

Jennifer Clark

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CO 2020-008

Bradley

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Dec 27 2019

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

December 9, 2019

Via Electronic Filing

(shpda.online@shpda.alabama.gov)

Emily T. Marsal, Esq.

Executive Director

State Health Planning and Development Agency

100 North Union Street, Suite 870

Montgomery, AL 36104

RE: Springhill Home Health and Hospice, SHPDA ID 097-P2500
Springhill Hospice – Baldwin County, SHPDA ID 097-P2500A
Springhill Hospice – Citronelle, SHPDA ID 097-P2500B

Dear Ms. Marsal:

I write on behalf of Hospice of North Alabama, LLC (“Buyer”) to provide notice of a proposed transaction involving HomeChoice of Alabama, Inc. d/b/a Springhill Home Health and Hospice, a Tennessee corporation (“Springhill”), which operates a hospice agency under the facility identification numbers listed above, pursuant to the consolidated Certificate of Need authority issued under CON 2324-HPC and CON 2500-HPC. The transaction, as explained in more detail below, will involve Buyer acquiring one hundred percent (100%) of the equity interests in Springhill from the current individual stockholders of Springhill (collectively, “Seller”).

Prior to the transaction, and pursuant to Tenn. Code § 48-249-703, Springhill will convert from a corporation into a limited liability company. As a result of the conversion, Springhill will thereafter be known as HomeChoice of Alabama, LLC d/b/a Springhill Home Health and Hospice. In accordance with Tenn. Code § 48-249-703, Springhill is “deemed to be the same entity” before and after the conversion, and will continue to have all rights, privileged, obligations, and liabilities as it had prior to the conversion. Springhill will retain its federal tax identification number and Medicare provider number.

On or before December 31, 2019, Buyer will acquire one hundred percent (100%) of the membership units of Springhill in exchange for a fair market value payment that Buyer will make to Seller. Organizational charts of Springhill before and after the proposed transaction are attached as Exhibit A and Exhibit B, respectively. A Notice of Change of Ownership/Control is attached as Exhibit C.

The proposed transaction will not result in the addition of any new beds, the conversion of existing beds, or a change in the services Springhill provides. The proposed transaction does not involve the purchase of new equipment, the undertaking of new construction, or the addition of new operating costs, and it does not involve expenditures

that exceed any of the following thresholds: \$3,024,899 for major medical equipment, \$1,209,958 for new annual operating cost, and \$6,049,799 for any other capital expenditure.

Based on the above description of the proposed transaction, we respectfully request that you exercise your authority under Ala. Admin. Code § 410-1-7-.04(2) to determine that a certificate of need is not required for the consummation of the proposed transaction. In accordance with Ala. Admin. Code § 410-1-7-.04(2), a check in the amount of \$2,500.00 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 any additional information, please do not hesitate to contact me. Thank you in advance for your assistance with this matter.

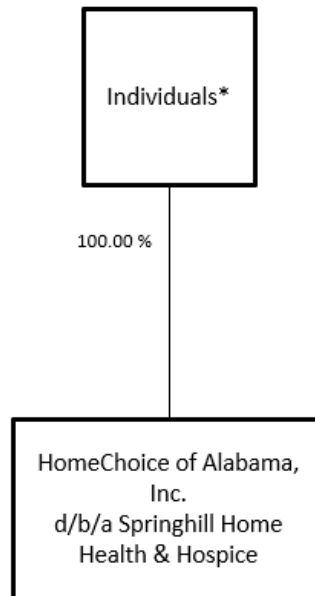
With Best Regards,

A handwritten signature in black ink that reads "Jennifer Clark". The signature is written in a cursive style with a large, looped initial "J".

Jennifer Clark

Exhibit A

**HomeChoice of Alabama, Inc.
Organizational Chart Before the Proposed Transaction**



*Certain known individuals collectively hold 100% of the equity interests in HomeChoice of Alabama, Inc. d/b/a Springhill Home Health & Hospice.

Exhibit B

HomeChoice of Alabama, Inc. Organizational Chart After the Proposed Transaction

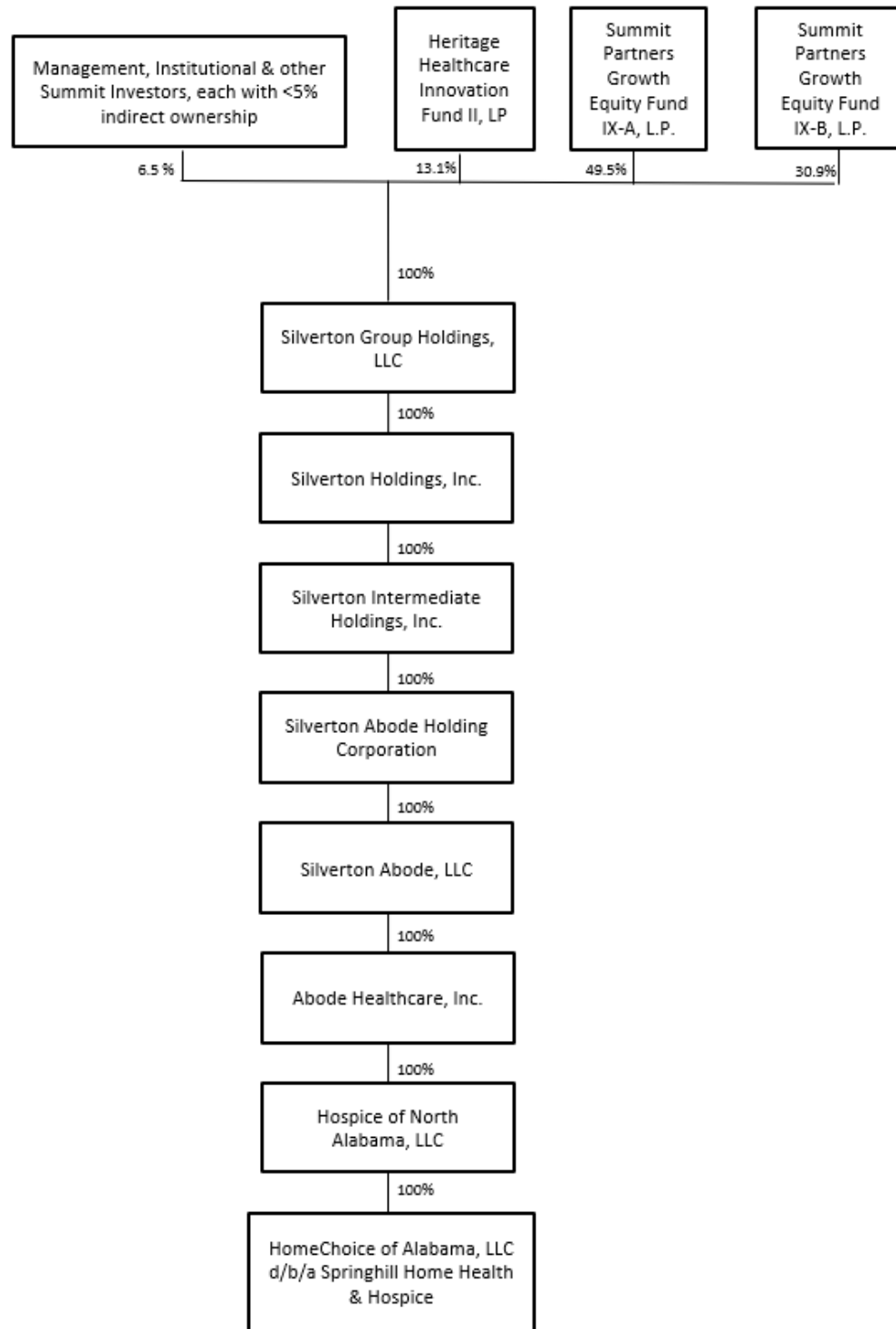


Exhibit C

Notice of Change of Ownership/Control

(See attached.)

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 §§ 22-21-270(d), (e))
☐ Change in Certificate of Need Holder (ALA. CODE § 22-21-270(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: 097-P2500, 097-P2500A, 097-P2500B
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Springhill Home Health & Hospice
(ADPH Licensure Name)

Physical Address: 22 N. Mobile Street
Mobile, AL 36607

County of Location: Mobile

Number of Beds/ESRD Stations: N/A – Hospice

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Mobile, Baldwin, and Washington Counties

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-21-270(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: HomeChoice of Alabama, Inc. d/b/a Springhill Home Health and Hospice

Mailing Address: 22 N. Mobile Street
Mobile, AL 36607

Operator (Entity Name): HomeChoice of Alabama, Inc. d/b/a Springhill Home Health and Hospice

Part III: Acquiring Entity Information

Name of Entity: HomeChoice of Alabama, LLC d/b/a Springhill Home Health and Hospice

Mailing Address: 22 N. Mobile Street
Mobile, AL 36607

Operator (Entity Name): HomeChoice of Alabama, LLC d/b/a Springhill Home Health and Hospice

Proposed Date of Transaction is on or after: December 31, 2019 or, if sooner, upon receiving confirmation that the proposed transaction does not require Certificate of Need approval.

Part IV: Terms of Purchase

Monetary Value of Purchase: Please see accompanying letter.

Type of Beds: N/A – Home Health

Number of Beds/ESRD Stations: N/A – Home Health

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

Projected Equipment Cost: Please see accompanying letter.

Projected Construction Cost: Please see accompanying letter.

Projected Yearly Operating Cost: Please see accompanying letter.

Projected Total Cost: Please see accompanying letter.

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): HomeChoice of Alabama, Inc. d/b/a Springhill Home Health and Hospice

By: Robert Wofford
Print

Robert Wofford
Sign

Its: President
Title

12-05-2019
Date

Operator(s): HomeChoice of Alabama, Inc. d/b/a Springhill Home Health and Hospice

Robert Wofford
Sign

SWORN to and subscribed before me, this 5th day of December, 2019

(Seal)



Cynthia Garrett
Notary Public

My Commission Expires: 5-17-23

[Acquiring Authority Signature Page Follows.]

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): HomeChoice of Alabama, LLC d/b/a Springhill Home Health and Hospice

By: Hospice of North Alabama, LLC

Its: Manager*

*As described in more detail in the accompanying letter, the transaction will involve Hospice of North Alabama, LLC ("HNA") acquiring 100% of the equity interests in HomeChoice of Alabama, LLC d/b/a Springhill Home Health and Hospice ("Springhill"), upon which HNA will be the sole member and manager of Springhill.

By: DAVID KOSLOFF
Print

Sign [Signature]

Its: CFO
Title

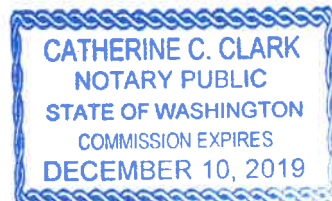
Date 12/5/19

Operator(s): HomeChoice of Alabama, LLC d/b/a Springhill Home Health and Hospice

Sign [Signature]

SWORN to and subscribed before me, this 5th day of DECEMBER

(Seal)



Notary Public [Signature]

My Commission Expires: 12-10-19

Author: Alva M. Lambert

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

History: New Rule