**Section 1235.210 Community Need**

a) A health care worker may invest in, and refer to, an entity if the State Board determines that:

1) in a referral arrangement, alternative financing does not exist; and

2) a demonstrated need for the service is present in the community.

b) The health care worker must document any of the following to demonstrate community need:

1) there is no other entity within the community that provides the medical service proposed;

2) if the health service currently exists within the community, the use of these facilities can be shown to be a hardship for patients due to factors such as excessive (over 45 minutes) travel time to obtain service, existing admission or treatment policies of other entities that restrict the availability of the service, or perceived quality concerns by the general public involving existing providers that restrict the use of the services; or

3) *the entity is formed to own or lease medical equipment* that will *replace obsolete or otherwise inadequate equipment* that is *in or under the control of a hospital located in a federally designated health manpower shortage area* [225 ILCS 47/20(b)(3)] as documented by:

A) excessive downtime and high maintenance costs; or

B) the equipment representing an advancement in technology that will make available medical procedures not possible on existing equipment.

(Source: Amended at 41 Ill. Reg. 15310, effective December 5, 2017)