

September 28, 2015

VIA FEDEX

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SEP 29 2015

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

Mr. Alva Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street
RSA Union Building
Suite 870
Montgomery, AL 36130-3025

RE: Change of Ownership – Calhoun Treatment Center, Inc. - Opiate Replacement Facility (Attachment to Change of Ownership form)

Dear Mr. Lambert:

We respectfully submit to the State Health and Planning and Development Agency ("SHPDA") this letter as an attachment to the Notice of Change of Ownership form that we are filing pursuant to Chapter 410-1-7-04, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules"). The proposed change of ownership involves the Opiate Replacement Facility owned by Calhoun Treatment Center, Inc. (Seller) in Calhoun County, Alabama. The following summarizes the transaction proposed to take place on or about November 23, 2015 and addresses SHPDA requirements for a change of ownership.

A. Facts

The Calhoun Treatment Center has been in operation since 1995. Because the Center was in operation prior to 1996 when opiate replacement clinics came under the certificate of need program, SHPDA "grandfathered" the Center and allowed it to continue operation without going through the certificate of need process. Attached is a June 22, 2015, letter from your office confirming the "grandfathered" status of the Calhoun Treatment Center.

In this transaction, proposed to take place on or after November 23, 2015, MedMark Treatment Centers of Alabama, Inc. will purchase the assets from the Seller for an amount the parties have determined to be fair market value.

B. SHPDA Requirements for Change of Ownership

In answer to the specific questions posed in the Change of Ownership Application, please note the following:

1. The Financial Scope of the Project. The financial scope of the project will encompass the fair market value payment that Medmark will make to Seller as consideration for the purchase of the assets of the clinic. There is no relocation of the clinic planned at this time.
2. Services to be Offered. No new services are being requested in this Change of Ownership. By filing this Change of Ownership Application, MedMark seeks authority only to purchase the assets of Calhoun Treatment Center, Inc., which is an existing provider of opiate replacement therapy.
3. Whether the Proposal will Include the Addition of Any new Beds. The proposal does not include the addition of beds. The opiate replacement therapy is provided on an outpatient bases, and no inpatient services will be provided.
4. Whether the Proposal will Involve the Conversion of Beds. The proposal does not include the addition of beds. The opiate replacement therapy is provided on an outpatient bases, and no inpatient services will be provided.
5. Whether the Assets and Stock (if any) will be acquired. The contemplated transaction involves the purchase of substantially all of the assets of Calhoun Treatment Center, Inc and the sale of the real estate associated with the location. No stock transfer will occur as part of the contemplated transaction.

III. Requested Action

Based upon the above description of the proposed transaction, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a CON is not required for the consummation of the proposed change of ownership. In accordance with the SHPDA Rules, I am enclosing with this request a check in the amount of \$2,500 made payable to the Alabama State Health Planning and Development Agency.

Should you have any questions or need further assistance, please feel free to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Sincerely,



Peter Thiessen
Vice President, Development

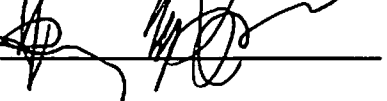
CHANGE OF OWNERSHIPRECEIVED
SEP 29 2015STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**Part I: Purchasing Organization Information**Name of Organization: MedMark Treatment Centers of Alabama, Inc.Facility Name:
(ADPH Licensure name) MedMark Treatment Centers of Alabama, Inc. dba MedMark
Treatment Centers-OxfordSHPDA ID Number: Grandfathered Opiate Replacement TherapyAddress (PO Box #): 401 E. Corporate Dr. Suite 220, Lewisville, TX 75057City, State, Zip, County: Lewisville, TX 75057, Denton CountyNumber/Type Licensed Beds: N/AOwner(s): MedMark Treatment Centers of Alabama, Inc a wholly owned
subsidiary of MedMark Services, Inc.Operator(s): MedMark Treatment Centers of Alabama, Inc.**Part II: Selling Organization Information**Name of Organization: Calhoun Treatment Center, Inc.Address (PO Box #): 118 Choccolocco StreetCity, State, Zip, County: Oxford, Alabama, 36203. Calhoun CountyNumber/Type Licensed Beds: N/AOwner(s): Calhoun Treatment Center, Inc.Operator(s): Calhoun Treatment Center, Inc.**Part III: Value of Consideration**Monetary Value of Purchase: Please see attached letter No./Type Beds: N/ATerms of Purchase: Please see attached letter.*(add more pages as necessary to describe the sale)***Part IV: List of Certificate of Need Authority**Number of Beds: N/ATypes of Institutional Health Services: Outpatient Opiate Replacement Therapy

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: PRESIDENT 9-21-15

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 \$2,500 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: President 9-28-2015
Medmark



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

June 22, 2015

Earlene Starling
Financial Director
Calhoun Treatment Center, Inc.
118 Choccolocco Street
Oxford, Alabama 36203

RE: Calhoun Treatment Center, Inc.

Dear Ms. Starling:

This is written in response to your letter dated June 4, 2015, in which you request confirmation that Calhoun Treatment Center has CON authority to operate.

According to research of Agency records, Methadone Clinics ("Clinics") were not regulated under the certificate of need program until 1996. Clinics that were in operation prior to 1996, were allowed to continue to operate without going through the certificate of need process. You stated that Calhoun Treatment Center was granted approval form the State Methadone Authority in February 1995. Based on the information provided, Calhoun Treatment Center was not issued a Certificate of Need but was allowed to continue operation.

Should you have you have any questions, please contact the Agency at (334) 242-4103.

Sincerely,

Alva M. Lambert
Executive Director

AML/nh