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STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY

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BURR.COM

April 24, 2020

**VIA EMAIL, ORIGINAL TO FOLLOW BY FEDERAL EXPRESS**

Ms. Emily T. Marsal  
Executive Director  
State Health Planning and Development Agency  
100 North Union Street, Suite 870  
Montgomery Alabama 36104  
[shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov)

**Re: Notice of Change of Ownership  
Southeast Hospice Network, LLC (Walker, Montgomery, and Shelby)  
127-P2492, 127-P2492B, 127-P2492C  
Anticipated Effective Date: At Least Twenty (20) Days Post-Filing**

Dear Ms. Marsal:

I respectfully submit this Notice of Change of Ownership pursuant to Section 410-1-7-.04 of the Rules and Regulations of the Alabama Certificate of Need Program (the "CON Rules") in anticipation of the proposed transaction described below. The Change of Ownership involves Southeast Hospice Network, LLC, a hospice with a parent location in Walker County and branch offices in Montgomery and Shelby Counties, Alabama (collectively, the "Hospice"). The following is a summary of the proposed transaction:

I. Scope of the Transaction

1. Southeast Cancer Network d/b/a Southeast Hospice Network, LLC, an Alabama limited liability company (the "Seller"), is the current owner and operator of the Hospice.
2. Kelley Health Hospice, Inc., an Alabama corporation ("Purchaser"), has entered into an Asset Purchase Agreement with the Seller, pursuant to which the Purchaser plans to acquire from the Seller substantially all of the personal property and assets of the Hospice, as well as the associated rights to operate the Hospice in all SHPDA-authorized service areas.<sup>1</sup> The proposed transaction does not include the sale of stock. Following the Closing Date, the Purchaser will continue to provide hospice services in the SHPDA-authorized service areas and will continue to operate both branch offices.
3. It is contemplated that the above-described asset purchase transaction will close at least twenty (20) days after this filing, subject to applicable regulatory approval ("Closing Date"). I will notify your office accordingly once a definitive Closing Date has been determined.

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<sup>1</sup> The Seller has appropriate authority to provide hospices services in the following counties: Autauga, Bibb, Blount, Bullock, Butler, Calhoun, Chambers, Cherokee, Chilton, Clay, Cleburne, Coosa, Crenshaw, Cullman, Dallas, DeKalb, Elmore, Etowah, Fayette, Greene, Hale, Jackson, Jefferson, Lamar, Lawrence, Lee, Limestone, Lowndes, Macon, Madison, Marion, Marshall, Montgomery, Morgan, Perry, Pickens, Pike, Randolph, Russell, Shelby, St. Clair, Talladega, Tallapoosa, Tuscaloosa, Walker, and Winston Counties.

II. Financial Scope of the Project

The purchase price of the transaction is \$2,500,000.00 (for all three locations), subject to post-closing prorations. The Change of Ownership transaction will not involve new construction, the purchase of any new equipment, or the incurrence of new operating costs. There will be no additional expenditures other than the purchase price, as a result of this change of ownership, and current expenditures are not expected to increase as a result of this transaction.

III. Services to be Offered

1. The proposed transaction does not involve the offering of any new institutional health services.
2. The proposed transaction will not result in the addition or reduction of beds.
3. The proposed transaction will not involve the conversion of beds.
4. The Purchaser has not previously offered hospice services.

In accordance with the CON Rules, payment in the amount of \$2,500.00 for the Change of Ownership Filing fee is being submitted via the SHPDA Electronic Payment Portal. Enclosed please find an executed Notice of Change of Ownership form.

Based on the facts presented above, I respectfully request that you exercise your authority under § 410-1-7-.04 of the CON Rules and determine that neither a certificate of need, nor any further certificate of need regulatory review, is required for the consummation of the above-described proposed transaction.

Ms. Emily T. Marsal  
April 24, 2020  
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Should you have any questions or need further information, please feel free to contact me  
at (205) 458-5429 or at [kfleming@burr.com](mailto:kfleming@burr.com).

Sincerely,



Kelli C. Fleming

KCF/caj  
Enclosure (CHOW Form)

cc: Anthony Romano, Esq.  
Angie C. Smith, Esq.

## 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: 127-P2492 (and the branch offices at 127-P2492B and 127-P2492C)

(This can be found at [www.shpda.alabama.gov](http://www.shpda.alabama.gov), Health Care Data, ID Codes)

Name of Facility/Provider: Southeast Hospice Network LLC (Walker) with branch offices Southeast Hospice Network LLC (Montgomery) and Southeast Hospice Network LLC (Shelby)

(ADPH Licensure Name)

Physical Address: 4330 Highway 78 East, Suite 120

Jasper, Alabama 35501

County of Location: Walker (with branch offices in Montgomery and Shelby Counties)

Number of Beds/ESRD Stations: N/A

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Autauga, Bibb, Blount, Bullock, Butler, Calhoun, Chambers, Cherokee, Chilton, Clay, Cleburne, Coosa, Crenshaw, Cullman, Dallas, DeKalb, Elmore, Etowah, Fayette, Greene, Hale, Jackson, Jefferson, Lamar, Lawrence, Lee, Limestone, Lowndes, Macon, Madison, Marion, Marshall, Montgomery, Morgan, Perry, Pickens, Pike, Randolph, Russell, Shelby, St. Clair, Talladega, Tallapoosa, Tuscaloosa, Walker, and Winston 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: Southeast Cancer Network d/b/a Southeast Hospice Network LLC

Mailing Address: 4330 Highway 78 East, Suite 120

Jasper, Alabama 35501

Operator (Entity Name): Southeast Hospice Network LLC

**Part III: Acquiring Entity Information**

Name of Entity: Kelley Health Hospice Inc.

Mailing Address: 903 11th Street N.E.  
Jasper, Alabama 35504

Operator (Entity Name): Kelley Health Hospice Inc.

Proposed Date of Transaction is on or after: At least twenty (20) days after filing this CHOW form

**Part IV: Terms of Purchase**

Monetary Value of Purchase: \$ 2,500,000 (for all 3 locations and adjusted for specific prorations)

Type of Beds: Hospice

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:

Projected Equipment Cost: \$ N/A The transaction involves an asset purchase for a hospice agency whose CON has vested. There will be no additional expenditures other than the purchase price, as a result of this change of ownership, and current expenditures are not expected to increase as a result of this transaction.

Projected Construction Cost: \$ N/A

Projected Yearly Operating Cost: \$ N/A

Projected Total Cost: \$ N/A

**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: Southeast Hospice Network, LLC

Mitzi H. Coogler, CPA  
Chief Executive Officer of Southeast Cancer Network Inc., Its Sole Member

Date: 4/21, 2020

SWORN to and subscribed before me, this 21 day of April, 2020.

(Seal)

  
Notary Public

My Commission Expires: 8/25/21

**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): \_\_\_\_\_ Alicia Stewart

Operator(s): \_\_\_\_\_ Alicia Stewart

Title/Date: President \_\_\_\_\_

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

**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): \_\_\_\_\_ Mitzi Coogler  
Operator(s): \_\_\_\_\_ Mitzi Coogler  
Title/Date: Chief Executive Officer \_\_\_\_\_

SWORN to and subscribed before me, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Seal) \_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

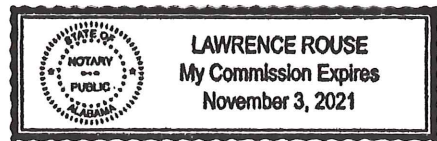
**Acquiring Authority Signature(s):**

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): Alicia K Stewart Alicia Stewart  
Operator(s): Alicia K Stewart Alicia Stewart  
Title/Date: President 4/20/20

SWORN to and subscribed before me, this 20 day of April, 2020.

Lawrence L Rouse Lawrence L Rouse  
Notary Public  
My Commission Expires: 11/3/2021



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