

Jennifer Clark

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RECEIVED

March 10, 2017

Via Electronic Filing
(shpda.online@shpda.alabama.gov)

MAR 10 2017
STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

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

RE: Cherokee Medical Center
SHPDA ID 019-6530313

Dear Mr. Lambert:

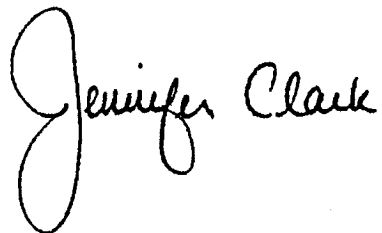
The purpose of this letter is to provide notice of a proposed transaction involving Centre Hospital Corporation (the "Company"), the owner and operator of Cherokee Medical Center (the "Hospital"). The Transaction is a stock transaction, in which NNZ Holdings, LLC (the "Buyer") will acquire one hundred percent (100%) of stock of the Company from Quorum Health Corporation (the "Seller"). As a result of the Transaction, the Buyer will own all of the stock of the Company. The Company will retain all of its assets, and there will be no change in its business name, federal tax identification number, or Medicare provider number of the Hospital. The anticipated effective date for the Transaction is March 31, 2017.

The financial scope of the project will encompass the fair market value payment that Buyer will make to Seller as consideration for the purchase of one hundred percent (100%) of the stock of the Company. The proposed transaction will not result in any new or additional services to those already being provided by Cherokee Medical Center, will not result in the addition of new beds, and will not result in the conversion of beds. The transaction does not involve the purchase of any new equipment, new construction, or new operating costs.

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 Ala. Admin. Code § 410-1-7-.04(2) and determine that a certificate of need is not required for the consummation of the proposed transaction. In accordance with the SHPDA Rules, a check in the amount of \$2,500 made payable to the Alabama State Health Planning and Development Agency will be submitted for the reviewability determination fee.

Should you have any questions or need further information, please do not hesitate to contact me. Thank you in advance for your assistance with this matter.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Clark". The "J" is large and stylized, with a loop at the bottom. The "ennifer" is written in a cursive script, and "Clark" is in a more formal, slightly cursive script.

Jennifer Clark

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

- ☒ Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))
☐ Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))
☐ Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 019-6530313
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Cherokee Medical Center
(ADPH Licensure Name)

Physical Address: 400 Northwood Drive
Centre, AL 35960

County of Location: CHEROKEE

Number of Beds/ESRD Stations: 60

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. _____

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: Centre Hospital Corporation

Mailing Address: 400 Northwood Drive
Centre, AL 35960

Operator (Entity Name): Centre Hospital Corporation

Part III: Acquiring Entity Information

Name of Entity: Centre Hospital Corporation

Mailing Address: 400 Northwood Drive
Centre, AL 35960

Operator (Entity Name): Centre Hospital Corporation

Proposed Date of Transaction is
on or after: 03/31/2017

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ See attached letter.

Type of Beds: _____

Number of Beds/ESRD Stations: 60

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: \$ 0.00

Projected Construction Cost: \$ 0.00

Projected Yearly Operating Cost: \$ 0.00

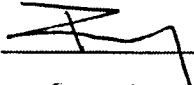
Projected Total Cost: \$ 0.00

On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information**Current Authority Signature(s):**

The information contained in this notification is true and correct to the best of my knowledge and belief.

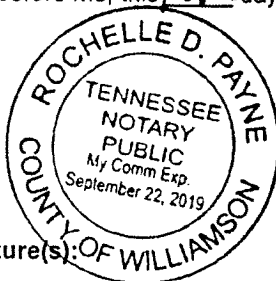
Owner(s):  _____

Operator(s): same _____

Title/Date: Hal McCard 3/10/17
Sr. VP and Assistant Secretary

SWORN to and subscribed before me, this 10th day of March, 2017.

(Seal)



Notary Public

My Commission Expires 9/22/2019

Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): _____

Operator(s): _____

Title/Date: _____

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal)

Notary Public

My Commission Expires: _____

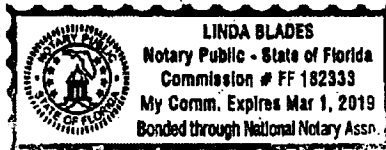
Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule

SWORN to and subscribed before me, this 10 day of March, 2017

(Seal)



Notary Public

My Commission Expires: 3-1-19

Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): NNZ Holdings, LLC

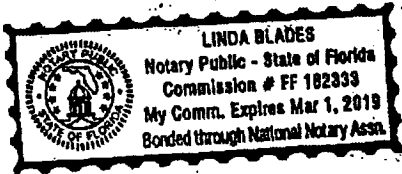
Operator(s):

ARROW DILLALL, ESCO.

Title/Date:

Manager 3/10/17SWORN to and subscribed before me, this 10th day of March, 2017FL. DL # D640-012-71-337-0

(Seal)



Notary Public

My Commission Expires: March, 1, 2019

Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule