

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 410
Department or Agency: State Health Planning and Development Agency
Rule No.: Chapter 410-1-13
Rule Title: Certificates of Public Advantage
Intended Action: New

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? No

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? Yes

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

Emily T. Marsal
Emily Marsal

Date

Wednesday, May 20, 2026

REC'D & FILED

MAY 20, 2026

LEGISLATIVE SVC AGENCY

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

NOTICE OF INTENDED ACTION

AGENCY NAME: State Health Planning and Development Agency

RULE NO. & TITLE: Chapter 410-1-13 Certificates of Public Advantage

INTENDED ACTION: New

SUBSTANCE OF PROPOSED ACTION:

Act 2026-522, effective immediately, establishes a framework for the approval and active supervision of cooperative engagements among health care providers through the issuance of Certificates of Public Advantage and requires implementation by the Agency to carry out the clearly articulated policy of the State of Alabama. The Act requires the establishment of a regulatory framework for such engagements.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

On July 15, 2026, at 10:00 a.m., the Certificate of Need Review Board (CONRB) will conduct a public hearing at which time it shall consider the proposed amendment, along with all written and oral submissions in respect to the proposal. Only those interested persons who have made timely written requests will be allowed to speak. The location of the meeting will be posted to the Agency's website, www.shpda.alabama.gov.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Friday, July 3, 2026

CONTACT PERSON AT AGENCY:

Ms. Emily T. Marsal, Executive
Director
State Health Planning and
Development Agency
100 North Union Street, Suite 870
Montgomery, AL 36104
(334) 242-4103

Emily T. Marsal

Emily Marsal

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
ADMINISTRATIVE CODE

CHAPTER 410-1-13
CERTIFICATES OF PUBLIC ADVANTAGE

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410-1-13-.01 Authority and Purpose.

This Rule is adopted pursuant to Act 2026-522 to implement the clearly articulated state policy of the State of Alabama to authorize and actively supervise certain cooperative activities among health care providers, and to establish procedures governing the review, supervision, renewal, amendment, and revocation of Certificates of Public Advantage. The Agency shall act solely through its Executive Director in carrying out the responsibilities assigned under this Rule, subject to review and approval by the Governor or the Governor's designee as provided in Act 2026-522. The issuance, denial, or modification of a Certificate of Public Advantage constitutes the exercise of the State's supervisory authority to determine whether proposed cooperative activities are reasonably necessary to further clearly articulated state policy and shall be conducted as a matter of state regulatory oversight.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.02 Scope and Construction.

(1) This Rule applies to all persons seeking approval of a Cooperative Engagement, as defined herein, pursuant to Act 2026-522. This Rule shall be construed to implement, and not expand, the authority granted by Act 2026-522.

(2) The provisions of Chapter 410-1 governing the review of applications and other filings relating to the Certificate of Need program shall not apply to applications, proceedings, or determinations under this Rule, provided, however, that all filings shall comply with Rules 410-1-3-.08 (Mode of Filing), 410-1-3-.09 (Electronic Filing), and 410-1-3-.10 (Electronic Notice).

(3) Nothing in this Rule shall be construed to modify, limit, or supersede any requirement imposed by the Certificate of Need laws of the State of Alabama or the rules adopted thereunder. The issuance of a Certificate of Public Advantage does not exempt any person or entity from obtaining a Certificate of Need where otherwise required by law, nor does it affect the standards, procedures, or criteria applicable to any Certificate of Need review.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.03 Definitions.

For purposes of this Rule, the following definitions apply:

“Act” means Act 2026-522, as the same may be codified in the Code of Alabama.

“Certificate of Public Advantage” means a written determination issued by the State Health Planning and Development Agency approving a Cooperative Engagement and defining the scope of authorized activities, including any conditions imposed.

"Cooperative Engagement" means any contract, agreement, understanding, practice, or other arrangement, whether written or unwritten, formal or informal, between or among two or more health care providers, pursuant to which the parties engage in coordinated activities authorized under the Act, including the sharing of data or information, collaboration in clinical, administrative, or operational functions, the provision of shared services, and other coordinated activities permitted under the Act. A Cooperative Engagement shall be limited to those activities for which approval is sought and granted through a Certificate of Public Advantage and shall not include any conduct expressly prohibited by the Act.

"Cooperative Activity" means any conduct undertaken pursuant to an approved Cooperative Engagement and within the scope of a Certificate of Public Advantage.

"Certificate Holder" means any person or entity to whom a Certificate of Public Advantage has been issued.

"Application" means a filing submitted to the Agency requesting issuance, renewal, or amendment of a Certificate of Public Advantage.

"Material Change" means a change in the parties, scope, or operation of a Cooperative Engagement that exceeds or is inconsistent with the authority granted in a Certificate of Public Advantage.

"Active State Supervision" means oversight by the Agency and, as provided under the Act, the Governor of Alabama, sufficient to ensure that Cooperative Engagement and Cooperative Activities are conducted in accordance with clearly articulated state policy.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.04 Application.

Any person seeking approval of a Cooperative Engagement shall file an Application with the Agency on the forms prescribed by

the Agency. The Application shall include sufficient detail to describe the parties, the nature and scope of the proposed activities, the anticipated effects of the engagement including any expected impact on competition, and such additional information as the Agency may require. An Application shall not be deemed complete until all requested information has been submitted.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.05 Review and Determination.

The Agency shall review each Application to determine whether the proposed Cooperative Engagement is reasonably necessary to further the state policy set forth in Act 2026-522 and whether the benefits of the proposed arrangement outweigh foreseeable anticompetitive effects. The Agency shall issue its determination within fifteen (15) days of the date the Application is deemed complete, unless the Executive Director extends such period for good cause shown, in which case the Executive Director shall provide written notice of the extension and the basis therefor to the Applicant. Any determination shall be in writing, shall identify the scope of the cooperative activities determined to constitute authorized conduct under state policy, and shall set forth any conditions the Agency determines are necessary to ensure that active state supervision is maintained.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.06 Submission to Governor; Approval.

Following its review, the Agency shall submit the proposed Certificate of Public Advantage, together with its written determination and the administrative record, to the Governor or the Governor's designee for review as required by Act 2026-522. The Agency's determination shall constitute a recommendation and shall not become effective unless and until approved in writing by the Governor or the Governor's designee.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Coode of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.07 Procedures.

Except as otherwise required by applicable law, the Agency may act upon an Application based on written submissions and other information obtained during its review. The Agency may, in its discretion, request additional information or conduct such further review as it deems appropriate. Prior to suspension, material amendment, nonrenewal, or revocation of a Certificate of Public Advantage, the Agency shall provide written notice of the proposed supervisory action and a reasonable opportunity for the Certificate Holder to submit written information or argument for the Agency's consideration. The Agency may, but is not required to, convene an informal conference or receive additional submissions as part of its review. Any determination under this Rule shall be in writing and shall state the basis for the Agency's determination.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.08 Duration and Renewal.

A Certificate of Public Advantage shall be valid for a period not to exceed three (3) years unless otherwise specified. A Certificate Holder seeking renewal shall file an Application demonstrating continued compliance with the Act, utilizing such forms as may be prescribed by the Agency, and shall provide such additional information as may be required by the Agency.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.09 Ongoing Supervision and Reporting.

The Agency shall provide ongoing and active supervision of all Cooperative Engagements approved under this Rule. The Agency may require periodic reports from Certificate Holders and may request

additional information at any time as necessary to carry out its supervisory responsibilities.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.10 Amendment of Cooperative Engagement.

A Certificate Holder shall notify the Agency of any Material Change prior to implementation. The Agency shall determine whether the proposed change constitutes authorized conduct within the scope of the Act and may modify the Certificate accordingly.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.11 Revocation or Suspension.

The Agency may suspend or revoke a Certificate of Public Advantage upon determining that the Cooperative Engagement no longer satisfies the criteria for active state supervision, that the benefits of the engagement no longer outweigh its anticompetitive effects, or that the activities being conducted exceed the scope of authorized conduct set forth in the Certificate. Any such determination shall be in writing and shall state the basis for the supervisory determination.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.12 Fees.

All applications for issuance, renewal, or modification of a Certificate of Public Advantage shall be accompanied by a filing fee of \$2,000.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

410-1-13-.13 Forms.

(1) The following forms are hereby adopted as part of this Rule:

(a) Form CPA-1 - Application for Certificate of Public Advantage;

(b) Form CPA-2 - Application for Renewal of Certificate of Public Advantage; and

(c) Form CPA-3 - Application for Modification of Certificate of Public Advantage.

(2) All Applications filed pursuant to this Rule shall be submitted on the applicable form prescribed herein.

(3) The Agency may require additional information in support of any Application as necessary to carry out its review under the Act.

Author: Emily T. Marsal

Statutory Authority: Act 2026-522, Code of Alabama, 1975.

History: New Rule: Published _____; effective _____.

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No: 410
Department or Agency: State Health Planning and Development Agency
Rule No: Chapter 410-1-13
Rule Title: Certificates of Public Advantage
Intended Action: New

 This rule has no economic impact.

 Yes This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

Act 2026-522, effective immediately, establishes a framework for the approval and active supervision of cooperative engagements among health care providers through the issuance of Certificates of Public Advantage and requires implementation by the Agency to carry out the clearly articulated policy of the State of Alabama. The Act requires the establishment of a regulatory framework for such engagements.

2. COSTS/BENEFITS OF RULE AND WHY RULES IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

None.

3. EFFECT OF THIS RULE ON COMPETITION:

None.

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

None.

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5. **EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:**

None.

6. **SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:**

None.

7. **THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON EFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:**

None.

8. **UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:**

None.

9. **THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:**

None.

10. **DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:**

None.

Signature of certifying officer

Emily T. Marsal

Emily Marsal

Date

Wednesday, May 20, 2026