

Holly S. Hosford
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205.521.8376

CO2020-029
RECEIVED
June 23 2020
STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY



June 22, 2020

Via Electronic Filing
(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: Change in Ownership; Bullock County Hospital; SHPDA ID 011-6531013

Dear Ms. Marsal:

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 proposed change in ownership involves the purchase of one hundred percent (100%) of the stock of Professional Resources Management, Inc., (the "Company") the owner and operator of Bullock County Hospital, a fifty-nine (59) bed hospital located in Bullock County (the "Facility").

I. Overview of Proposed Transaction.

The Facility is located at 102 W Conecuh Ave., Union Springs, Alabama 36089. The Company is authorized to operate thirty (30) general acute care beds and twenty-nine (29) inpatient psychiatric beds.

The following summarizes the transaction proposed to take place on or about July 1, 2020 (the "Transaction") and responds to inquiries posed in the SHPDA Change of Ownership Application. The Transaction involves the acquisition by R&R Partners, LLC ("Buyer") of one hundred percent (100%) of the issued and outstanding capital stock in the Company from Vicki Lawrenson and Jacques Jarry ("Sellers"). In consideration for the stock being transferred, Sellers will make a fair market value payment to Buyer.

II. SHPDA Requirements for Change of Ownership

Concerning the questions posed in the Change of Ownership Application, please note the following:

1. The Financial Scope of the Project. Buyer will acquire one hundred percent (100%) of the issued and outstanding capital stock in the Company from Sellers in exchange for a

fair market value cash payment. The Transaction does not involve new costs associated with the Facility exceeding the following expenditure thresholds: (i) \$3,024,899 for major medical equipment; (ii) \$1,209,958 for new annual operating costs; and (iii) \$6,049,799 for capital expenditures.

2. Services to be Offered. The contemplated transaction will not result in any new or additional services to those already authorized to be provided by the Facility.

3. Whether the Proposal will Include the Addition of Any New Beds. The contemplated transaction will not result in the addition of new beds.

4. Whether the Proposal will Involve the Conversion of Beds. The contemplated transaction will not result in the conversion of beds.

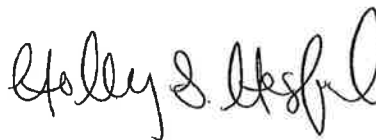
5. Whether the Assets and Stock (if any) will be acquired. As described more particularly above, Buyer will acquire one hundred percent (100%) of the stock in the Company from Seller.

III. Requested Action

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 Transaction. In accordance with the Rules, a check in the amount of \$2,500 will be delivered to the Agency via Federal Express.

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.

Best regards,



Holly S. Hosford

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July 20, 2020

Via Electronic Filing
(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: CO2020-029 Change in Ownership; Bullock County Hospital; SHPDA ID 011-6531013, Additional Information

Dear Ms. Marsal:

This is written in response to the Agency's letter dated July 20, 2020 in which the Agency requested additional information regarding CO2020-029, Change of Ownership for Bullock County Hospital. You stated in your letter that Agency records indicate Bullock County Hospital has CON authorization for sixty-one (61) beds. Bullock County Hospital is not relinquishing any beds. Enclosed is a corrected Notice of Change of Ownership form reflecting that the Hospital has CON authorization for sixty-one (61) total beds.

Vicki Lawrenson, an individual resident of the State of Tennessee, and Jacques Jarry, an individual resident of the State of Alabama, currently collectively own 100% of the issued and outstanding capital stock in Professional Resources Management, Inc., the entity that owns and operates Bullock County Hospital. R&R Partners, LLC, an Alabama limited liability company, proposes to purchase 100% of the stock in Professional Resources Management, Inc. from Vicki Lawrenson and Jacques Jarry. R&R Partners, LLC is wholly owned by Robert Lubin as sole Member and Manager. Enclosed are the requested ownership diagrams showing direct ownership and control of Bullock County Hospital before and after the proposed transaction.

Should you have any additional questions or need further information, please feel free to contact me at the number or address listed above. Thank you for your assistance with this matter.

Best regards,

A handwritten signature in cursive script that reads "Holly S. Hosford".

Holly S. Hosford

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: **011-6531013**
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider:
(ADPH Licensure Name) **Bullock County Hospital**

Physical Address: **102 W CONECUH AVE**
Union Springs, AL 36089

County of Location: **Bullock County**

Number of Beds/ESRD Stations: **61 beds**

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. **Not applicable.**

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: **Professional Resources Management, Inc.**

Mailing Address: **102 West Conecuh Avenue**
Union Springs, AL 36089

Operator (Entity Name): **Professional Resources Management, Inc.**

Part III: Acquiring Entity Information

Name of Entity: **Professional Resources Management, Inc.**

Mailing Address: **102 West Conecuh Avenue**
Union Springs, AL 36089

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Operator (Entity Name): Professional Resources Management, Inc.

Proposed Date of Transaction is on or after: On or after July 1, 2020

Part IV: Terms of Purchase

Monetary Value of Purchase: See attached letter.

Type of Beds: general acute care beds; inpatient psychiatric beds; swing beds

Number of Beds/ESRD Stations: 61 beds

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: Professional Resources Management, Inc.

Signature: *Jacques Jarry*

Title: _____

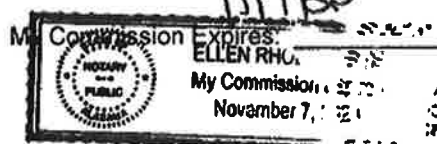
Date: _____

SWORN to and subscribed before me, this 22nd day of June, 2020

(Seal)

A-84

Ellen Rhoads
Notary Public



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.

Owner: Professional Resources Management, Inc.

Signature: _____

Title: Robert Lubin, Manager

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

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: Professional Resources Management, Inc.

Signature: _____

Title: _____

Date: _____

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.

Owner: Professional Resources Management, Inc.

Signature: [Handwritten Signature]

Title: Robert Lubin, Manager

Date: 6/19/20

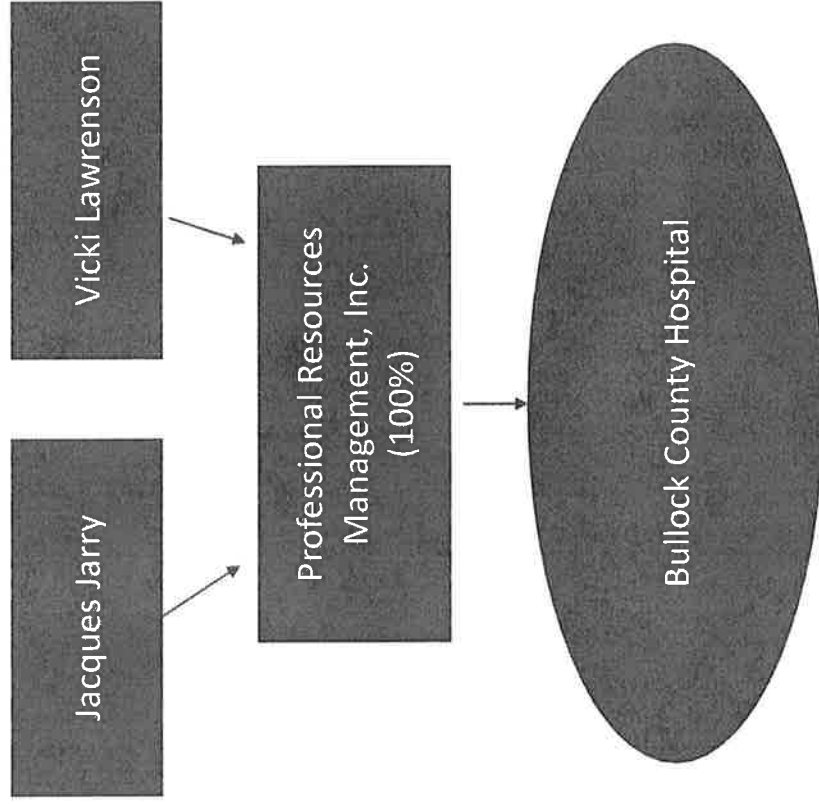
SWORN to and subscribed before me, this 19th day of June, 2020

(Seal) _____
Notary Public
My Commission Expires: 7/15/22

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

**Ownership of Bullock County Hospital
Prior to Proposed Transaction**

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**Ownership of Bullock County Hospital
Following Proposed Transaction**

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