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May 6, 2026

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STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

Via Electronic Filing
(shpda.online@shpda.alabama.gov)

Emily T. Marsal
Executive Director
State Health Planning & Development Agency
100 N. Union Street, Suite 870
Montgomery, Alabama 36104

**RE: Change of Ownership; Community Hospital of Andalusia, LLC; SHPDA ID
039-6530050**

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/Control Form (the “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 involves a corporate reorganization (the “Reorganization”) that will result in a change in indirect ownership of Community Hospital of Andalusia, LLC (the “CON Holder”). The CON Holder holds a Certificate of Need (“CON”) to operate Andalusia Health, an 88-bed general acute care hospital located in Covington County (the “Hospital”).

I. Overview of Proposed Transaction

The CON Holder is directly owned by Knight Healthcare New-A Sub, LLC, which is owned, through wholly owned subsidiaries, by Knight Health Holdings LLC (“KHH”). Effective June 1, 2026 (the “Effective Date”), the Reorganization will be accomplished by adding one upstream entity that is also wholly owned by KHH, Knight Health LLC (“Knight Health”), into the ownership chain of CON Holder. For the avoidance of doubt, all other reportable entities that indirectly hold ownership in CON Holder remain unchanged by the Reorganization and CON Holder will remain a wholly owned indirect subsidiary of KHH.

Attached as **Exhibit A** are pre- and post-closing organizational charts illustrating the Reorganization described herein. As illustrated in **Exhibit A**, the Reorganization will not result in a “transfer, assignment or conversion” of the CON, as described in Rule 410-1-11-.09, but we are submitting this Application and supporting documentation to notify SHPDA of the change in indirect ownership. Please note that the Reorganization will result in a change in the ownership

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structure several levels up the ownership chain from the CON Holder, the entity that owns and operates the Hospital.

Please also note that following the completion of the Reorganization the CON Holder will continue to be indirectly owned by KHH. There will be no change in the EIN/tax ID, organizing documents, offered services, service area, name, or address of the Hospital as a result of the Reorganization. Both before and after the Reorganization closing date, the entity operating the Hospital and holding the CON is Community Hospital of Andalusia, LLC. Furthermore, the Reorganization does not constitute a change of ownership for Medicare purposes.

II. Agency Requirements for Change of Ownership

The Form is attached as **Exhibit B**. Regarding the questions posed in the Form, please note the following:

1. The Financial Scope of the Project. The Reorganization involves the addition of an upstream owner, Knight Health. The Reorganization does not involve new cost associated with the Hospital exceeding the following expenditure thresholds: (i) \$3,436,510.00 for major medical equipment; (ii) \$1,373,260.00 for new annual operating costs; and (iii) \$6,866,313.00 for capital expenditures.
2. Services to be Offered by the Hospital. The Reorganization will not result in any new or additional services to those already authorized by the Hospital.
3. Whether the Proposal will Include the Addition of Any New Beds. The Reorganization will not result in the addition of new beds.
4. Whether the Proposal will Involve the Conversion of New Beds. The Reorganization will not result in the conversion of beds.
5. Acquisition of Assets and Stock. As described above, a change in ownership structure will occur several levels up the ownership chain from the CON Holder, and CON Holder will remain a wholly owned indirect subsidiary of KHH.

Based upon the above description of the Reorganization 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 exercised 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 this proposed Reorganization. In accordance with the Rules, I am enclosing with this request a check in the amount of \$3,000 made payable to the Alabama State Health Planning and Development Agency.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me, outside counsel for Buyer, at jclark@bradley.com or 205-521-8020. We remain available to assist with any questions or requests for clarification from the Agency.

Best regards,
BRADLEY ARANT BOULT CUMMINGS LLP

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

Enclosures

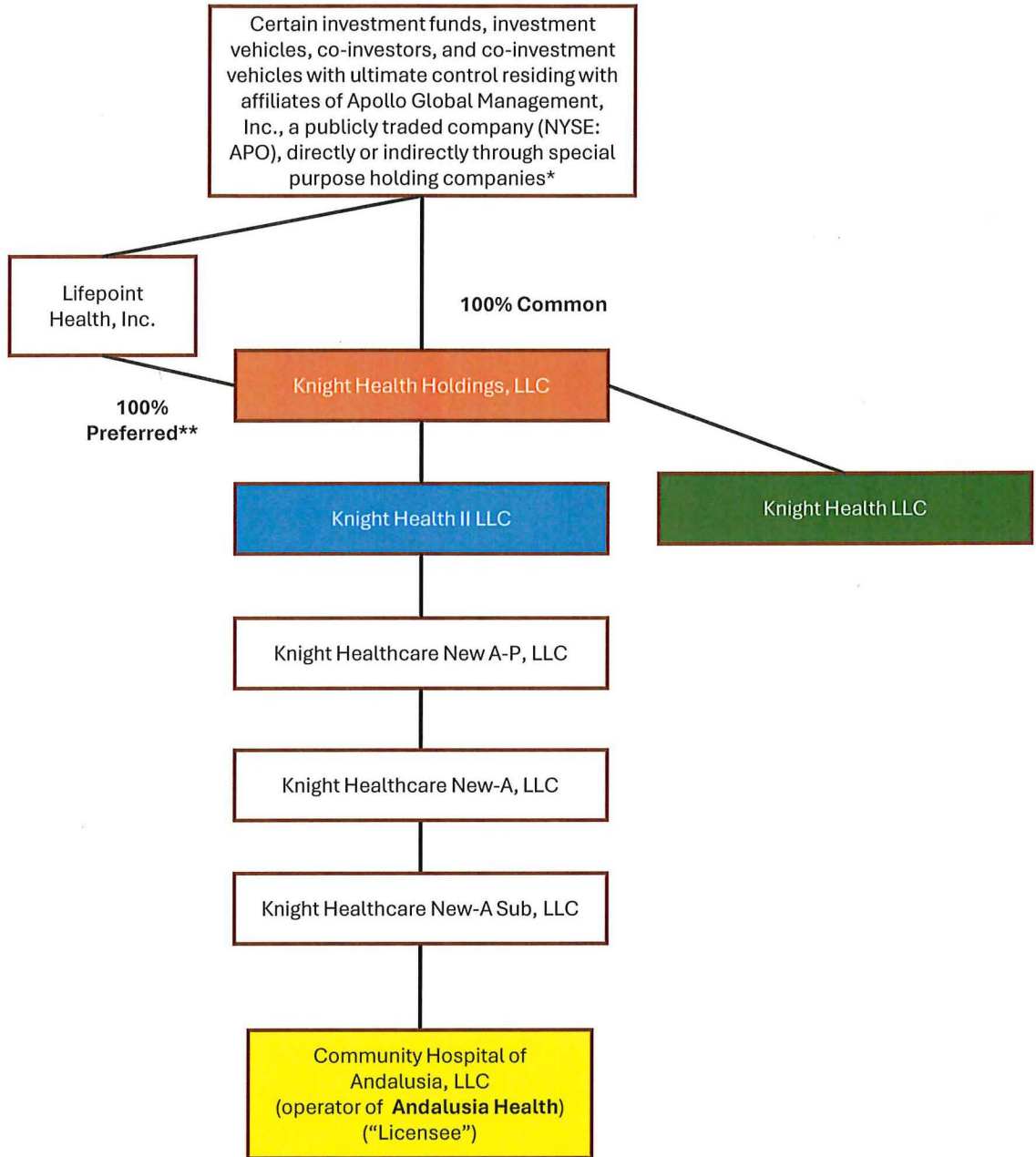
Jennifer Clark

Exhibit A

Pre- and Post-Closing Ownership Charts

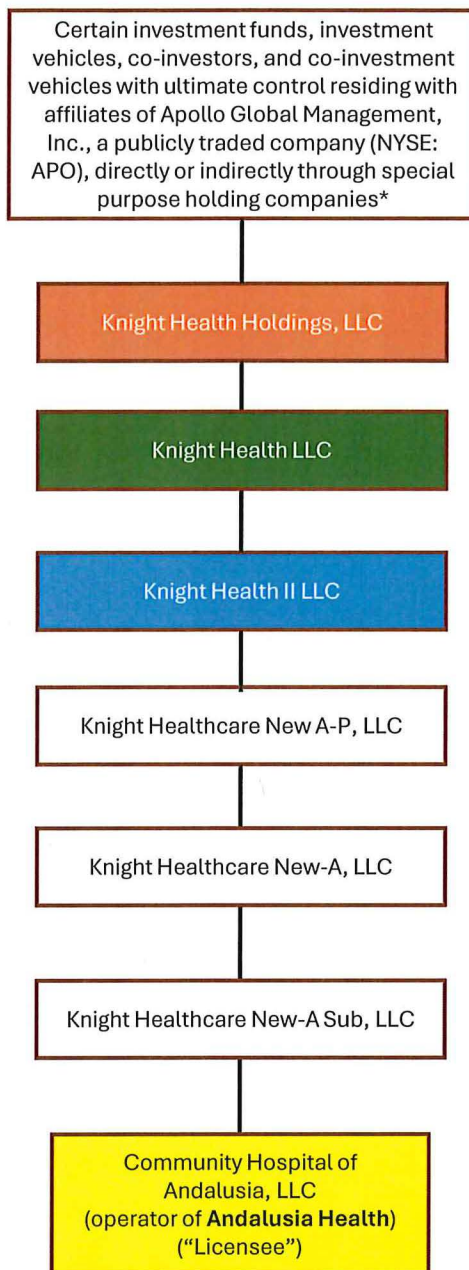
Please see attached.

Pre-Closing Organizational Chart



Note: All ownership percentages are 100% unless specifically noted otherwise.
 *Officers, directors, employees and consultants hold less than 10% ownership interest in the aggregate, and no such individual holds more than 1% individually.
 **Represents a non-voting and non-participating preferred security interest.

Post-Closing Organizational Chart



Note: All ownership percentages are 100% unless specifically noted otherwise.
*Officers, directors, employees and consultants hold less than 10% ownership interest in the aggregate, and no such individual holds more than 1% individually.

Exhibit B

Notice of Change of Ownership/Control Form

Please 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 §§ 22-20-271(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: 039-6530050
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Andalusia Health
(ADPH Licensure Name)

Physical Address: 849 South Three Notch Street
Andalusia, AL 36420

County of Location: COVINGTON

Number of Beds/ESRD Stations: 88

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: Community Hospital of Andalusia, LLC

Mailing Address: 680 S. 4th Street
Louisville, Kentucky 40202

Operator (Entity Name): Community Hospital of Andalusia, LLC

Part III: Acquiring Entity Information

Name of Entity: No change in direct ownership -
Community Hospital of Andalusia, LLC

Mailing Address: 680 S. 4th Street
Louisville, Kentucky 40202

Operator (Entity Name): Community Hospital of Andalusia, LLC

Proposed Date of Transaction is on or after: 06/01/2026

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ N/A

Type of Beds: N/A

Number of Beds/ESRD Stations: 88

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

Projected Equipment Cost: \$ N/A

Projected Construction Cost: \$ N/A

Projected Yearly Operating Cost: \$ N/A

Projected Total Cost: \$ 0.00

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): Scott P. Ham _____

Operator(s): Scott P. Ham _____

Title/Date: VP Finance + Treasurer 5/4/2026

SWORN to and subscribed before me, this 4th day of May, 2026.

(Seal)



Kim Oakley
Notary Public

My Commission Expires: 4-16-30

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): Scott P. Kraen _____

Operator(s): Scott P. Kraen _____

Title/Date: VP Finance + Treasurer 5/4/26

SWORN to and subscribed before me, this 4th day of May, 2026.

(Seal)



Kim Oakley
Notary Public

My Commission Expires: 4-16-30

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