CO2020-017



RECEIVED Mar 20 2020

ALLISON SIMPS(STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

t: (601) 965-8163 f: (866) 849-8953 e: asimpson@balch.com

March 20, 2020

VIA E-FILING TO: SHPDA.ONLINE@SHPDA.ALABAMA.GOV VIA EMAIL TO: KAREN.MCGUIRE@SHPDA.ALABAMA.GOV

Ms. Emily Marsal, Executive Director
Ms. Karen McGuire, Executive Secretary& Health Planning Coordinator
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Re: Additional Requested Information for Change of Ownership CO2020-017; The Hospital Home Health; SHPDA ID: 041-H7140

Dear Ms. Marsal & Ms. McGuire:

On behalf of Crenshaw Health Care Authority (the "Authority" and "Buyer"), and in response to your request for additional information, please refer to the following response and enclosure.

Page A-85: Signature of a notary public on behalf of PRM signatures.

Please see copy attached. PRM's attorney, Chris Richard, also responded with this information.

Page A-85: Identification of notary public attesting to the signatures on behalf of the Authority.

The notary is J. Levi Nichols. I have included a copy of the signature pages with his name written in as well.

· Evidence of grandfathered authority.

The Authority has communicated with PRM regarding the status of the Home Health Agency authority and confirmed that it does have a Certificate of Need. However, PRM has not yet located a copy of same.

Please contact me if you have any questions or need any additional information.

Marsal/McGuire Re: CO2020-017 March 20, 2020

Page 2

Sincerely,

BALCH & BINGHAM, LLP

Allison Simpson

ACS:

Encl

cc (via email): David Hughes, CEO

Levi Nichols, Attorney for Authority Chris Richard, Attorney for PRM



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Feb 28 2020
STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

February 27, 2020

VIA E-FILING TO: SHPDA.ONLINE@SHPDA.ALABAMA.GOV

Ms. Emily Marsal, Esq.
Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Re: The Hospital Home Health SHPDA ID: 041-H7140

Dear Ms. Marsal:

On behalf of Crenshaw Health Care Authority (the "Authority" and "Buyer"), please accept this letter and filing as notice of a proposed transaction between the Authority and Professional Resources Management of Crenshaw, LLC ("PRM"), which currently operates The Hospital Home Health (the "HHA") pursuant to its grandfathered Certificate of Need authority.

Pursuant to an Asset Purchase Agreement, the Authority will obtain all assets, other than those excluded by the parties, necessary for the operation of the HHA. Assuming approval of SHPDA and the Alabama Department of Public Health's issuance of a license for the Authority to operate the HHA, the parties anticipate closing the transaction on March 31, 2020. The Authority will enter into a management agreement with Alliant Management Services for the day-to-day operation of the HHA, but overall ownership and control will be vested in the Authority. Attached hereto is an organizational chart demonstrating the change in control of the HHA as a result of this transaction.

This transaction will not result in a change in health services, and will not result in the addition of beds or the conversion of existing beds. In addition, the proposed transaction does not involve the purchase of new equipment, the undertaking of new construction or the addition of new operating costs. As demonstrated on the enclosed form, the capital expenditure thresholds are not exceeded as a result of this transaction.

As there is no change in service; no spending above the capital expenditure thresholds; no conversion of beds; and no increase in bed capacity, we respectfully request that you exercise your authority under Ala. Admin. Code § 410-7-.04(2) to determine that a CON is not required for the consummation of the proposed transaction.

I am also overnighting you the filing fee of \$2,500.00.

Please contact me if you have any questions or need any additional information.

With best regards,

Sincerely,

Balch & Bingham, LLP

llison C. Simpson

Encl.

cc (via email): David Hughes, CEO

Levi Nichols, Attorney for Authority Chris Richard, Attorney for PRM State Health Planning and Development Agency

Alabama CON Rules & Regulations

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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 Certificate of Need Hold Change in Facility Management (Fa	ntrol (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e)) er (ALA. CODE § 22-20-271(f)) acility Operator) -described requires an application for a Certificate of Need.	
	Part I: Facility Information		
	SHPDA ID Number: (This can be found at <u>www.shpda.alabama.qov</u> , H	041-H7140 Health Care Data, ID Codes)	
	Name of Facility/Provider: (ADPH Licensure Name)	The Hospital Home Health	
	Physical Address:	101 Hospital Circle (Address on SHPDA: 54 Roy Beall Dr.)	
		Luverne, AL 36049	
	County of Location:	Crenshaw	
	Number of Beds/ESRD Stations:	n/a	
CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Butler, Coffee, Covington, Crenshaw, Pike Counties and Counties contingent to Crenshaw - Lowndes and Montgomery			
	Part II: Current Authority (Not ownership or control, as defined under charts outlining current and proposed st	e: If this transaction will result in a change in direct ALA. CODE § 22-20-271(e), please attach organizational ructures.)	
	Owner (Entity Name) of Facility named in Part I:	Professional Resources Management of Crenshaw, LLC ("PRM")	
	Mailing Address:	60 Commerce Street, Suite 910	
	%	Montgomery, AL 36104	
	Operator (Entity Name):	Professional Resources Management of Crenshaw, LLC	
	Part III: Acquiring Entity Inform	ation	
	Name of Entity:	Crenshaw County Health Care Authority ("Authority")	
	Mailing Address:	PO Box 687	
		Luverne, Al. 36049	

State Health Planning and Development Agency

Mar 20 2020

Alabama CON Rules & Regulations

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Operator (Entity Name): Proposed Date of Transaction is on or after:		Crenshaw County Health Care Authority			
		February 28, 2020 March 31, 2020			
Part IV: Terms of Purchase		æ			
Monetary Value of Purchase:	\$_	0.00			
Гуре of Beds:	_	n/a			
Number of Beds/ESRD Stations:		n/a			
Financial Scope: to Include Prelimir Construction, and Yearly Operating Co		Estimate of the Cost Broken Down by Equipmen			
Projected Equipment Cost:	\$_	0			
Projected Construction Cost:	\$_	0			
Projected Yearly Operating Cost:	\$_	300,000.00			
Projected Total Cost:	\$_	\$300,000.00			

On an Attached Sheet Please Address the Following: Please see attached.

- 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): Professional Resources Management of Crenshaw,

Operator(s):Professional Resources Management of Crenshaw

Title/Date:

WORD 18 3

State Health Planning and Development Agency

Mar 20 2020

Alabama CON Rules & Regulations

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):	Crenshaw County Health Care Authority		
Operator(s):	Crenshaw County Health Care Authority	en e	
Title/Date:	Chairman	February, 2020	- 155
SWORN to and	d subscribed before me, this day of	February , 2020	,
(Seal)	Ī	Notary Public	
	1	My Commission Expires:	

Author: Alva M. Lambert Statutory Authority: § 22-21-271(c), Code of Alabama, 1975 History: New Rule

Operator (Entity Name):	Crenshaw County Health Care Authority
Proposed Date of Transaction is on or after:	March 31, 2020
Part IV: Terms of Purchase	
Monetary Value of Purchase:	\$ N/A; however the Authority will assume certain debts of PRI
Type of Beds:	n/a
Number of Beds/ESRD Stations:	n/a
Financial Scope: to Include Prelimir Construction, and Yearly Operating Co.	nary Estimate of the Cost Broken Down by Equipment, st:
Projected Equipment Cost:	\$
Projected Construction Cost:	\$ <u>0</u>
Projected Yearly Operating Cost:	\$_300,000.00
Projected Total Cost:	\$_\$300,000.00
1.) The services to be offered by the p	Address the Following: Please see attached. roposal (the applicant will state whether he has previously a is an extension of a presently offered service, or whether
2.) Whether the proposal will include the	e addition of any new beds.
3.) Whether the proposal will involve the	e conversion of beds.
4.) Whether the assets and stock (if any	y) will be acquired.
Part V: Certification of Informa	tion
Current Authority Signature(s):	8
The information contained in this notific belief.	ation is true and correct to the best of my knowledge and
Owner(s): Professional Resources Manage	ement of Crenshaw, LLC
Operator(s):Professional Resources Mana	gement of Crenshaw, LLC
Title/Date:	February, 2020

Operator (Entity Name):	Crenshaw County Health Care Authority			
Proposed Date of Transaction is on or after:	Eebruary 28, 2020 March 31, 2020			
Part IV: Terms of Purchase				
Monetary Value of Purchase:	\$			
Type of Beds:	n/a			
Number of Beds/ESRD Stations:	n/a			
Financial Scope: to Include Prelimin Construction, and Yearly Operating Cos	nary Estimate of the Cost Broken Down by Equipment, st:			
Projected Equipment Cost:	\$_0			
Projected Construction Cost:	\$ <u> </u>			
Projected Yearly Operating Cost:	\$_300,000.00			
Projected Total Cost:	\$_\$300,000.00			
1.) The services to be offered by the pr	Address the Following: Please see attached. roposal (the applicant will state whether he has previously a is an extension of a presently offered service, or whether			
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	y) will be acquired.			
Part V: Certification of Informa	tion			
Current Authority Signature(s):				
The information contained in this notificatelief.	ation is true and correct to the best of my knowledge and			
Owner(s): Professional Resources Management of Crenshaw, LIC				
Operator(s):Professional Resources Management of Crenshaw, LLO				
Title/Date: Won a ce	February \$\frac{1}{2020}\$			

(Seal)

SWORN to and subscribed before me, this 25 day of February

2020

(Seal)

Otan control of February

Otan control o

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):	Crenshaw County Health Care Authority		
Operator(s):	Crenshaw County Health Care Authority		
Title/Date:	Chairman	, 2020	
SWORN to and	subscribed before me, this day of		2020
(Seal)		Notary Public	
		My Commission Expires:	

Author: Alva M. Lambert

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

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CO2020-017

Mar 20 2020

State I-lealth Plan		EALTH PLANNING AND LOPMENT AGENCY	Alabama CON Rules & Regulations
SWORN to ar	nd subscribed before me, this	_day of _February	2020
(Seal)		Notary Pu	ublic
		My Comr	nission Expires:
Acquiring Au	thority Signature(s):		
period, as sp	responsible for reporting of all servi ecified in ALA. ADMIN. CODE r. 4 true and correct to the best of my ki	10-1-312. The	information contained in this
Purchaser(s):	Crenshaw County Health Care Author	ority Much	lad & Cline
Operator(s):	Crenshaw County Health Care Autho	rity Mick	lear le Kinte
Title/Date:	Chairman	February	∕ <u>2 </u>
SWORN to an	d subscribed before me, this 26	day of Februar Notary Pt	1 A J. Levi Nicholy
		My Comn	nission Expires: 19-15-20

Author: Alva M. Lambert

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

State Health Plant	ning and Development Agency	Alabama CON Rules & Reg	gulations		
SWORN to an	d subscribed before me, this day o	of February ,	2020		
(Seal)		Notary Public			
		My Commission Expires:			
	4 - 14 - 21 4 4 - 3				
Acquiring Au	thority 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. 410-1-312. The information contained in this notification is true and correct to the best of my knowledge and belief.					
Purchaser(s):	Crenshaw County Health Care Authority	Muchael &. W.	ile		
Operator(s):	Crenshaw County Health Care Authority	Midwe le Ke	ile		
Title/Date:	Chairman	February <u>2 v</u> , 2020			
SWORN to and	d subscribed before me, this 26 day o	f February , 2020	<u>) </u>		
(Seal)		Notary Public)		

My Commission Expires: 19-15-20

Author: Alva M. Lambert

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

Organizational Chart

PRIOR TO TRANSSACTION

Professional Resources
Management of Crenshaw, LLC
d/b/a
The Hospital Home Health

The Hospital Home Health

AFTER TRANSACTION

Crenshaw County
Health Care Authority d/b/a
The Hospital Home Health

The Hospital Home Health

Part IV: Terms of Purchase

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).

The proposed transaction is a result of the Professional Resources Management of Crenshaw, LLC's, the current operator, bankruptcy. As a result of the bankruptcy, and through the proposed transaction between Professional Resources Management of Crenshaw, LLC and the Crenshaw County Health Care Authority control of the HHA will be returned to the Authority. The Authority will contract with Blue Management Services, LLC d/b/a Alliant Management Services for day-to-day HHA operations. No additional institutional services or beds will be added as a result of the change.

2.) Whether the proposal will include the addition of any new beds.

No.

3.) Whether the proposal will involve the conversion of beds.

No.

4.) Whether the assets and stock (if any) will be acquired.

The Authority will assume the assets set forth in the Purchase Agreement.