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July 31, 2014

Ms. Kathryn J. Olson

Chairwoman

Illinois Health Facilities and Services Review Board

525 West Jefferson, 2nd Floor

Springfield, IL, 62761

Re: Project #14-025

Dear Chairwoman Olson:

The Illinois Hospital Association, which represents more than 200 hospitals and nearly 50 health systems statewide, has a longstanding position of support for the Illinois Health Facilities and Services Review Board and the role it plays. Our primary interest in the Certificate of Need program has been in the overall policy decisions that are made both in the General Assembly and by the Board itself as it develops its regulations.

An important concern of our members is for there to be predictability with respect to the Board's decisions. To this end, it is important for the Board to make decisions that rely upon its own rules.

We call your attention to the application for Project #14-025. This project seeks to establish a limited specialty ambulatory surgery center. Under the Board's rules (77 Ill. Adm. Code 1110.1540 (d)) an applicant seeking to establish an ASTC must document that the proposed project is necessary to accommodate the service demand experienced annually by the applicant, over the latest two-year period, as evidenced by historical and projected referrals. For historical referrals, the applicant must "provide physician referral letters that attest to the physician's total number of treatments for each ASTC service that has been referred to existing IDPH-licensed ASTCs or hospitals located in the GSA during the 12-month period prior to submission of the application." (d)(1). For projected service demand, "Referrals to health care providers other than IDPH-licensed ASTCs or hospitals will not be included in determining projected patient volume." (d)(2)(D). In other words, the rule does not allow physicians to use their office volumes to justify the need for an ASTC, as they attempt to do in this application. The rationale is that if a procedure can be done in a physician's office, the Board should not facilitate collection of a facility fee in addition to the physician fee.

The Review Board recently concluded a long process in rewriting its ASTC regulations. Those regulations adopted just this April reaffirmed the provision that office volumes do not count for referrals for ASTC projects. The IHA has long worked productively with the Review Board on the rule making process. If the

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**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

July 31, 2014

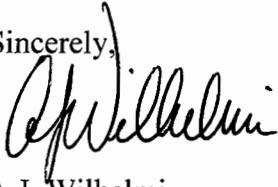
Page 2

Board wished to repeal this rule we would hope that it would do so through the rule making process rather than by selective application of its rules.

IHA appreciates the hard work of the Review Board members in making decisions that shape the health care delivery system in Illinois. We know that sometimes these decisions are difficult ones. However, we did want to underscore this rule, highlight the rationale for it, and respectfully request that the Board follow its rule in this instance.

At an appropriate time, if you have questions, please feel free to contact Barb Haller, Senior Director, Health Policy and Regulation, at 630-276-5474 or via e-mail at [bhaller@ihastaff.org](mailto:bhaller@ihastaff.org).

Sincerely,

A handwritten signature in black ink, appearing to read "A.J. Wilhelmi". The signature is written in a cursive style with a large initial "A" and "W".

A.J. Wilhelmi  
Chief Government Relations Officer