

Roate, George

From: John Kniery [JKniery@foleyandassociates.com]
Sent: Tuesday, November 13, 2012 3:03 PM
To: Roate, George
Cc: Cara D. Goldsberry
Subject: RE: project # 12-090 Saint Anthony's Hospital
Attachments: project completion date.pdf; Section 1430b3.pdf

12-090

George: The page identifying project completion is attached hereto. Also, please find attached hereto the section addressing 1430b (3). While these sections were completed, they did not get scanned appropriately into the final draft. I have passed the information on regarding the Illinois State Cancer Registry.

Please do not hesitate to contact me should you have any other issues.

John P. Kniery

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jknier@foleyandassociates.com

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From: Roate, George [mailto:George.Roate@Illinois.gov]
Sent: Tuesday, November 13, 2012 1:06 PM
To: John Kniery
Cc: Constantino, Mike; Williams, Don A.
Subject: project # 12-090 Saint Anthony's Hospital

John:

I just finished up the completeness review, and I could not locate the following (1 & 2), and the following was found (3):

- 1) Application page with the project completion date: This will not hold up the application, but we need a date for this. If I have overlooked this, my apologies, just shoot me the page number.
- 2) 1110.4130B(3): Planning Area Need; Service Demand: Establishment of Category of Service. This will hold the application. If I have overlooked this, my apologies, just shoot me the page number.
- 3) Compliance Issue with the Illinois State Cancer Registry (ISCR): Please contact Pam Parrish (217) 785-7119, for details of this compliance issue. This will hold the application.

12-090

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

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Land acquisition is related to project Yes No

Purchase Price: \$ _____

Fair Market Value: \$ _____

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The project involves the establishment of a new facility or a new category of service Yes No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ 739,522.79.

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:

None or not applicable Preliminary

Schematics Final Working

Anticipated project completion date (refer to Part 1130.140): December 31, 2013

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

Purchase orders, leases or contracts pertaining to the project have been executed.

Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies

Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:

Cancer Registry

APORS

All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted

All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

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SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA (CONTINUED III)

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G. Criterion 1110.1430b3)- Service Demand

- 3) Establishment of In-Center Hemodialysis Service
The number of stations proposed to establish a new in-center hemodialysis service is necessary to accommodate the service demand experienced annually by the existing applicant facility over the latest two-year period, as evidenced by historical and projected referrals, or, if the applicant proposes to establish a new facility, the applicant shall submit projected referrals. The applicant shall document subsection (b)(3)(A) and either subsection (b)(3)(B) or (C).
- A) Historical Referrals
- B) Projected Referrals
- C) Projected Service Demand – Based on Rapid Population Growth
If a projected demand for service is based upon rapid population growth in the applicant facility's existing market area (as experienced annually within the latest 24-month period)

The number of ESRD stations proposed is derived from the identified number of "pre-ESRD" patients who will likely need to be dialyzed within the next 12-18 months (as referred by Dr. Izabella Gurau in ATTACHMENT-26b3a) in accord with Saint Anthony Hospital. The calculation in the chart below illustrates the need calculation for the establishment of a 15 ESRD station facility.

Dialysis Patients	Annual Treatments per Patient	Total Annual Treatments
79	156 (3 treatments/wk x 52 wks/yr)	12,324
Total Annual Treatments	Annual Utilization Target	Total Stations Justified
12,324	749 (3 Shift/day x 6 days/wk x 54wks/yr x 80%)	16.5

The patient origin by zip code for the 159 "pre-ESRD stage 4" patients and 842 "pre-ESRD stage 3" patients are also identified in ATTACHMENT-26b3a. Approximately 64% of the

ATTACHMENT-26b3

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA (CONTINUED IV)

G. Criterion 1110.1430b)3)- Service Demand (Continued ii)

identified patients reside within the 6 Zip Code market contour. Accordingly, the proposed facility will be serving the residents of the Planning Area.

The attached letter from Dr. Izabella Gurau identifies 79 area patients that will need to initiate dialysis services within the next 12-18 months, and that will use SAH Dialysis Center at 26th Street, assuming treatment slots are available. These patients provide a sufficiently-sized patient population to easily allow the facility to operate at the IHFSRB's target utilization level. The need for this project is predicated on the identified 'pre-ESRD' patients who are reported to the renal network and as such they will have no impact on other area ESRD providers.

This project is not based upon the issue of rapid population growth.



October 31, 2012

Dale Galassie
Chair
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chairman:

I am pleased to support the establishment of the Saint Anthony Hospital Dialysis Center in Little Village ("Dialysis Center"). The new 15-station chronic renal dialysis facility will be located at 3059 W. 26th Street, Chicago, IL 60623.

By way of background, I have been a practicing Nephrologist since completing my nephrology fellowship at the University of New Mexico - School of Medicine in 2004. I began my nephrology practice in Provo, Utah in 2004 through 2008 and relocated to the Chicago area in June 2008 until present. Currently, I am employed by Saint Anthony Hospital as a Nephrologist and will be the Medical Director of the Dialysis Center. (See attached Curriculum Vitae). I am very familiar with Saint Anthony Hospital and the community it serves having rotated through there during my internal medicine residency at Saint Joseph Hospital (formerly part of Catholic Health Partners Services that owned and operated Saint Joseph Hospital, Saint Anthony Hospital and Columbus Hospital).

I am excited being the Medical Director of the Dialysis Center as it will afford patients the opportunity to receive renal care in a faith based facility that cares for all patient needs in a holistic manner rather than treating them as just a "kidney patient". The philosophy of care that will be provided offers health, healing and hope, which is apropos as it is the mission statement of Saint Anthony Hospital, a facility that has served its community for more than a century.

The community surrounding the Dialysis Center is a vulnerable population, many of whom are uninsured or underinsured. The area is primarily African-American and Hispanic, low-income, disabled, and elderly. While most patients required dialysis services are Medicare and Medicaid beneficiaries, there are a large number of undocumented patients that are ineligible for such benefits and who are in dire need of care.

Page 1

ATTACHMENT - 26b3a



I fully support the plan to establish the Dialysis Center. After reviewing the volume of patients from January 2010 thru September 2012, that obtain services at Saint Anthony Hospital there were eight hundred forty two (842) patients whose GFR levels fell within the pre-ESRD Stage 3 category tested through the outpatient clinics and emergency department. In addition, there were one hundred fifty nine (159) patients whose GFR levels classified them at Chronic Kidney Disease Stage 4 levels with glomerular filtration rates of 15-29 that were tested through the outpatient clinics and emergency department. A list of pre-ESRD patients by zip code has been provided in Exhibit A. Based upon a conservative attrition rate due to patient death, transplant or return to function, it is projected that 50% of the patients with Stage 4 Chronic Kidney Disease will require dialysis within the next 12 to 18 months. Thus, I project that a total of 79 patients would be referred to the unit within 12 to 18 months following project completion.

While the average utilization in the community is nearly 80%, there are many patients receiving treatment on early or late shifts, not by choice, but out of necessity. In addition, given the inflexibility in scheduling many patients present to the Saint Anthony Hospital emergency department and required admission for inpatient dialysis after having missed outpatient dialysis appointments that could not be rescheduled. Most importantly, there is a need for 124 stations in HAS 6. The establishment of another facility in the area will not only lessen this burden on these patients, will help the state meet its planning needs, but more importantly afford them an opportunity to obtain care in a not-for-profit faith based facility.

To the best of my knowledge, the patient referrals attached to this letter have not been used to support another pending or approved certificate of need application.

The information in this letter is true and correct to the best of my knowledge.

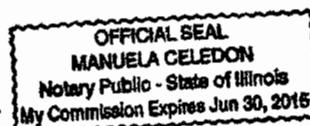
I wholeheartedly support the proposed establishment of the Saint Anthony Hospital Dialysis centered and am honored to be serving as the Medical Director and a member of their Medical Staff.

Sincerely,

Izabella Gurau, M.D.
Nephrologist

Subscribed and sworn to me
this 2nd day of November, 2012

Notary Public



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ATTACHMENT-26b3a



Stage 3 Patients from Emergency Department and Outpatient Clinics
GFR Results 30-59

Patient Zip Code	Number of Patient
10009	1
38671	1
39307	1
46391	1
49117	1
53189	1
60098	1
60104	1
60108	1
60110	1
60120	1
60133	1
60137	1
60148	1
60153	3
60155	1
60163	1
60169	1
60185	1
60187	1
60201	1
60302	2
60304	1
60402	10
60411	1
60419	1
60426	1
60432	1
60435	1
60452	1
60453	1

60455	1
60458	2
60459	2
60462	1
60463	2
60501	3
60513	1
60516	1
60526	1
60527	4
60534	1
60544	1
60559	1
60602	1
60605	1
60607	3
60608	103
60609	52
60610	1
60611	1
60612	20
60613	1
60614	4
60615	3
60616	6
60617	6
60618	1
60619	3
60620	11
60622	4
60623	216
60624	47
60626	4

60628	3
60629	35
60632	83
60634	4
60636	7
60637	4
60638	9
60639	15
60640	1
60641	2
60642	1
60643	3
60644	28
60645	1
60647	9
60649	5
60651	28
60652	4
60653	9
60654	1
60655	1
60653	5
60657	1
60660	2
60706	1
60707	1
60804	24
60827	1
61021	1
78572	1
Total Number of Patients	842

EXHIBIT A:

**Stage 4 Patients from Emergency Department and Outpatient Clinics
GFR Results 15-29**

Patient Zip Code	Number of Patient
46360	1
60004	1
60162	1
60171	1
60402	2
60453	1
60607	1
60608	26
60609	13
60612	4
60615	1
60616	1
60620	2
60622	1
60623	47

60624	9
60629	6
60632	20
60636	2
60638	2
60641	2
60644	4
60645	1
60647	1
60651	4
60652	1
60653	2
60707	1
60804	1
Total Number of Patients	159