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RECEIVED

JAN 12 2016

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

January 11, 2015

VIA UPS OVERNIGHT DELIVERY

Alva M. Lambert, Esq.
Executive Director
Alabama State Health Planning and Development Agency
RSA Union Building
100 N. Union Street - Suite 870
Montgomery, Alabama 36104

Re: Hospice Providers / Indirect Ownership Changes

Dear Mr. Lambert:

This follows our prior correspondence dated October 19, 2015 and your office's response dated October 27, 2015 (attached for your reference). Per your request, attached please find a completed Change of Ownership form and the accompanying \$2,500 fee.

Should you have any questions, please do not hesitate to contact me. Thank you for your attention to this matter.

Sincerely,

ARNALL GOLDEN GREGORY LLP


Jessica Grozone

Enclosures

cc: Mr. Rod Hildebrant
Russell Adkins, Esq.
Hedy Rubinger, Esq.



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

October 27, 2015

Douglas M. Hance, Esquire
Arnall, Golden, Gregory LLP
171 17th Street Northwest, Suite 2100
Atlanta, Georgia 30363-1031

RE: Notice of Indirect Ownership Changes
Hospice Advantage Holdings, LLC

Dear Mr. Hance:

In response to your letter received October 20, 2015, regarding indirect ownership changes on behalf of the referenced hospice provider, please be advised that the Agency's Rules and Regulations regarding Notice of Ownership, ALA. ADMIN r. 410-1-17-.04, were changed effective October 24, 2013.

This change provides that a notice of change in ownership or control be provided to the State Agency by the acquiring entity at least twenty (20) days before the transaction occurs, and that it be accompanied by a \$2,500.00 fee.

Although Attachment B of your notification does not indicate a change in direct ownership of the hospice providers, it does provide for a change in the current control of these providers. As a result, notification must be made to the Agency through the filing of a Change of Ownership form, which can be located on our website, accompanied by the required \$2,500.00 fee.

Should you have any questions or need additional information do not hesitate to contact the Agency.

Sincerely,

A handwritten signature in black ink, reading "Alva M. Lambert".

Alva M. Lambert
Executive Director

AML/kwm

October 19, 2015

VIA UPS

Alva M. Lambert, Esq.
Executive Director
Alabama State Health Planning and Development Agency
RSA Union Building
100 N. Union Street - Suite 870
Montgomery, Alabama 36104

Re: Hospice Providers /Notice of Indirect Ownership Changes

Dear Mr. Lambert:

Please accept this letter as notice of indirect ownership changes which occurred multiple levels above the hospice operators (the "Operators"), which operate the hospice locations listed on Attachment A (the "Hospice Locations"), effective on October 7, 2015.

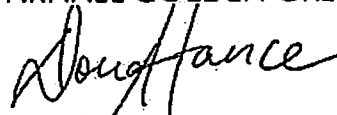
These changes do not affect the Operators. As the changes occurred several levels above the Operators, there have been no changes to the Operators as the licensees at any of the Hospice Locations. The Operators continue to exist, their current Medicare/Medicaid provider agreements remain in place, and their federal tax identification numbers have not changed. In addition, other than changes resulting from the ordinary course of business, there is no current intention to replace the agency staff for the Operators, and none of the agency's day-to-day operations have been impacted. We have enclosed a diagram at Attachment B that illustrates the relationship between the entities involved in the transaction for your reference.

It is our understanding that these changes as reflected in Attachment B do not require any additional filings with your office. If our understanding is incorrect or you require any additional information related to the indirect ownership changes, please let me know. If you have any questions, please do not hesitate to contact me.

Thank you for your attention to this matter.

Sincerely,

ARNALL GOLDEN GREGORY LLP

A handwritten signature in black ink, appearing to read "Douglas M. Hance", written in a cursive style.

Douglas M. Hance

Enclosures

cc: Mr. Rod Hildebrant
Russell Adkins, Esq.
Hedy Rubinger, Esq.

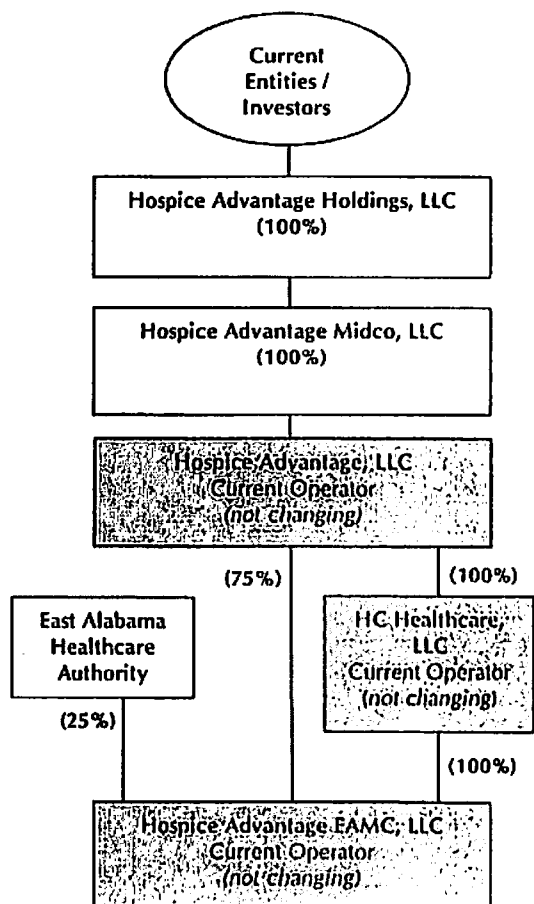
ATTACHMENT A
HOSPICE LOCATIONS

Operator/ Licensee	Location	License No.
Hospice Advantage, LLC	Hospice Advantage 199 US Hwy 231 North Troy, AL 36081	E5503
Hospice Advantage, LLC	Hospice Advantage 4253 Wetumpka Hwy Montgomery, AL 36110	E5114
Hospice Advantage, LLC	Hospice Advantage 2435 1 st Avenue South Irondale, AL 3510	E3722
Hospice Advantage EAMC, LLC	Hospice Advantage EAMC 665 Opelika Rd., Ste 200 Auburn, AL 36080	E4101
Hospice Advantage EAMC, LLC	Bethany House EAMC 1171 Gatewood Dr. Bldg. 100 Auburn, AL 36830	E4102
Hospice Advantage EAMC, LLC	Hospice Advantage EAMC 2056 Cherokee Rd Alexander City, AL 35010	E6208
HC Healthcare, LLC	HC Healthcare 507 East Dr. Hicks Blvd. Florence, AL 35630	E3912
HC Healthcare, LLC	HC Healthcare 7262 Governors West Drive Huntsville, AL 35758	E4511

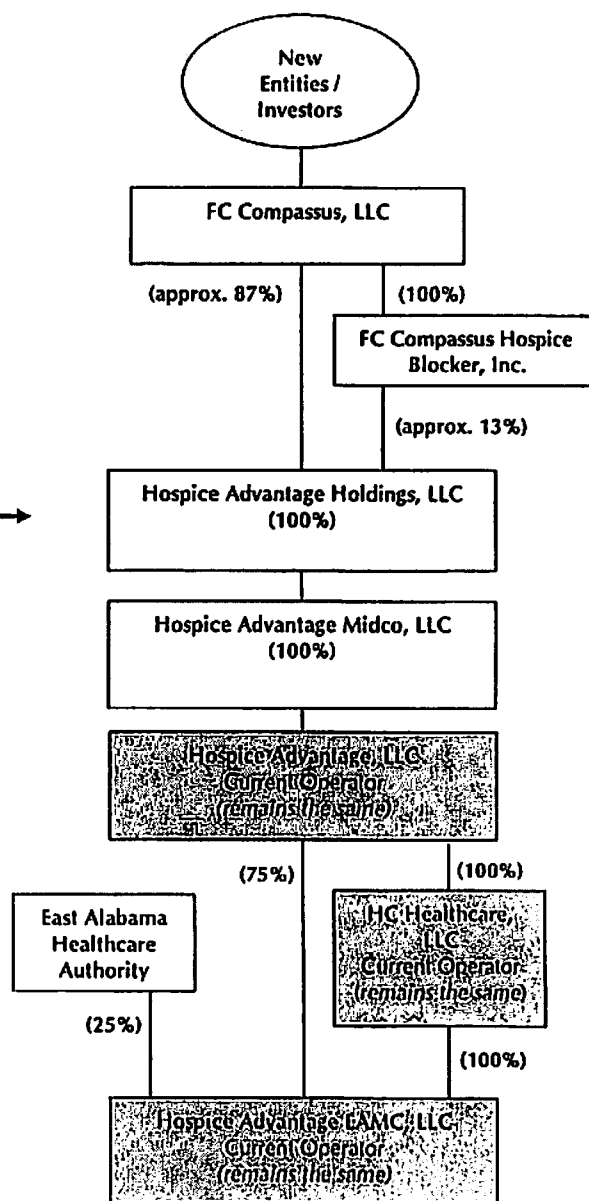
Operator / Licensee	Location	License No.
HC Healthcare, LLC	HC Healthcare 1307 Hwy 80 West Demopolis, AL 36732	E4605
HC Healthcare, LLC	HC Healthcare 3245 Montgomery Hwy, Ste 8 Dothan, AL 36303	E3507

ATTACHMENT B
INDIRECT OWNERSHIP CHANGES

PRIOR TO OCTOBER 7, 2015



AS OF OCTOBER 7, 2015



This diagram presents the update in generalized terms.
Please let us know if you would like additional information regarding the structure.

CHANGE OF OWNERSHIP

Part I: Purchasing Organization Information

Name of Organization: Hospice Advantage, LLC; HC Healthcare, LLC;
Hospice Advantage EAMC, LLC

Facility Name:
(ADPH Licensure name) See Attachment A

SHPDA ID Number: See Attachment A

Address (PO Box #): 3500 Lenox Road, Suite 510

City, State, Zip, County: Atlanta, GA 30326, Fulton

Number/Type Licensed Beds: See Attachment A

Owner(s): See Attachment B

Operator(s): Hospice Advantage, LLC; HC Healthcare, LLC;
Hospice Advantage EAMC, LLC

Part II: Selling Organization Information

Name of Organization: Hospice Advantage, LLC; HC Healthcare, LLC;
Hospice Advantage EAMC, LLC

Address (PO Box #): 3500 Lenox Road, Suite 510

City, State, Zip, County: Atlanta, GA 30326, Fulton

Number/Type Licensed Beds: See Attachment A

Owner(s): See Attachment B

Operator(s): Hospice Advantage, LLC; HC Healthcare, LLC;
Hospice Advantage EAMC, LLC

Part III: Value of Consideration

Monetary Value of Purchase: \$ See Attachment C No./Type Beds: See Attachment A

Terms of Purchase: See Attachment C
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds: See Attachment A

Types of Institutional Health Services: Hospice

List Service Area by County for Home Health Agencies: N/A

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):

Russell COperator(s): Hospice Advantage, LLC; HC Healthcare, LLC; Hospice Advantage EAMC, LLCTitle/Date: Authorized Agent1/8/16

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:Russell C

Title/Date:

Authorized Agent1/8/16

Attachment A

Certificate of Need

Alabama CONs

Hospice Advantage of Birmingham 073-P2431

Hospice Advantage Bethany House 081-P2322

Bethany House (IPU) 081-P4102 / Hospice License # E4102 Licensed for 10 Beds

Hospice Advantage of Demopolis 091-P2472

Hospice Advantage of Dothan 069-P2477

Hospice Advantage of Florence 077-P2340

Hospice Advantage of Huntsville 089-P4504

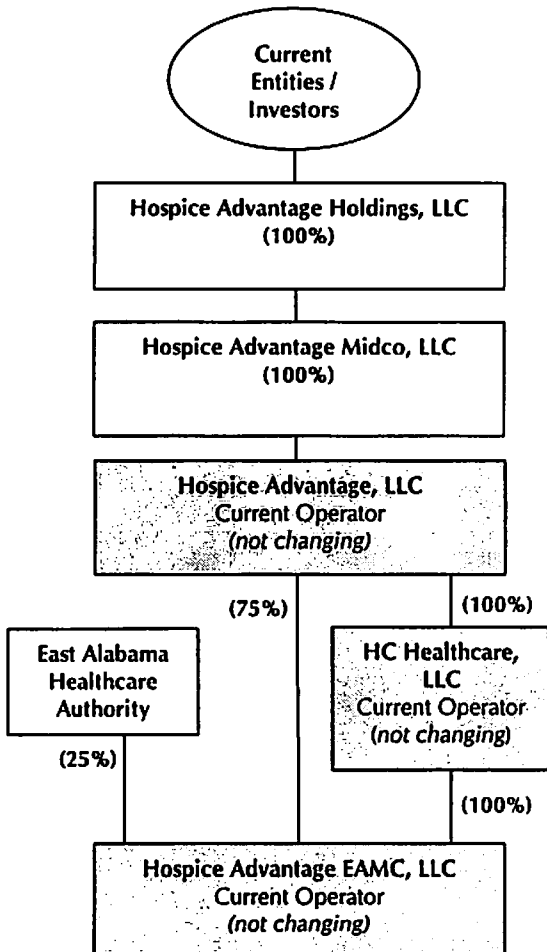
Hospice Advantage of Montgomery 101-P2373

Hospice Advantage of Troy 109-P2440

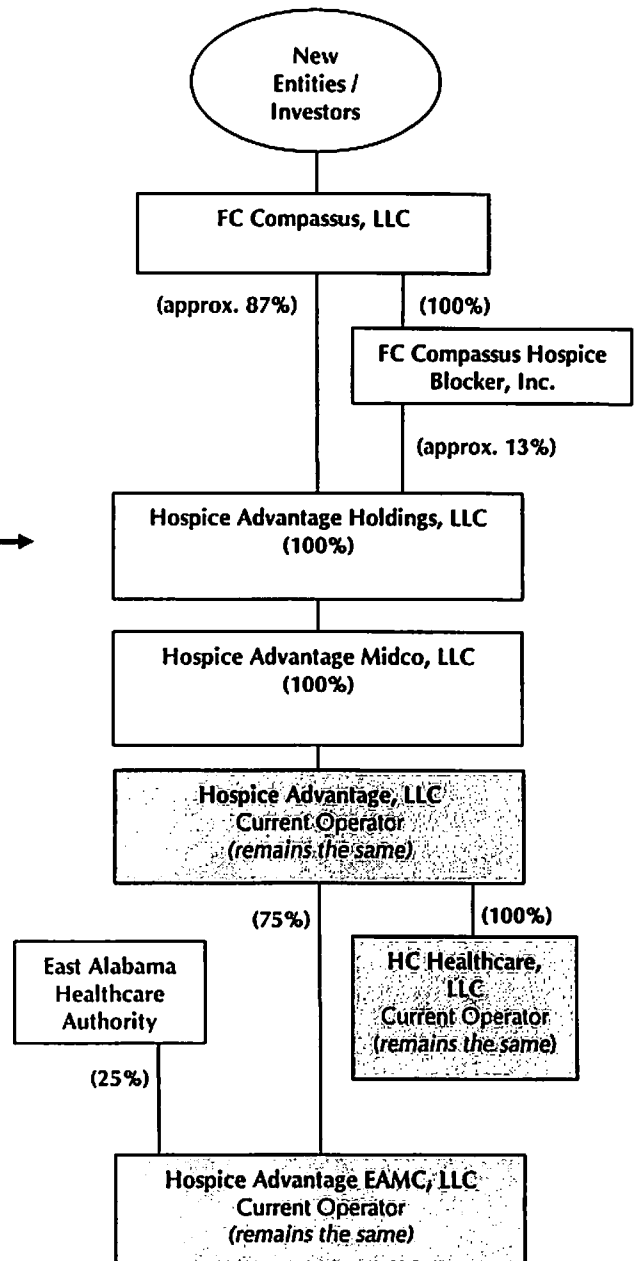
Attachment B

ATTACHMENT B
INDIRECT OWNERSHIP CHANGES

PRIOR TO OCTOBER 7, 2015



AS OF OCTOBER 7, 2015



This diagram presents the update in generalized terms.
Please let us know if you would like additional information regarding the structure.

Attachment C

Attachment C

Monetary Value of Purchase

This transaction involved hospices in Alabama and other states. Therefore, a specific purchase value was not assigned to each individual Alabama hospice. The table below reflects an allocated valuation for each Alabama hospice provider.

Hospice Provider	Allocated Valuation
Hospice Advantage of Troy	\$3,174,266.36
Hospice Advantage of Montgomery	\$3,579,165.28
Hospice Advantage of Birmingham	\$2,095,321.90
Hospice Advantage EAMC	\$4,006,534.29
Hospice Advantage of Florence	\$2,189,562.06
Hospice Advantage of Huntsville	\$536,827.43
Hospice Advantage of Demopolis	\$220,051.57
Hospice Advantage of Dothan	\$387,830.43

Attachment D

Attachment D

Responses to Application Questions 1 through 5

1) Please see the table below, which provides estimated yearly operating costs.

Hospice Provider	Estimated Yearly Operating Cost
Hospice Advantage of Troy	\$1,465,605.00
Hospice Advantage of Montgomery	\$1,877,848.00
Hospice Advantage of Birmingham	\$1,775,721.00
Hospice Advantage EAMC	\$3,980,237.00
Hospice Advantage of Florence	\$1,593,424.00
Hospice Advantage of Huntsville	\$943,939.00
Hospice Advantage of Demopolis	\$920,444.00
Hospice Advantage of Dothan	\$562,682.00

2) The services will not change. The hospice providers will continue to provide hospice services.

3) The transaction did not include the addition of any new beds.

4) The transaction did not involve the conversion of beds.

5) The transaction involved the acquisition of the stock of a parent entity of the licensed hospice providers.