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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

November 30, 2012

Ms. Courtney R. Avery
Administrator
State of Illinois Health Facilities and Services Review Board
525 W. Jefferson St.
Springfield, IL 62762

**Re: Chicago Surgical Clinic, Ltd., 129 W. Rand Rd., Arlington Heights, IL
Project No. 12.076**

Dear Ms. Avery:

Enclosed please find correspondence in response to the Executive Summary for the project outlined above. In addition, we have enclosed an additional letter of support that we would like to be included in the project file.

These documents were e-mailed to Mr. George Roate today (Friday, November 30, 2012).

Sincerely,

Robert W. Kirk, AIA
President
Group A Architecture, Inc.

RWK:dlg

Group A Architecture, Inc.

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Arvind K. Goyal, MD, MPH, MBA

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October 10, 2012

State of IL Health Facilities & Services Review Board

524 West Jefferson Street, Springfield, IL 62761

Re: Public Hearing, Project 12-076, Chicago Surgical Clinic, Ltd., Arlington Hts

Mr. Chairman and Members of the Board: I had planned to appear and testify at tomorrow's public hearing; however, some previously unforeseen professional responsibilities will preclude my participation in person. I have therefore requested that this testimony, written as an individual, be hand delivered, read and entered in the record for consideration by the board during your deliberations.

I am a physician who practiced 30+ years in Arlington Hts & Rolling Meadows until 2009. I served as a member of the legislative task force appointed in early nineties which recommended that ASTC's be allowed to operate in IL because we felt at the time that these centers will help decrease the rising cost of care and improve access. I have also previously served as member and President of the medical staff at Northwest Community Hospital, a member of the hospital board and Chair of the Family Medicine Dept. Additionally, I have previously served as Chair of the IL Medical Licensing Board, President of the Chicago Medical Society and President of the IL State Medical Society.

I believe very strongly that the surgeons affiliated with the Chicago Surgical Clinic Ltd. are highly qualified, experienced and a cut above average! I used to refer my sickest and most complex surgical patients to them while I was in practice. Their care has always been of the highest grade, cost-efficient, timely and produced great outcomes.

The proposed project at hand, which is awaiting your approval, will improve many patients' access to care and reduce costs of common outpatient surgical procedures by 50-60% while offering greater convenience, easy parking and personalized care, compared to the area hospitals. The community needs it! The fear that this project will compete and somehow reduce the bottom lines of those few institutions who feel threatened strikes to me as anti-competitive and Anti-American; the sickest patients needing hospitalization and more intensive services will continue to use area hospitals.

Thank you for your consideration. I remain available for your questions.

Sincerely,

ARVIND K. GOYAL

Chicago Surgical Clinic, Ltd.

November 29, 2012

Ms. Courtney R. Avery
Administrator
State of Illinois Health Facilities and Services Review Board
525 W. Jefferson St.
Springfield, IL 62761

**Re: Response to Executive Summary for Project 12-076
Chicago Surgical Clinic, Ltd.
Page 3 - Northwest Surgicare Ltd. Comments**

Dear Ms Avery:

The following paragraph appears on Page 3 of the Executive Summary posted on the State of Illinois Health Facilities and Services Review Board website:

- **Fran Sokash RVP stated "Northwest Surgicare, Ltd. "provides similar outpatient surgery services at its ambulatory surgery center located at 1100 W. Central Road in Arlington Heights, IL (the "NW Center"). The NW Center has capacity for additional outpatient surgical volume. The NW Center is located next to Northwest Community Hospital and is 4.28 miles from the proposed ASC. Your letter of June 26, 2012 states that the proposed ASC will have minimal impact on existing centers because the majority of the patients who will be treated at the proposed ASC are not currently using any existing facilities in the area. As the NW Center is only 4.28 miles from the proposed ASC, it is difficult to understand how that statement can be true."**

In response to this statement, and as stated during the public hearing on October 11, 2012, "the majority of the patients who will be treated at the proposed ASTC are not currently using any existing facilities in the area" due to the high cost of having the procedures done at the existing available surgical facilities. This high cost of the needed procedures at existing area facilities has resulted in numerous patients delaying much-needed procedures until affordable options are available. The establishment of Chicago Surgical Clinic, Ltd. in Arlington Heights is the option that these patients are waiting for.

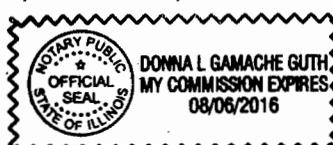
Sincerely,



Dr. Yelena Levitin
Chicago Surgical Clinic Ltd.

Subscribed and Sworn to Before me this 29th day of November, 2012


Notary Public



know, we at Northwest Community Hospital have served the surgical needs of these patients for years. This project negatively impacts our program and ability to serve our patients."

- **Presence Health stated** "Thank you for your letter of June 26, 2012, informing us of your plans to develop a new ASTC at 129 W. Rand Road in Arlington Heights. As you know, the purpose and intent of such letters, according to the rules of the Illinois Health Facilities and Services Review Board, is to determine the impact of new services on existing providers. This response summarizes the potential impact of your project on Presence Health hospitals. After reviewing the surgery and GI lab data at our hospitals, we must conclude that the development of this proposed new ASTC in Arlington Heights would have a significant negative impact on our hospitals.

The physicians of Chicago Surgical Clinic, Ltd. are on the medical staff of three Presence Health hospitals, Holy Family Medical Center, Resurrection Medical Center, and Our Lady of the Resurrection Medical Center. These physicians perform both surgeries and GI lab procedures at each of these hospitals, the vast majority of which are outpatient procedures. All together, these physicians have performed over 1,000 procedures in the last 18 months at these three Presence Health hospitals. The impact is particularly significant at Holy Family Medical Center, where the physicians of Chicago Surgical Clinic, Ltd. represent nearly 20% of the surgery and GI cases performed at the hospital, all of which were outpatient procedures. Indeed, the types of procedures planned to be done at the proposed new ASTC, as listed in your letter, are included in the procedures currently performed at our hospitals. Presence Health hospitals and the Presence Health ambulatory surgery center all have the capacity to perform any and all surgery and GI lab procedures planned to be performed at the proposed new ASTC.

Your letter states that the new ASTC will have minimal impact on existing facilities because the majority of the patients who will be treated at that proposed facility are not currently using the existing facilities in the area. Given the above facts, we do not understand how that statement can be true, especially in the case of Holy Family Medical Center, which is located only 6.8 miles away and 13 minutes from the proposed ASTC."

- **Fran Sokash RVP stated** "Northwest Surgicare, Ltd. "provides similar outpatient surgery services at its ambulatory surgery center located at 1100 W. Central Road in Arlington Heights, IL (the "NW Center"). The NW Center has capacity for additional outpatient surgical volume. The NW Center is located next to Northwest Community Hospital and is 4.28 miles from the proposed ASC. Your letter of June 26, 2012 states that the proposed ASC will have minimal impact on existing centers because the majority of the patients who will be treated at the proposed ASC are not currently using any existing facilities in the area. As the NW Center is only 4.28 miles from the proposed ASC, it is difficult to understand how that statement can be true."

FINANCIAL AND ECONOMIC FEASIBILITY:

- The applicant notes the project will be funded through a combination of cash and securities, (\$1,510,057) cash expenditures (\$119,000), loans (\$2,000,000), and the net book value of existing equipment (\$250,000). Reviewed financial statements were provided.
- **Alexander Bogachkov CPA stated** "please be informed that being engaged as a Certified Public Accountant Chicago Surgical Clinic I have been preparing business and individual income tax returns for Dr. Levin for more than ten years. Based on the information provided by Dr, Levin the Chicago Surgical Clinic, Ltd has access to funds totaling \$1,510,057 in the form of bank accounts and investment funds used toward the construction of the new ASTC facility."

1 Thank you for your consideration of
2 this important issue.

3 ADMINISTRATOR AVERY: Thank you. Number 3?

4 DR. YELENA LEVITIN: Hello, my name is Dr.
5 Yelena Levitin, and I'm actually the surgeon in
6 charge of Chicago Surgical Clinic. I finished my
7 medical studies at Northwestern University Medical
8 School in 1995 and completed my surgical residency
9 at Rush Presbyterian St. Luke's in 2000. I have
10 been in practice full-time since that time. I'm a
11 Fellow of the American College of Surgeons, and am
12 fully board certified and recertified in my
13 specialty. My own corporation has been in business
14 since 2010. My group is on staff at several area
15 hospitals, and we also have a busy office practice.
16 I have built my business up all by myself. It has
17 been my full responsibility, along with my
18 professional pride, and I am ultimately committed to
19 providing excellent patient care.

20 I have made a decision to open a new
21 office facility and to incorporate a small surgical
22 suite onsite (due to the patient demands for more)
23 (affordable and expeditious surgical care). These
24 days, a large percentage of patients, especially in

1 our state in Illinois, are uninsured or
2 underinsured. It is typical they all need medical
3 care as much as more unfortunate and fully-insured
4 individuals.

5 (At least 20 to 25 percent of the)
6 (patients that we see in our office are not able to)
7 (afford the procedures that they need due to high)
8 (hospital costs.) They often postpone their surgeries
9 until the last moment and show up in the area ERs
10 with advanced stages of the disease process,
11 requiring longer hospital stays and more complicated
12 interventions. They frequently become a financial
13 burden to the hospital and health care providers due
14 to their limited resources. A lot of the surgical
15 emergencies are preventable by timely intervention
16 at the early stages of the problem. There are a lot
17 of powerful market forces at play, and a lot of more
18 savvy patients are able to obtain their care at
19 lower costs at some of the surgicenters located in
20 more remote areas of the city. It is important to
21 understand that these populations are being lost to
22 the area hospitals, as well as to my practice.

23 By being able to provide excellent
24 surgical care onsite, we're actually saving money

1 for the community.

2 (Smaller facilities, just by virtue of
3 their size, have less layers of bureaucracy, and
4 therefore, are able to accommodate simple surgical
5 interventions at a lower cost.

6 We are already providing a lot of
7 those services in the office under local anesthesia
8 to the patients who wish to avoid the extra
9 financial stress of a hospital environment. Having
10 just two simple procedure rooms and a single
11 endoscopy suite would allow us to expand services to
12 the patient that require more than local anesthesia.

13 A newly developed combination of an
14 office and surgical facility would increase patient
15 traffic in the area and would generate more business
16 for the area hospitals, as well. Large numbers of
17 patients would still need to be scheduled in the
18 hospital setting due to their overall state of
19 health and nature of illness. I am planning to
20 preserve my productive working relationship with the
21 surrounding institutions, continue to take calls,
22 provide charity care, which is done by being on
23 call, and conduct surgeries at the excellent
24 surgical facilities.

1 Please be mindful of the fact that
2 the predominant majority of my outpatient referrals
3 are not generated by the hospitals or the employed
4 physicians. A lot of patients are self-referred due
5 to the language and cultural preference. We also
6 have a lot of business due to the word of mouth
7 referrals. The vast majority of my patients come
8 from various demographics and communities not
9 traditionally serviced by the area hospitals.

10 Having another successful practice in
11 the area is an additional benefit to the Village of
12 Arlington Heights, and as well as the neighboring
13 hospitals. My goal is to foster productive working
14 relationships in the health care industry -- in the
15 health care community, and to promote patients'
16 health and satisfaction.

17 My business is a woman-owned,
18 minority-representing surgical practice, and it will
19 certainly increase diversity in the community, along
20 with providing a great financial impetus for future
21 development.

22 I should also add, in addition to
23 that, I spoke to multiple family care doctors,
24 multiple physicians in the area, and they all

1 expressed a great amount of support for this
2 venture. (The older patients that need care in a
3 less stressful and less expensive environment, and
4 that's the goal for me.)

5 ADMINISTRATOR AVERY: Thank you. Would you
6 give me the spelling of your last name?

7 DR. YELENA LEVITIN: It's L-E-V, as in
8 Victor, I-T, as in Tom, I-N.

9 ADMINISTRATOR AVERY: Thank you. You can
10 leave, if you have the written testimony, you can
11 leave it on the table. Did you put the number up
12 there?

13 DR. YELENA LEVITIN: Yes.

14 ADMINISTRATOR AVERY: Thank you. Number 4.

15 MR. DALE BEATTY: Good morning, Ms. Avery
16 and Dr. Burden, my name is Dale Beatty, it's
17 D-A-L-E, B-E-A-T-T-Y. I'm Executive Vice-president
18 for Hospital Operations at Northwest Community and
19 an officer of our corporation. I'm here today to
20 express our opposition to the development and
21 build-out of 129 West Rand Road for the ambulatory
22 surgery area. This location we believe is not
23 needed and will have a negative impact on Northwest
24 Community and our Northwest Community Day Surgery

Chicago Surgical Clinic, Ltd.

November 29, 2012

Ms. Courtney R. Avery
Administrator
State of Illinois Health Facilities and Services Review Board
525 W. Jefferson St.
Springfield, IL 62761

Re: Response to Executive Summary for Project 12-076
Chicago Surgical Clinic, Ltd.
Page 4 - Charity Care

Dear Ms Avery:

I, Dr. Yelena Levitin, have enclosed **Section XI. Safety Net Impact Statement** and **Section XII. Charity Care Information** (Pages 53 and 54) as supplemental criteria for Chicago Surgical Clinic, Ltd. Application for Permit.

It has been my practice and the standard method of operation for Chicago Surgical Clinic, Ltd. to provide charity care to patients in need. This is represented by directly providing reduced-charge procedures and, in some cases, no-charge procedures to patients suffering financial hardships.

With the establishment of Chicago Surgical Clinic as an ASTC, the clinic and myself personally will continue to adhere to the practice of providing charity care to those in need.

Sincerely,



Dr. Yelena Levitin
Chicago Surgical Clinic Ltd.

Subscribed and Sworn to Before me this 29th day of November, 2012


Notary Public



D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT -42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			

	Medicaid (revenue)			
	Inpatient			
	Outpatient			
	Total			

APPEND DOCUMENTATION AS **ATTACHMENT-43**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS **ATTACHMENT-44**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Chicago Surgical Clinic, Ltd.

November 29, 2012

Ms. Courtney R. Avery
Administrator
State of Illinois Health Facilities and Services Review Board
525 W. Jefferson St.
Springfield, IL 62761

Re: Response to Executive Summary for Project 12-076
Chicago Surgical Clinic, Ltd.
Page 19 - Financial Feasibility

Dear Ms Avery:

As outlined on Page 19, No. 1 under **Item IX. Review Criteria - Financial Feasibility**, and per the enclosed Page 209, Attachment 40 from the Application for Permit, all project costs and capital expenditures will be completely funded through internal sources.

Sincerely,



Dr. Yelena Levitin
Chicago Surgical Clinic Ltd.

Subscribed and Sworn to Before me this 29th day of November, 2012


Notary Public



C H I C A G O S U R G I C A L C L I N I C , L T D .

FINANCIAL VIABILITY

Dr. Yelena Levitin will be 100% responsible for all project funding. All project costs and capital expenditures will be completely funded through internal sources.