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Nov 09, 2018

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

November 9, 2018

VIA HAND DELIVERY AND EMAIL

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

***Re: Change of Ownership – Westminster Memory Care of Cullman (43-S2202) and
Westminster Memory Care of Decatur (03-S5203)***

Dear Mr. Lambert:

Pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the “Rules”), we respectfully submit the attached Notice of Change of Ownership applications for two facilities: Westminster Memory Care of Cullman, a 16-bed specialty care assisted living facility located in Cullman, Alabama (the “Cullman Facility”) and Westminster Memory Care of Decatur, a 16-bed specialty care assisted living facility located in Decatur, Alabama (the “Decatur Facility” and collectively, the “Facilities”).

The Cullman Facility is currently owned and operated by Cullman ALF Group, LLC. The proposed transaction contemplates that the Cullman Facility will be transferred (by and through a Receiver) to RHCSC Cullman Health Holdings, LLC, who will in turn lease the Cullman Facility to the new operator, RHCSC Cullman AL Holdings, LLC.

Similarly, the Decatur Facility is currently owned and operated by Decatur ALF Group, LLC (Decatur ALF Group, LLC, together with Cullman ALF Group, LLC shall be referred to as the “Current Owners”). The proposed transaction contemplates that the Decatur Facility will be transferred (by and through a Receiver) to RHCSC Decatur Health Holdings, LLC (RHCSC Decatur Health Holdings, LLC, together with RHCSC Cullman Health Holdings, LLC shall be referred to as the “New Owners”), who will in turn lease the Decatur Facility to the new operator, RHCSC Decatur AL Holdings, LLC (RHCSC Decatur AL Holdings, LLC, together with RHCSC Cullman AL Holdings, LLC shall be referred to as the “New Operators”).

The following describes both transactions:

I. Financial Scope of Project.

1. For a fair market price, Current Owners will sell the land, building fixtures, and equipment comprising the Facilities to New Owners.
2. For fair market rental, New Operators will lease the Facilities from the New Owners under operating leases. Other than entering into the new leases, this transaction does not involve any

activities described in Alabama Code §§ 22-21-263(a) (1), (2), (3), or (4) as requiring a certificate of need.

II. Services to be Offered.

1. No New Services: The transaction does not involve the offering of any new services by the Facilities.

III. Beds.

1. New Beds: The proposed transaction does not involve any addition or reduction of beds.
2. Conversion of Beds: The proposed transaction does not involve the conversion of beds.

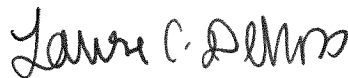
IV. Stock and Assets.

Other than described above, the transaction does not involve the acquisition of stock or assets relating to the operation of the Facilities.

Based on the above showing that there has been no (i) change in health service, (ii) spending in excess of the spending thresholds, (iii) conversion of beds or (iv) increase in bed capacity we respectfully ask that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a CON or other action by SHPDA is not required for the consummation of the above-described proposed transactions. In accordance with the Rules, I attach executed change of ownership forms, and the required fee in the amount of \$2,500.00 for each application. The proposed transactions are anticipated to close on or about December 17, 2018.

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,



Lauren C. DeMoss

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NOTICE OF CHANGE OF OWNERSHIP/CONT Nov 09, 2018STATE 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 Number: 43-S2202
 (This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)
 Name of Facility/Provider: Westminster Memory Care of Cullman
 (ADPH Licensure Name)
 Physical Address: 1020 Olive Street
Cullman, AL 35055
 County of Location: CULLMAN
 Number of Beds/ESRD Stations: 16
 CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. N/A

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.) See Exhibit A

Owner (Entity Name) of Facility named in Part I: Cullman ALF Group, LLC
c/o Ryan Cochran, Attorney for Receiver
 Mailing Address: 511 Union Street, Ste. 2700, Nashville, TN 37219
Cullman ALF Group, LLC
 Operator (Entity Name): _____

Part III: Acquiring Entity Information

Name of Entity: RHCSC Cullman Health Holdings, LLC
 Mailing Address: c/o Northwest Registered Agent LLC
212 W. Troy Street, Suite B, Dothan, AL 36303

Operator (Entity Name): RHCSC Cullman AL Holdings, LLC

Proposed Date of Transaction is on or after: 12/17/2018

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ See attached

Type of Beds: SCALF

Number of Beds/ESRD Stations: 16

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

Projected Equipment Cost: \$ See attached

Projected Construction Cost: \$ See attached

Projected Yearly Operating Cost: \$ See attached

Projected Total Cost: \$ 0.00 -- See attached

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): _____

Title/Date: _____

Operator (Entity Name): _____

Proposed Date of Transaction is on or after: _____

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ _____

Type of Beds: _____

Number of Beds/ESRD Stations: _____

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

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):  _____

Operator(s):  _____

Title/Date: DEREK PERCE D/W BEHALF _____

OF HEALTHCARE MANAGEMENT PARTNERS, LLC
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER
FOR CULLMAN ALF GROUP, LLC

SWORN to and subscribed before me, this

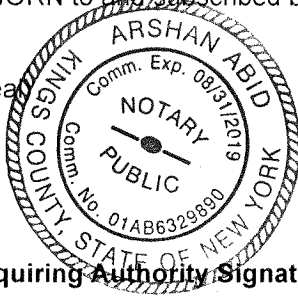
8

day of

Nov

2018

(Seal)



Arshan Abid
Notary Public

Notary Public

My Commission Expires:

8/31/2019

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 _____ day of _____, _____.

(Seal)

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): RHCSC Cullman Health Holdings, LLC



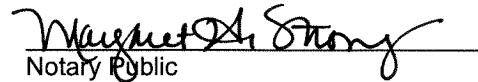
Operator(s): RHCSC Cullman AL Holdings, LLC

Title/Date: 11/08/18

SWORN to and subscribed before me, this 8th day of NOVEMBER, 2018.

(Seal)

Margaret H Strong
NOTARY PUBLIC
Guilford County, NC


Notary Public

My Commission Expires: JUNE 7, 2022

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)

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): RHCSC Cullman Health Holdings, LLC

Operator(s): RHCSC Cullman AL Holdings, LLC

Title/Date: 11/08/18

[Handwritten Signature]

SWORN to and subscribed before me, this 8 day of Nov, 2018

(Seal)

[Handwritten Signature: Shannon Meadell]
Notary Public

My Commission Expires: 3/1/2023



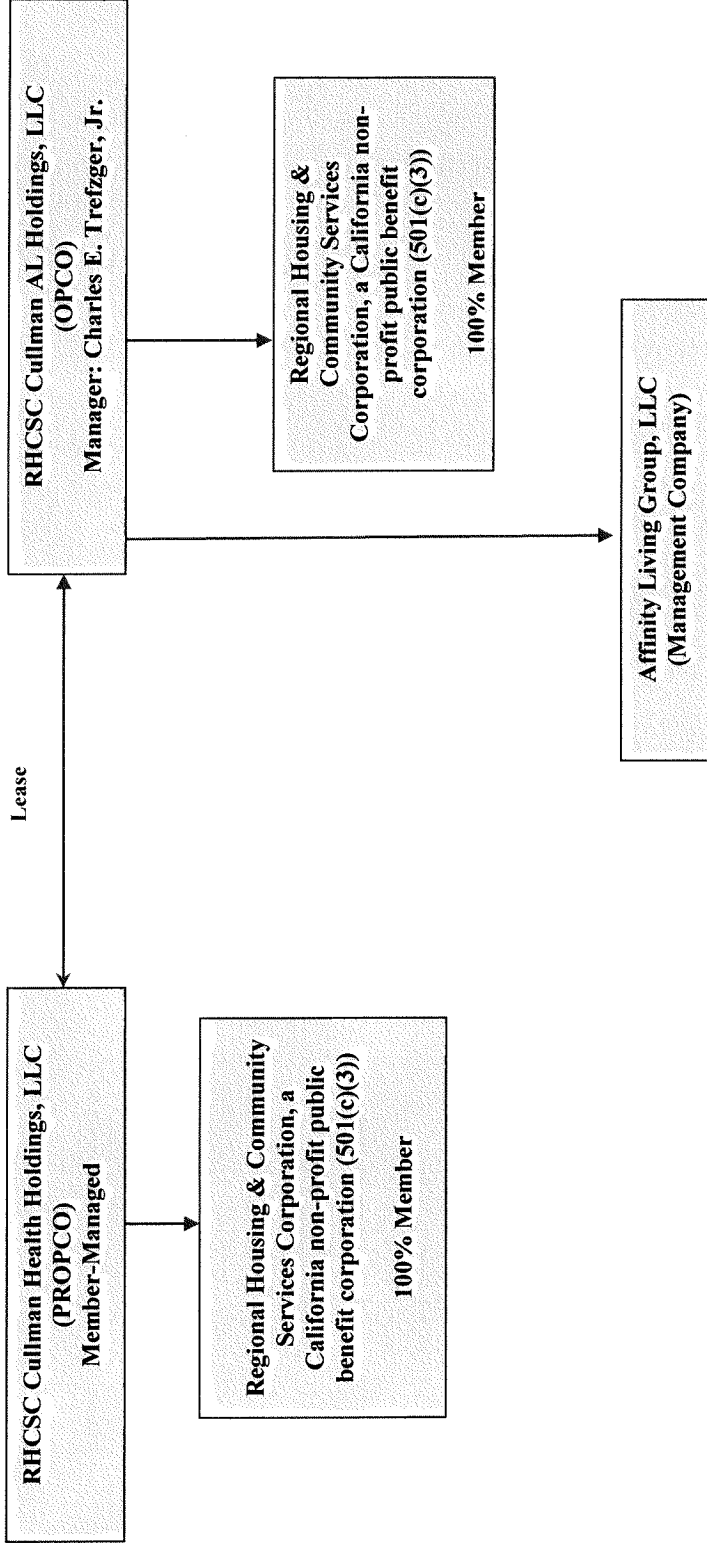
Author: Alva M. Lambert

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

History: New Rule

EXHIBIT A

**Westminster Assisted Living & Memory Care of Cullman
Applicant's Organizational Chart**





Lauren C. DeMoss
DIRECT 205.254.1195
EMAIL ldemoss@maynardcooper.com

November 19, 2018

VIA ELECTRONIC SUBMISSION

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

Re: Change of Ownership – Westminster Memory Care of Cullman (43-S2202)

Dear Mr. Lambert:

Pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the “Rules”), we respectfully submit the attached Notice of Change of Ownership application for Westminster Memory Care of Cullman, a 16-bed specialty care assisted living facility located in Cullman, Alabama (the “Facility”).

The Facility is currently owned and operated by Cullman ALF Group, LLC (the “Current Owner”). The proposed transaction contemplates that the Facility will be transferred (by and through a Receiver) to RHCSC Cullman Health Holdings, LLC (the “New Owner”), who will in turn lease the Facility to the new operator, RHCSC Cullman AL Holdings, LLC (the “New Operator”).

The following describes both transactions:

I. Financial Scope of Project.

1. Current Owner will sell the land, building fixtures, and equipment comprising the Facility to New Owner for a fair market value price of \$7,500,000.
2. For fair market rental, New Operator will lease the Facility from the New Owner under operating leases. Other than entering into the new lease, this transaction does not involve any activities described in Alabama Code §§ 22-21-263(a) (1), (2), (3), or (4) as requiring a certificate of need.

II. Services to be Offered.

1. No New Services: The transaction does not involve the offering of any new services by the Facility.

III. Beds.

1. New Beds: The proposed transaction does not involve any addition or reduction of beds.

Mr. Alva M. Lambert
November 19, 2018
Page 2

2. Conversion of Beds: The proposed transaction does not involve the conversion of beds.

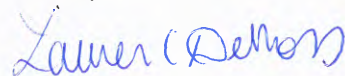
IV. Stock and Assets.

Other than described above, the transaction does not involve the acquisition of stock or assets relating to the operation of the Facility.

Based on the above showing that there has been no (i) change in health service, (ii) conversion of beds or (iii) increase in bed capacity, we respectfully ask that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a CON or other action by SHPDA is not required for the consummation of the above-described proposed transaction. In accordance with the Rules, I attach executed change of ownership form, and the required fee in the amount of \$2,500. The proposed transaction is anticipated to close on or about December 17, 2018.

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,



Lauren C. DeMoss