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NOV 25 2014

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

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November 24, 2014

By Federal Express

Alva Lambert
Executive Director
State Health Planning & Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 36104

**Re: Lakeland Community Hospital - Notice of Change of Ownership
SHPDA ID 133-6534001**

Dear Mr. Lambert:

This letter is submitted to the State Health Planning and Development Agency ("SHPDA") as an attachment to the Notice of Change of Ownership form being filed pursuant to Alabama Certificate of Need Rules and Regulations § 410-1-7-.04, *et sec.* The change of ownership is a sale of assets (including Lakeland Home Health, which is owned by Lakeland Community Hospital, LLC) from Lakeland Community Hospital, LLC to Curae Health, Inc., which will simultaneously assign the assets to a wholly owned subsidiary, Lakeland Community Hospital, Inc.¹ The new owner will continue operating Lakeland Community Hospital as an acute care rural hospital. There are currently no plans to increase the number of beds, purchase equipment or engage in construction. The effective date of the transaction is 12:01 a.m. January 1, 2015.

SHPDA Change of Ownership Requirements

The following information is provided in response to the questions on page two of the Notice of Change of Ownership Form:

1.) Financial Scope of Project: There is no cost of equipment, construction and no change in yearly operating costs. The transaction is a change of ownership.

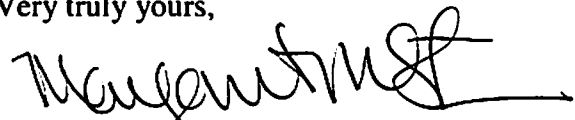
¹ Lakeland Community Hospital Inc. is a Tennessee non-profit corporation. It is registered to do business in Alabama under the fictitious name Lakeland Medical Center, Inc.

- 2.) Services to be Offered: There are no current plans to offer new services at Lakeland Community Hospital after the transfer of ownership to Lakeland Community Hospital, Inc.
- 3.) Additional Beds: No new beds will be added as a result of this change of ownership.
- 4.) Conversion of Beds: No beds will be converted as a result of this change of ownership.
- 5.) Assets/Stock Acquisition: The assets of Lakeland Community Hospital, LLC are being sold to Curae Health, Inc, which will simultaneously assign those assets to its wholly owned subsidiary Lakeland Community Hospital, Inc.

Based on the facts contained herein, we respectfully request that you determine that neither a Certificate of Need, nor any further regulatory review, is required for the change of ownership to take place. A check in the amount of \$2,500.00 and a fully executed Notice of Change of Ownership Form is enclosed.

Please feel free to contact me with any questions you may have regarding the change of ownership.

Very truly yours,



Margaret M. Silverstein

cc: w/attachments
Sheema Kanwar - by email
Heather Ferguson - by email
Stephen Clapp - by email

RECEIVED**CHANGE OF OWNERSHIP**

NOV 25 2014

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**Part I: Purchasing Organization Information**

Name of Organization: Lakeland Community Hospital

Facility Name:
(ADPH Licensure name) Lakeland Community Hospital

SHPDA ID Number: 133-6534001

Address (PO Box #): 42024 Hwy. 195

City, State, Zip, County: Haleyville, AL 35565 Winston

Number/Type Licensed Beds: 59

Owner(s): Lakeland Community Hospital, Inc.

Operator(s): Lakeland Community Hospital, Inc.

Part II: Selling Organization Information

Name of Organization: Lakeland Community Hospital

Address (PO Box #): P. O. Box 780

City, State, Zip, County: Haleyville, AL 35565 Winston

Number/Type Licensed Beds: 59

Owner(s): Lakeland Community Hospital, LLC

Operator(s): Lakeland Community Hospital, LLC

Part III: Value of Consideration

Monetary Value of Purchase: \$ 5,000,000.00* No./Type Beds: 59

Terms of Purchase: See attached cover letter
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds: 59

Types of Institutional Health Services: Acute Care Rural Hospital

List Service Area by County for Home Health Agencies: Franklin, Marion, Winston, Walker and Lawrence

*Purchase Price for all three (3) Hospitals. Purchase Price has not been allocated yet.

On an Attached Sheet Please Address the Following:

- *1.) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.
- *2.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service).
- *3.) Whether the proposal will include the addition of any new beds.
- *4.) Whether the proposal will involve the conversion of beds.
- *5.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

I certify that I agree to provide the information necessary (financial, utilization of services and beds, etc.) so the new owner can have the necessary information to complete reports as necessary for the entire fiscal year. The purchaser has agreed to these terms,

Seller(s) Signature(s):

Owner(s): _____

Operator(s): _____

Title/Date: _____

I certify that I will be responsible for retaining records as necessary to complete reports required for the entire fiscal year, and agree to these terms. I have enclosed a check in the amount of \$2,800* made payable to 'Alabama State Health Planning and Development Agency' to cover the cost of the change of ownership.

YES NO The above Purchaser and Seller have agreed to these purchase terms.

Purchaser Signature: Steve Mc Clellan

Title/Date: President 11/21/14

*- Please note that the fee for a Notice of Change of Ownership includes a temporary surcharge of \$300.

On an Attached Sheet Please Address the Following:

- *1.) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.
- *2.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service).
- *3.) Whether the proposal will include the addition of any new beds.
- *4.) Whether the proposal will involve the conversion of beds.
- *5.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

I certify that I agree to provide the information necessary (financial, utilization of services and beds, etc.) so the new owner can have the necessary information to complete reports as necessary for the entire fiscal year. The purchaser has agreed to these terms,

Seller(s) Signature(s): Steve W. Frantz
Owner(s): _____

Operator(s): _____

Title/Date: Steve Frantz, Chief Financial Officer 11-21-14

I certify that I will be responsible for retaining records as necessary to complete reports required for the entire fiscal year, and agree to these terms. I have enclosed a check in the amount of \$2,800* made payable to 'Alabama State Health Planning and Development Agency' to cover the cost of the change of ownership.

YES NO The above Purchaser and Seller have agreed to these purchase terms.

Purchaser Signature: _____

Title/Date: _____

*- Please note that the fee for a Notice of Change of Ownership includes a temporary surcharge of \$300.