Carle

RECEIVED

AUG 0 5 2015

HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 4, 2015

Ms. Kathryn Olson, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Project No. 15-031

Dear Ms. Olson,

I am writing in support of the request by Carle Foundation Hospital to expand its facility in Champaign to increase access to primary and specialty care.

Serving a region with 1.3 million people, Carle has seen increasing demand for care. We care for an aging population with many individuals managing more chronic conditions. At the same time, there has been a significant increase in people who are now insured either as part of Illinois' managed Medicaid program or who have obtained coverage through insurance exchanges and are now relying on Carle physicians for care. Carle is prepared to meet this demand, but must take added steps to ensure patients get the care they need.

Anticipating that population growth and aging would create increased utilization, Carle – Champaign on Curtis was designed to be expanded. Since the time the facility opened, primary care providers, as well as Convenient Care have seen unprecedented demand. This is similar to the extraordinary volume in Carle Foundation Hospital's Emergency Department. Even with adjustments to our practice hiring providers, enhancing efficiencies in scheduling and addressing patient calls, the demand is outpacing resources. Now seven years since the Champaign clinic opened, the practice is at a point where we must expand to meet patient needs.

The next phase is recruiting physicians, physician assistants and advanced practice nurses to replace those providers nearing retirement, while also preparing to care for aging patients who will require even more support. Our five year plan includes recruiting over 30 new primary and specialty providers who will require space to meet patients' needs.

The addition will accommodate additional primary care, diagnostic space, Cardiac Rehab and specialty offices including Allergy, Endocrinology and Rheumatology currently located at Carle – Champaign on Kirby that will be relocated, upon approval by the Board. By making this adjustment, specialists can better collaborate to provide patients the best possible care.

I urge the Board to approve Carle's request to expand this facility so we can continue to meet the needs of patients in east Central Illinois.

Thank you for your consideration.

Mac Johnston

Mac Johnston
Vice President Primary Care, Regional Health and Medical Subspecialties
The Carle Foundation

Carle

August 4, 2015

Ms. Kathryn Olson, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Support of Project # 15-031

Dear Ms. Olson:

In my role supervising cardiac rehabilitation for Carle Foundation Hospital, I strongly encourage the Illinois Health Facilities and Services Review Board to approve expanding Carle's location at 1701 W. Curtis Road in Champaign. This change will improve ongoing care for patients in the region who need important cardiac treatment.

Patients who have experienced a heart attack, have congestive heart failure, are recovering from heart surgery, stenting or angioplasty need cardiac rehabilitation. This professionally supervised program includes not only exercise to strengthen the cardiovascular system, but also education and other support to help people increase physical fitness, reduce cardiac symptoms and decrease risk of future heart problems.

While Carle's Cardiac Rehab program has been located within the hospital, the space is not conducive to accommodating the many patients needing this service. The current location is challenging for weaker heart patients who are still recovering to walk from far-away parking and building entrances.

There are several specific challenges with the actual program location because it is not large enough to properly space necessary exercise equipment. Machines are too close to walls and other equipment to allow for easy maneuverability of wheelchairs and/or walkers. With little space, patients must stand between cardio equipment when performing free weight exercises or stretching. Extra space in the waiting area is also used for exercise equipment and there is no room to add machines, nor is there a true waiting room. There isn't adequate space on the campus to better accommodate these patient's needs which is why the project includes moving the rehabilitation program to southwest Champaign.

By locating at Carle – Champaign on Curtis, the program can be expanded to accommodate necessary equipment with appropriate space to meet current and future needs. Additional room will be needed as we work toward certification as an Intensive Cardiac Rehabilitation program to more effectively help more patients live with or overcome heart disease. The program will be in a location that is easy to reach for those who live in Champaign-Urbana or in rural communities being on a main thoroughfare located near Interstate 57. There is ample surface parking with a covered drop-off which will greatly improve patients' ability to get to rehab several times each week.

With these enhancements, our staff will be better able to serve patients needing this cardiac care. It will help ensure that they stick with their prescribed rehabilitation program, which will not only improve their health and quality of life but also lessen the likelihood of future heart attack or stroke.

I appreciate the Board's thoughtful review and timely approval of this critical project for our patients.

Sincerely,

Joella Evans

Joella Evans
Cardiovascular Technician and Exercise Specialist Supervisor, Carle Foundation Hospital

1120.140 Economic Feasibility
C. Reasonableness of Project and Related Costs

The Applicants propose to expand their existing two story outpatient medical office building.

The table below shows the cost and gross square foot allocation for all clinical departments impacted by the proposed project.

Cost and Gross Square Feet by Department of Service									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost / sf		Gross sf		Gross sf		Const $ (A x C)	Mod $ (B x E)	
	New	Mod	New	Circ	Mod	Circ			
Medical Office Building	$175.58	$126.10	59,600		8,000		$10,464,842	$1,008,786	$11,473,628
Contingency	$16.68	$18.06	59,600		8,000		$994,160	$144,456	$1,138,616
TOTALS	$192.27	$144.16	59,600		8,000		$11,459,002	$1,153,242	$12,612,244

The values in column C reflect the total gross square footage

Circulation is 23.1% of the gross square footage.

The following is documentation regarding whether the estimated project costs are reasonable and in compliance with the state standards, as defined in Section 1120.140 (C) of the Administrative Code,

1. Preplanning costs are 1.33% of the sum of new construction, modernization, contingency, and equipment costs, which is under the state standard of 1.8%. Therefore this item is compliant with the state standard.

2. Site survey, soil investigation, or site preparation costs are 4.84% of construction and contingency costs, which is under the state standard of 5.0%. Therefore this item is compliant with the state standard.

3. Off-site work costs total $190,877. There is no state standard for off-site work.

4. New construction and contingency costs are $192.27 per gsf, compared with the 3rd quartile of the RS Means standard of $221.45/gsf. Therefore this item is compliant with the state standard.

5. Modernization and contingency costs are $144.16 per gsf, compared with the 3rd quartile of the RS Means standard of $155.02/gsf. Therefore this item is compliant with the state standard.

1120.140 Economic Feasibility
C. Reasonableness of Project and Related Costs

6. The new construction contingency is 9.5% of new construction contracts, compared with the state standard of 10% for projects in the schematics stage. Therefore this item is compliant with the state standard.

7. The modernization contingency is 14.3% of modernization contracts, compared with the state standard of 15% for projects in the schematics stage. Therefore this item is compliant with the state standard.

8. New Construction Architectural and Engineering Fees are 5.8% of the sum of new construction contracts plus contingencies. This is within the state standard of 4.94-7.42% for a new construction budget under $15,000,000. Therefore this item is compliant with the state standard.

9. Modernization Architectural and Engineering Fees are 7.9% of the sum of modernization contracts plus contingencies. This is within the state standard of 6.90-10.36% for a modernization budget under $1,250,000. Therefore this item is compliant with the state standard.

10. Consulting and Other Fees total $620,351. There is no state standard for Consulting and Other Fees.

11. Movable or Other Equipment (Not in Construction Contracts) costs total $1,882,526. There is no applicable state standard for Movable and Other Equipment for this project.

12. Bond issuance expense totals $335,816. There is no applicable state standard for bond issuance expense.

13. Net Interest Expense during Construction totals $470,391.There is no applicable state standard for Net Interest Expense.

14. There is no Fair Market Value of Leased Space or Equipment associated with the proposed project.

15. Other Costs to Be Capitalized are $0. There is no state standard for Other Costs to Be Capitalized.

16. There is no Acquisition of Building or Other Property cost associated with the proposed project. Therefore this item is not applicable.