

May 11, 2026

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

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

Re: Change of Ownership/Control – Surgical Clinic Solutions, LLC d/b/a Surgical Institute of Alabama (SHPDA ID 073-U3719)

Dear Ms. Marsal:

We respectfully submit this letter and a Notice of Change of Ownership/Control form (attached as Exhibit A) in connection with a proposed transaction involving a change of control in Surgical Clinic Solutions, LLC, an Alabama limited liability company doing business as Surgical Institute of Alabama (the “Company”), which holds a certificate of need (“CON”) to operate, and which operates, an ambulatory surgery center located in Jefferson County at 1021 Montgomery Highway, Suites 100 and 101, Vestavia Hills, Alabama (the “ASC”).

I. Overview

Under the proposed transaction, Affinity Hospital, LLC, a Delaware limited liability company doing business as Grandview Medical Center (the “Purchaser”), would acquire 51% of the outstanding equity interest in the Company from individual physician owners of the Company (the “Sellers”), all of whom will continue to hold an ownership interest in the Company immediately after the proposed transaction. Exhibit B includes ownership charts of the Company before and after the proposed transaction.

The Company will continue to own and operate the ASC before and after the proposed transaction, at the same location, through the same legal entity, and with the same employer identification number (“EIN”). As a result, consummation of the proposed transaction will not constitute a “transfer, assignment, or conversion” of the CON under the Rules and Regulations of the Alabama Certificate of Need Program, Rule 410-1-11-.09. The Company will also enter into a Services Agreement with CHSPSC, LLC, a Delaware limited liability company (“CHSPSC”), pursuant to which CHSPSC will provide administrative services to the Company.

Subject to a determination by the Alabama State Health Planning and Development Agency (“SHPDA”), in accordance with the Rules and Regulations of the Alabama Certificate of Need Program, Rule 410-1-7-.04(2), that a CON is not required to consummate the proposed transaction, the parties intend to close the transaction effective June 1, 2026 (or as soon as possible thereafter).

II. Financial Scope

Under the proposed transaction, the Purchaser will acquire 51% of the equity interest in the Company from the Sellers, in exchange for a price set at fair market value. The proposed transaction will not involve the purchase of any new equipment, new operating costs, or other capital expenditures in excess of the spending thresholds of \$3,436,510 for new equipment, \$1,373,260 for new operating costs, or \$6,866,313 for capital expenditures.

III. Notice of Change of Ownership/Control Form Additional Questions

In accordance with the Notice of Change of Ownership/Control form, we provide the following additional information:

1. Services offered. The proposed transaction will not result in any new or additional services not already authorized and offered by the ASC.
2. New beds. The ASC currently has no beds, and the proposed transaction will not result in the addition of beds.
3. Conversion of beds. Likewise, the proposed transaction will not result in the conversion of beds.
4. Acquisition of assets or stock. As described above, the proposed transaction involves the transfer of 51% of the equity interest in the Company from the Sellers to the Purchaser.

IV. Requested Action

Based on the foregoing, including that the proposed transaction will not constitute a “transfer, assignment, or conversion” of the CON, and will not result in a change in health service, expenditures in excess of the respective thresholds, or any other circumstances that would require issuance of a certificate of need, we respectfully request that you exercise your authority under Rule 410-1-7-.04(2) to determine that a certificate of need is not required to consummate the proposed transaction. In accordance with SHPDA’s rules, a check for \$3,000 will be delivered to SHPDA.

If you have any questions or need further information, please contact me by telephone at (615) 742-7725, by email at justin.brown@bassberry.com, or by mail at address listed above. Thank you for your assistance with this matter.

Sincerely,



Justin K. Brown

Enc.

ATTACHMENT A:

Notice of Change of Ownership/Control Form

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: 073-U3719
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Surgical Institute of Alabama
(ADPH Licensure Name)

Physical Address: 1021 Montgomery Highway, Suite 100
Vestavia Hills, AL 35216

County of Location: JEFFERSON

Number of Beds/ESRD Stations: 0

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. N/A

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: Surgical Clinic Solutions, LLC

Mailing Address: 1021 Montgomery Highway, Suite 100
Vestavia Hills, AL 35216

Operator (Entity Name): Surgical Clinic Solutions, LLC

Part III: Acquiring Entity Information

Name of Entity: Surgical Clinic Solutions, LLC

Mailing Address: 1021 Montgomery Highway, Suite 100
Vestavia Hills, AL 35216

Operator (Entity Name): Surgical Clinic Solutions, LLC

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

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ Please see attached letter.

Type of Beds: N/A

Number of Beds/ESRD Stations: 0

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

Projected Equipment Cost: \$ 0.00

Projected Construction Cost: \$ 0.00

Projected Yearly Operating Cost: \$ 0.00

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): Surgical Clinic Solutions, LLC

By: [Signature]

Operator(s): Surgical Clinic Solutions, LLC

By: [Signature]

Title/Date: Chairman

May 9, 2026

SWORN to and subscribed before me, this 9 day of May, 2026.



(Seal)

Molly Anna Bennett
Notary Public

My Commission Expires: 5/6/2028

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): Surgical Clinic Solutions, LLC By: [Signature] Title: Chairman

Operator(s): CHSPSC, LLC By: _____ Title: _____

Title/Date: See above for titles. May 9, 2026

SWORN to and subscribed before me, this 9 day of May 2026.



(Seal)

Molly Anna Bennett
Notary Public

My Commission Expires: 5/6/2028

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

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): Surgical Clinic Solutions, LLC

By: _____ Title: Chairman

Operator(s): CHSPSC, LLC

By: W. Bradley Cash Title: Executive Vice President

Title/Date: See above for titles.

May, 2026

SWORN to and subscribed before me, this 7th day of May, 2026.

(Seal)

Christine M. Rohland
Notary Public

My Commission Expires: 3-28-2028



Author: Alva M. Lambert

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

History: New Rule

ATTACHMENT B:

Ownership Charts: Before and After the Proposed Transaction

