007	2008	2009	2010	2011
Adult Intensive Care	19,608	19,576	18,447	20,570	25,870	25,935	26,534	26,147
Utilization								
Est Bypass ²	415	649	310	822	1,206	807	1,597	2,115
Observation Days	-	-	-	-	-	-	-	-
Utilization + bypass ²	20,023	20,225	18,757	21,392	27,076	26,742	28,131	28,262
Annual Growth	19,608	(32)	(1,129)	2,123	5,300	65	599	(387)
Percent Growth								
Target % State Occ	60%	60%	60%	60%	60%	60%	60%	60%
ADC	54.7	55.4	51.4	58.6	74.0	73.3	77.1	77.4
Bed Need	91.2	92.4	85.6	97.7	123.3	122.1	128.5	129.1

Adult Intensive Care Utilization without Bypass

CAGR Method ¹	2012	2013	2014	2015	2016	2017	2018	2019	2020
Adult Intensive Care									
Utilization	27,244	28,388	29,579	30,821	32,114	33,462	34,867	36,330	37,855
Observation Days									
Annual Growth	1,097	1,143	1,191	1,241	1,294	1,348	1,404	1,463	1,525
Percent Growth	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%
Target % State Occ	60%								
ADC	74.4	77.8	81.0	84.4	87.7	91.7	95.5	99.5	103.7
Bed Need	124.1	129.6	135.1	140.7	146.2	152.8	159.2	165.9	172.9

Adult Intensive Care Utilization with Bypass

CAGR Method ¹	2012	2013	2014	2015	2016	2017	2018	2019	2020
Adult Intensive Care									
Utilization	27,467	28,853	30,309	31,838	33,445	35,133	36,906	38,768	40,725
Est Bypass ²									
Observation Days									
Utilization + bypass ²	29,688	31,187	32,760	34,414	36,150	37,975	39,891	41,904	44,019
Annual Growth	1,320	1,386	1,456	1,530	1,607	1,688	1,773	1,862	1,956
Percent Growth	5.05%	5.05%	5.05%	5.05%	5.05%	5.05%	5.05%	5.05%	5.05%
Target % State Occ	60%								
ADC	81.1	85.4	89.8	94.3	98.8	104.0	109.3	114.8	120.6
Bed Need	135.2	142.4	149.6	157.1	164.6	173.4	182.2	191.3	201.0

MODIFICATION OF MEDICAL SURGICAL BED NEED

At the time the original application for Project #12-066 was filed, Advocate Christ Medical Center had 378 authorized medical surgical beds. In September 2012, the Medical Center opened a renovated space to house 17 beds. Of these, 16 were obtained by invoking the 20-bed or less than 10 percent rule and one was taken out of reserve. This brought the Medical Center's authorized medical surgical bed count to 394 beds. As part of the project, 19 medical surgical beds will be displaced by links between buildings; of these 5 will be replaced in available rooms and the other 14 will be put in reserve.

The 394 beds are expected to operate at 85.7 percent occupancy by 2017.

$$123,178 \text{ medical surgical patient days} \div 365 \text{ days per year} = 337.5 \text{ ADC}$$

$$337.5 \text{ ADC} \div 394 \text{ beds} = 85.7 \text{ percent occupancy}$$

This calculation does not account for blocked beds; hence, overall occupancy of available beds is higher.

While this does not equal the State Agency Target Occupancy for medical surgical beds of 88 percent, it is substantially higher than the total State average of 58.5 percent as reported in the 2010 Hospital Profiles.

The number of medical surgical beds proposed in the original application for Project #12-066 will not change as part of the application. The number of beds will remain at 394. Medical surgical length of stay may decline modestly; however bed occupancy at the Medical Center will continue to remain at over 85 percent. If, there is a modest decline in bed need, the Medical Center's intent would be to increase the number of private rooms in the medical surgical bed complement, and thereby reduce the number of medical surgical beds. However, as part of this application, the Medical Center is maintaining the current number of authorized beds.

The Medical Center's current medical surgical bed complement is located in 103,290 GSF. At the completion of the project, the 394 medical surgical beds will be located in 102,229 GSF of which 100,030 GSF is existing and 2,199 GSF is remodeled. The remodeled space is related to the spaced displaced by links.

MODIFICATION TO NEONATAL BED NEED

The number of neonatal intensive care beds proposed in the original application for Project #12-066 will not change as part of the modification. The number will remain at 64. These beds are expected to reach over 90 percent occupancy by 2019, the second full year of operation.

$$21,000 \text{ neonatal days} \div 365 \text{ days per year} = 60.0 \text{ ADC} \div 64 \text{ beds} = 93.8 \text{ percent occupancy}$$

The Medical Center concluded that the number of neonatal beds proposed in the original application was appropriate. Neonatal length of stay may decline modestly; however, the originally projected occupancy of 93.8 percent was 18.8 percent higher than the State Agency Target Occupancy. The Medical Center does not expect that occupancy of the neonatal beds would be less than 75 percent 2 years after project completion.

Hence, the number of neonatal beds in the modified project remains the same.

In the original application the neonatal intensive care unit was programmed for 21,657 GSF. As the result of the modification that square footage allocation has not changed.

The proposed 64 neonatal intensive care beds will be located in 338 GSF per bed. This proposed square footage is less than the State Agency Standard of 560 GSF per bed.

$$338 \text{ GSF per bed} < 560 \text{ GSF State Standard per bed}$$

The original application describes how the Medical Center arrived at the original projected neonatal bed need.

MODIFICATION OF CLINICAL SERVICE AREAS

OB Triage, Labor/Delivery /Recovery, Surgical Delivery Rooms and Phase I Recovery Stations and Morgue

The number OB triage stations, labor/delivery recovery stations, surgical delivery rooms and Phase I recovery stations proposed in the original application for Project #12-066 will not change as part of the modification. Since the number of obstetric beds will not change as part of the modification, neither the need for the obstetric-related clinical service areas nor the square footage will change.

The State Agency has no standards for either number of key rooms or size of a morgue. The size of the morgue will not change as part of the modernization even though the number of total authorized hospital beds will decline from 824 to 788. Even at 788 beds, the proposed morgue is within the industry standard of from 2.9 to 4.5 GSF per bed.

$$788 \text{ beds} \times 2.9 \text{ GSF per bed} = 2,285 \text{ GSF for a morgue}$$

$$788 \text{ beds} \times 4.5 \text{ GSF per bed} = 3,546 \text{ GSF for a morgue}$$

Hence the modified bed complement of 788 supports from 2,285 to 3,546 GSF of morgue space. The proposed square footage for the morgue in the original application is 2,597 is well within the range of industry standard square footage.

$$2,597 \text{ GSF} < 3,546 \text{ GSF}$$

The original application describes how the Medical Center arrived at the originally calculated morgue square footage.

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VIII. - 1120.120 - Availability of Funds - This section is not applicable. Advocate Health Care Network bonds have been rated by Fitch as AA, and by Moody's as Aa2 which qualifies the applicants for the waiver.

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

<u>\$96,481,789</u>	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
_____	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<u>\$203,508,402</u>	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	<p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p>
_____	<p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
_____	<p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
<u>\$299,990,191</u>	TOTAL FUNDS AVAILABLE

October 9, 2012

Ms. Courtney Avery
Administrator
Heath Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Dear Ms. Avery:

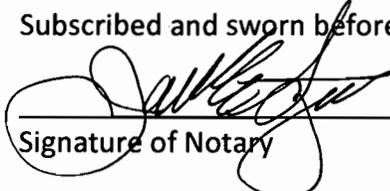
The purpose of this letter is to attest to the fact that Advocate Health and Hospitals Corporation will use the selected form of debt financing for the Patient Tower Project described by this Certificate of Need application because it will be at the lowest net cost available, is more advantageous due to such terms as prepayment privileges, not required mortgage, access to additional indebtedness, term (years), financing costs and other factors.

Sincerely,



Kenneth W. Lukhard, Market President
Advocate Christ Medical Center and Trinity Hospital

Subscribed and sworn before me this 8th day of October, 2012


Signature of Notary

Seal of the Notary



Reasonableness of Project Cost - Modified

Department	Cost and Gross Square Feet by Department or Service - Modified											Total Cost					
	A		B		C		D		E		F		G		H		
	Cost / Square Foot		Gross Square Feet		Gross Square Feet		Gross Square Feet		Gross Square Feet		Gross Square Feet		Const. Cost		Mod. Cost		
	New	Mod.	New	Circ. %	New	Circ. %	New	Circ. %	New	Circ. %	New		Circ. %	(AxC)	(BxE)		
Clinical																	
OB Triage		350							5,228				0	1,829,800			1,829,800
Labor/Delivery/Recovery	525		12,063									6,333,075	0	6,333,075			6,333,075
C-Section Suite	650		3,346									2,174,900	0	2,174,900			2,174,900
Phase I Recovery	525		1,603									841,575	0	841,575			841,575
Obstetric Beds												0	0	0			0
Antepartum beds	525		3,835									2,013,375	0	2,013,375			2,013,375
Postpartum beds	545	449	22,010					5,760				11,995,450	2,586,240	14,581,690			14,581,690
Newborn nursery bassinets	585	450	1,504					1,201				879,840	540,450	1,420,290			1,420,290
Neonatal Intensive Care Beds		368						21,657				0	7,969,776	7,969,776			7,969,776
Intensive Care Beds	525		44,631									23,431,275	0	23,431,275			23,431,275
Medical Surgical Beds		400						2,199				0	879,600	879,600			879,600
Morgue	305		2,597									792,085	0	792,085			792,085
Total Clinical/Avg. Cost/Sq. Ft.	529.12	383.02	91,589					36,045				48,461,575	13,805,866	62,267,441			62,267,441
Contingency	40.38	38.11										3,698,360	1,373,684	5,072,044			5,072,044
Clinical with contingency /Avg. Cost/Sq. Ft.	569.50	421.13	91,589					36,045				52,159,935	15,179,550	67,339,485			67,339,485
Non-Clinical																	
Administrative	425	250	21,495					13,701				9,135,375	3,425,250	12,560,625			12,560,625
Non Clinical Storage, Processing and Distribution	425	300	52,808					11,570				22,443,400	3,471,000	25,914,400			25,914,400
Public Amenities	425	341	84,408					19,385				35,873,400	6,610,285	42,483,685			42,483,685
Building Components	425	300	57,790					6,945				24,560,750	2,085,167	26,645,917			26,645,917
Shell Space	425	200										0	0	0			0
Total Non-Clinical/Avg. Cost/Sq. Ft.	425.00	302.16	216,501					51,601				92,012,925	15,591,702	107,604,627			107,604,627
Contingency	42.43	46.91										12,884,650	3,794,055	16,678,705			16,678,705
Non-Clinical with contingency/Avg. Cost/Sq. Ft.	455.95	349.07	308,090					87,646									16,678,705
Total with contingency / Avg. Cost / Sq. Ft.	497.77	378.70	308,090					87,646				153,359,150	33,191,623	186,550,773			186,550,773

Reasonableness of Project Cost - Original

Department	Cost and Gross Square Feet by Department or Service											Total Cost					
	A	B	C	D	E	F	G	H									
	Cost / Square Foot		Gross Square Feet		Gross Square Feet		Const. Cost	Mod. Cost									
	New	Mod.	New	Circ.	Mod.	Circ.	(AxC)	(BxE)									
Clinical																	
OB Triage		\$ 276			5,409		\$ -	\$ -	\$ 1,492,884			\$ -	\$ -	\$ 1,492,884			\$ 1,492,884
Labor/Delivery/Recovery	\$ 500		13,853				\$ 6,926,500	\$ -	\$ -			\$ 6,926,500	\$ -	\$ -			\$ 6,926,500
C-Section Suite	\$ 650		3,525				\$ 2,291,250	\$ -	\$ -			\$ 2,291,250	\$ -	\$ -			\$ 2,291,250
Phase I Recovery	\$ 500		1,618				\$ 809,000	\$ -	\$ -			\$ 809,000	\$ -	\$ -			\$ 809,000
Obstetric Beds							\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -
Antepartum beds	\$ 415		3,824				\$ 1,586,960	\$ -	\$ -			\$ 1,586,960	\$ -	\$ -			\$ 1,586,960
Postpartum beds	\$ 375		28,878				\$ 10,829,250	\$ -	\$ -			\$ 10,829,250	\$ -	\$ -			\$ 10,829,250
Newborn nursery bassinets	\$ 490		1,799				\$ 881,510	\$ -	\$ -			\$ 881,510	\$ -	\$ -			\$ 881,510
Neonatal Intensive Care Beds		\$ 328			31,968		\$ -	\$ -	\$ 10,485,504			\$ -	\$ -	\$ 10,485,504			\$ 10,485,504
Intensive Care Beds	\$ 510		66,698				\$ 34,015,980	\$ -	\$ -			\$ 34,015,980	\$ -	\$ -			\$ 34,015,980
Medical Surgical Beds		\$ 365			2,191		\$ -	\$ -	\$ 799,715			\$ -	\$ -	\$ 799,715			\$ 799,715
Morgue	\$ 235		2,597				\$ 611,386	\$ -	\$ -			\$ 611,386	\$ -	\$ -			\$ 611,386
							\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -
							\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -
							\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -
							\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -
Total Clinical / Average Cost / Sq. Ft.	\$471.95	\$322.94	122,792	--	39,568	0	\$ 57,951,836	\$ -	\$ 12,778,103			\$ 57,951,836	\$ 12,778,103	\$ 70,729,939			\$ 70,729,939
Clinical Contingency							\$ 5,766,208	\$ -	\$ 1,910,326			\$ 5,766,208	\$ 1,910,326	\$ 7,676,534			\$ 7,676,534
Clinical Subtotal	\$518.91	\$371.22					\$ 63,718,043	\$ -	\$ 14,688,429			\$ 63,718,043	\$ 14,688,429	\$ 78,406,473			\$ 78,406,473
Non-Clinical																	
Administrative	\$425	\$408	27,343		9,160		11,620,775		3,737,672			11,620,775	3,737,672	15,358,447			15,358,447
Non Clinical Storage, Processing and Distribution	\$425	\$407	56,719		9,462		24,105,575		3,847,902			24,105,575	3,847,902	27,953,477			27,953,477
Public Amenities	\$425	\$407	95,426		18,075		40,556,050		7,353,147			40,556,050	7,353,147	47,909,197			47,909,197
Building Components	\$425	\$385	71,103		7,718		30,218,775		2,971,430			30,218,775	2,971,430	33,190,205			33,190,205
Shell Space	\$425	\$365	15,488				6,582,400		0			6,582,400	0	6,582,400			6,582,400
Total Non-Clinical / Average Cost / Sq. Ft.	\$425.00	\$403.25	266,079		44,415		\$113,083,575		\$17,910,151			\$113,083,575	\$17,910,151	\$130,993,726			\$130,993,726
Subtotal / Average Cost / Sq. Ft.	\$439.83	\$ 365.41															
Non-clinical Contingency	\$28.93	\$31.88					\$11,251,816		\$2,677,568			\$11,251,816	\$2,677,568	\$13,929,383			\$13,929,383
Non-clinical Total							\$124,335,391		\$20,587,719			\$124,335,391	\$20,587,719	\$144,923,109			\$144,923,109
Total with contingency / Average Cost / Sq. Ft.	\$483.59	\$420.04	388,871		83,983		\$188,053,434		\$35,276,148			\$188,053,434	\$35,276,148	\$223,329,582			\$223,329,582

ADVOCATE CHRIST MEDICAL CENTER
EQUIVALENT PATIENT DAYS

	Actual	Projected									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Patient Days	210,044	206,000	207,000	208,000	209,000	210,000	224,000	230,000	235,000	238,000	239,000
Ratio of Outpatient Revenue to Inpatient Revenue											
Inpatient Revenue	\$ 1,780,717,000	\$ 1,890,000,000	\$ 1,994,417,000	\$ 2,094,138,000	\$ 2,198,846,000	\$ 2,308,787,000	\$ 2,470,000,000	\$ 2,540,000,000	\$ 2,595,000,000	\$ 2,630,000,000	\$ 2,650,000,000
Outpatient Revenue	632,388,000	675,000,000	708,750,000	788,838,000	869,696,000	949,710,000	970,000,000	990,000,000	1,100,000,000	1,115,000,000	1,130,000,000
Total Revenue	\$ 2,413,105,000	\$ 2,565,000,000	\$ 2,703,167,000	\$ 2,882,976,000	\$ 3,068,542,000	\$ 3,258,497,000	\$ 3,440,000,000	\$ 3,530,000,000	\$ 3,695,000,000	\$ 3,745,000,000	\$ 3,780,000,000
Ratio	35.5%	35.7%	35.5%	37.7%	39.6%	41.1%	39.3%	39.0%	42.4%	42.4%	42.1%
Computed O/P Equivalent Days	74,593	73,571	73,561	78,351	82,664	86,383	87,968	89,646	99,615	100,901	101,901
Total Equivalent Patient Days	284,637	279,571	280,561	286,351	291,664	296,383	311,968	319,646	334,615	338,901	340,901

**ADVOCATE CHRIST MEDICAL CENTER
EQUIVALENT PATIENT DAYS**

	Actual 2011	Projected								
		2012	2013	2014	2015	2016	2017	2018	2019	2020
Patient Days	210,044	206,000	207,000	208,000	209,000	210,000	224,000	230,000	235,000	238,000
Ratio of Outpatient Revenue to Inpatient Revenue										
Inpatient Revenue	\$ 1,780,717,000	\$ 1,890,000,000	\$ 1,994,417,000	\$ 2,094,138,000	\$ 2,198,846,000	\$ 2,308,787,000	\$ 2,470,000,000	\$ 2,540,000,000	\$ 2,595,000,000	\$ 2,630,000,000
Outpatient Revenue	632,388,000	708,750,000	788,838,000	869,696,000	949,710,000	970,000,000	990,000,000	1,100,000,000	1,100,000,000	1,115,000,000
Total Revenue	\$ 2,413,105,000	\$ 2,703,167,000	\$ 2,882,976,000	\$ 3,068,542,000	\$ 3,258,497,000	\$ 3,440,000,000	\$ 3,530,000,000	\$ 3,695,000,000	\$ 3,695,000,000	\$ 3,745,000,000

Ratio	35.5%	35.7%	35.5%	37.7%	39.6%	41.1%	39.3%	39.0%	42.4%	42.4%
Computed OIP Equivalent Days	74,593	73,571	73,561	78,351	82,664	86,383	87,968	89,646	99,615	100,901
Total Equivalent Patient Days	284,637	279,571	280,561	286,351	291,664	296,383	311,968	319,646	334,615	336,901

**ADVOCATE CHRIST MEDICAL CENTER
OPERATING EXPENSES**

	Actual	Projected 2021	
	2011	Medical Center	Project
Salaries and Benefits	\$ 395,996,000	\$ 510,000,000	\$ 36,845,000
Professional Fees	29,119,000	36,000,000	-
Services	79,022,000	96,000,000	10,578,000
Supplies	156,183,000	182,000,000	31,135,000
Bad Debts	43,565,000	-	-
Advocate System Allocations	48,097,000	62,000,000	-
Other	57,555,000	65,000,000	-
Insurance	20,166,000	64,000,000	3,818,000
Interest	4,837,000	17,907,000	10,500,000
Depreciation	21,573,000	33,400,000	11,929,000
Total	\$ 856,113,000	\$ 1,066,307,000	\$ 1,171,112,000

Note: Effective in 2012 bad debts are no longer reported as an operating expense but rather as a deduction from revenue

**ADVOCATE CHRIST MEDICAL CENTER
OPERATING EXPENSES PER EQUIVALENT PATIENT DAY**

	2011		2021 Projected					
	Amount	Per EPD	Amount		Total			
			Medical Center	Project		Medical Center	Project	
Operating Expenses	\$ 829,703,000	2,914.95	\$ 1,015,000,000	\$ 82,376,000	\$ 2,994.97	\$ 243.07	\$ 1,097,376,000	\$ 3,238.04
Capital Costs	26,410,000	92.78	51,307,000	22,429,000	151.39	66.18	73,736,000	217.57
Total	\$ 856,113,000	3,007.73	\$ 1,066,307,000	\$ 104,805,000	\$ 3,146.37	\$ 309.25	\$ 1,171,112,000	\$ 3,455.62

**ADVOCATE CHRIST MEDICAL CENTER
OPERATING EXPENSES**

	Actual 2011	Projected 2020	
		Medical Center	Project
Salaries and Benefits	\$ 395,996,000	\$ 505,000,000	\$ 35,845,000
Professional Fees	29,119,000	35,000,000	-
Services	79,022,000	95,000,000	10,178,000
Supplies	156,183,000	180,000,000	30,135,000
Bad Debts	43,565,000	-	-
Advocate System Allocations	48,097,000	62,000,000	-
Other	57,555,000	65,000,000	-
Insurance	20,166,000	64,000,000	3,818,000
Interest	4,837,000	17,907,000	10,500,000
Depreciation	21,573,000	33,400,000	11,929,000
Total	\$ 856,113,000	\$ 1,057,307,000	\$ 102,405,000

Total \$ 856,113,000 \$ 1,057,307,000 \$ 102,405,000 \$ 1,159,712,000

Note: Effective in 2012 bad debts are no longer reported as an operating expense but rather as a deduction from revenue

**ADVOCATE CHRIST MEDICAL CENTER
OPERATING EXPENSES PER EQUIVALENT PATIENT DAY**

	2011		2020 Projected	
	Amount	Per EPD	Medical Center	Project
Operating Expenses	\$ 829,703,000	2,914.95	\$ 79,976,000	\$ 2,968.42
Capital Costs	26,410,000	92.78	22,429,000	151.39
Total	\$ 856,113,000	3,007.73	\$ 102,405,000	\$ 3,119.81
			Total	EPD
Operating Expenses	\$ 1,006,000,000		\$ 2,968.42	\$ 235.99
Capital Costs	51,307,000		151.39	66.18
Total	\$ 1,057,307,000		\$ 3,119.81	\$ 302.17
			Total	EPD
Operating Expenses	\$ 1,085,976,000		\$ 2,968.42	\$ 235.99
Capital Costs	73,736,000		151.39	66.18
Total	\$ 1,159,712,000		\$ 3,119.81	\$ 302.17