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**FEB 02 2016**

STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY

January 29, 2016

**VIA FEDEX**

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 – Heartlite Hospice, Inc. (Attachment to Change of Ownership form)**

Dear Mr. Lambert:

We respectfully submit to the State Health 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 purchase of one hundred percent (100%) of the assets of Heartlite Hospice, Inc. (“Heartlite”), an entity that provides hospice care in Huntsville and Scottsboro in Alabama. The following summarizes the transaction proposed to take place on or about March 1, 2016, and addresses SHPDA requirements for a change of ownership.

**A. Facts**

Heartlite offers in-home hospice services in Dekalb, Jackson, Limestone, Madison, and Marshall Counties. Heartlite has its primary office in Scottsboro, Alabama and a satellite office in Huntsville, Alabama. SHPDA granted Certificate of Need (“CON”) Number 2421-HPC, under which Heartlite currently operates, to Heartlite on April 1, 2010.

LHCG LXXIX, LLC (“LHCG”), a wholly-owned subsidiary of LHC Group, Inc. will purchase from Heartlite one hundred percent (100%) of the assets of Heartlite, in exchange for an amount that the parties have determined to be fair market value. After the close of the transaction, Alabama Health Care Group, LLC will operate the hospice provider.

**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 LHCG will make to Heartlite as consideration for the purchase of one hundred percent (100%) of the assets of Heartlite.

2. Services to be Offered. The contemplated transaction will not result in any new or additional services to those already being provided by Heartlite.

3. Whether the Proposal will Include the Addition of Any New Beds. The contemplated transaction will not result in the addition of new beds.

4. Whether the Proposal will Involve the Conversion of Beds. The contemplated transaction will not result in the conversion of beds.

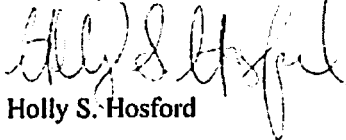
5. Whether the Assets and Stock (if any) will be acquired. As described more particularly above, LHCG will purchase from Heartlite one hundred percent (100%) of the assets of Heartlite.

**C. Requested Action**

Based upon the above description of the proposed transaction and a showing that there will be no change in health services, conversion of beds, or increase or decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a certificate of need is not required for the consummation of the proposed transaction. 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 information, please feel free to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Sincerely,



Holly S. Hosford

Enclosures

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STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

# CHANGE OF OWNERSHIP

## Part I: Purchasing Organization Information

Name of Organization: LHCG LXXIX, LLC (purchasing Heartlite Hospice, Inc.)

Address (PO Box #): 901 Hugh Wallis Road South

City, State, Zip, County: Lafayette, LA 70508, Lafayette Parish

Number/Type Licensed Beds: N/A

Owner(s): LHCG LXXIX, LLC

Operator(s): Alabama Health Care Group, LLC

## Part II: Selling Organization Information

Name of Organization: Heartlite Hospice, Inc.

Address (PO Box #): 100 W Charlotte Ave.

City, State, Zip, County: Scottsboro, AL 35768, Jackson County

Number/Type Licensed Beds: N/A

Owner(s): Heartlite Hospice, Inc.

Operator(s): Heartlite Hospice, In

## Part III: Value of Consideration

Monetary Value of Purchase: Please see attached letter No./Type Beds: N/A

Terms 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/A

Types of Institutional Health Services: In Home Hospice

List Service Area by County for Home Health Agencies: Dekalb, Jackson, Limestone, Madison, and Marshall Counties.

**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): Frank M Rosenbaum  
 Owner(s): Frank M Rosenbaum  
 Operator(s): Frank M Rosenbaum  
 Title/Date: Chairman B&D Dir.

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: \_\_\_\_\_

**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 \$1,000 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: \_\_\_\_\_

*Donald S. Kelly*  
Resident, LLC Green, Inc