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March 20, 2017

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

RECEIVED

MAR 20 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: Vitas Innovative Hospice Care of Fultondale
SHPDA IDs: 073-P2409, 073-P2409A and 073-P2410

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 Change of Ownership involves Vitas Healthcare Corporation Midwest d/b/a Vitas Innovative Hospice Care of Fultondale (the "Provider"), an in-home hospice agency authorized to provide services in Bibb, Blount, Chilton, Coosa, Jefferson, St. Clair, Shelby, Tuscaloosa, and Walker Counties (the "Service Area"). The following addresses SHPDA's requirements for a change of ownership:

I. Financial Scope of Project

The financial scope of the project will encompass the fair market value payment that Alacare Home Health Services, Inc. ("Alacare") will make to Provider as consideration for the transfer of the consolidated certificate of need approval (SHPDA IDs 073-P2409, 073-P2409A and 073-P2410) for the Service Area to Alacare. This transaction does not involve the purchase of any new equipment, new operating costs, or other capital expenditures in excess of the spending thresholds set forth in Section 22-21-263(a)(2) of the Code of Alabama, as referenced in the attached Memorandum issued by this office on September 19, 2016.

II. Services to be Offered

No New Services. The transaction will not result in any new or additional services to those already being provided by Provider.

III. Beds

No New Beds. The contemplated transaction will not result in the addition of new beds.

No Conversion of Beds. The contemplated transaction will not result in the conversion of beds.

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IV. Stocks and Assets

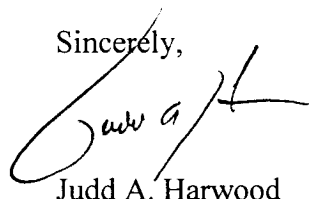
As described above, Provider will transfer of the consolidated certificate of need approval (SHPDA IDs 073-P2409, 073-P2409A and 073-P2410) for the Service Area to Alacare. In addition, Alacare will acquire certain of the tangible personal property (i.e., tables and chairs) utilized in the operation of the in-home hospice agency. Other than the foregoing, the transaction will not involve the acquisition of stock or any other assets.

V. Conclusion

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 submitting 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,

A handwritten signature in black ink, appearing to read "Judd A. Harwood", written over a horizontal line.

Judd A. Harwood

JAH/mgd
Enclosures



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

MEMORANDUM

DATE: September 19, 2016
TO: Interested Parties
FROM: Alva M. Lambert 
Executive Director
SUBJECT: New Certificate of Need Application Fee and
Monetary Threshold for Review
Effective October 1, 2016

Section 22-21-271, Code of Alabama, 1975 and Rule 410-1-7-.06 of the *Alabama Certificate of Need Program Rules and Regulations* require that the maximum application fee be indexed for inflation along with the threshold for new institutional health services listed in §22-21-263, Code of Alabama, 1975. The United States Department of Labor Consumer Price Index (CPI) – All Urban Consumers, Professional Medical Services, averaged an increase of 2.4% for the months of September 2015 through August 2016 (series id CUUR0000SEMC).

The expenditure threshold for major medical equipment will be increased from \$2,854,550 to \$2,923,059; the new annual operating cost will be increased from \$1,141,819 to \$1,169,223; and any other capital expenditure by or on behalf of a healthcare facility or health maintenance organization will be increased from \$5,709,099 to \$5,846,117.

Based on a 2.4% increase in the CPI, the maximum Certificate of Need filing fee will be increased from \$21,736 to \$22,258.

AML/kwm

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NOTICE OF CHANGE OF OWNERSHIP/CONTROLMAY 2 10 2017
STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

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 Numbers: 073-P2409, 073-P2409A and 073-P2410

(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Vitas Innovative Hospice Care of Fultondale
(ADPH Licensure Name)

Physical Address: 2215 Decatur Highway, Suite 101

Gardendale, Alabama 35071

County of Location: Jefferson County

Number of Beds/ESRD Stations: N/A

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Bibb, Blount, Chilton, Coosa, Jefferson, St. Clair, Shelby, Tuscaloosa, and Walker Counties.

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: Vitas Healthcare Corporation Midwest

Mailing Address: 201 S. Biscayne Blvd.

Miami, Florida 33131

Operator (Entity Name): Vitas Healthcare Corporation Midwest

Part III: Acquiring Entity Information

Name of Entity: Alacare Home Health Services, Inc.

Mailing Address: 2400 John Hawkins Pkwy

Hoover, Alabama 35244

Operator (Entity Name): Alacare Home Health Services, Inc.

Proposed Date of Transaction is
on or after: April 1, 2017

Part IV: Terms of Purchase

Monetary Value of Purchase: See attached letter.

Type of Beds: N/A

Number of Beds/ESRD Stations: N/A

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

See attached letter.

Projected Equipment Cost: \$ _____

Projected Construction Cost: \$ _____

Projected Yearly Operating Cost: \$ _____

Projected Total Cost: \$ _____

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): Naomi Dallos, for NAOMI DALLOS
Operator(s): Vitas Healthcare Corporation Midwest
Title/Date: Secretary March 20, 2017

SWORN to and subscribed before me, this 20th day of March, 2017.

(Seal)



A-84

Notary Public

My Commission Expires: _____

PENNIE L. ROBERTS
Notary Public, State of Ohio
My Commission Expires 09-04-2020

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 _____ day of _____, _____.

(Seal)

A-84

Notary Public

My Commission Expires: _____

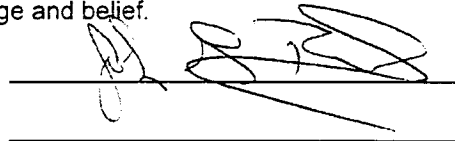
Acquiring Authority Signature(s):

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): Alacare Home Health Services, Inc.

Operator(s): _____

Title/Date: President /03/20/2017



SWORN to and subscribed before me, this 30th day of MARCH, 2017.

(Seal)

Marcia A. Dodkins Baker
Notary Public

My Commission Expires: _____

MY COMMISSION EXPIRES 12/17/2017

Author: Alva M. Lambert

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

History: New Rule