

Gary Griffin & Associates, Inc.

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MAR 29 2010

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

Hand Delivered March 29, 2010

March 29, 2010

Mr. Alva Lambert
Executive Director
State Health Planning & Dev. Agency
100 North Union Street
RSA Union Building, Suite 870
Montgomery, Alabama 36104

**Re: CON 2271-H for AL2009-008 Baptist Princeton Medical Center --- Request for
Project Modification # 1**

Dear Mr. Lambert:

This letter represents a request for Project Modification # 1 by Baptist Princeton Medical Center. The dollars amounts requested are below the financial thresholds for review provided in CON Rules and Regulations Section 410-1-4-.01. Furthermore, this request does not involve a change in location, or a relocation, or a change in bed capacity or the provision of new services. The Requested Project Modification # 1 is presented in Exhibit 1 compared to the costs in the approved CON 2271-H. Project AL2009-008 had no opposition; thus, there are no parties of record to serve notice of the Project Modification upon. Attached to this letter is the CON Certificate for CON 2271-H.

The requested modification proposes a reduction in the scope of the project related to the third floor and a decrease in the Total Project Cost. This scope reduction proposes to eliminate an access feature (walkway and reception/waiting) on the third floor in favor of a more cost-effective access means.

In Princeton's CON Application, this third floor access feature is shown on page 51 of Attachment 1 - Summary of Construction and Renovation Activities and on page 57 of Attachment 2 - Schematic Drawings, which schematic is attached. For purpose of illustration, a revised schematic drawing is attached showing deletion of the access feature.

Thank you for your attention in this matter. Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Griffin". The signature is fluid and cursive, with a prominent initial "G" and a long, sweeping underline.

Gary Griffin

cc: Mr. Keith Parrott
Ms. Betsy Postlethwait
Mr. Laurence McDuff

Attachments:

Exhibit 1 – Requested Project Modification with Comparison to Approved CON
2271-H

Exhibit 2 - Third floor schematic drawing from CON Application

Exhibit 3 - Third floor schematic drawing showing requested Project Modification # 1

Exhibit 4 - CON Certificate 2271-H

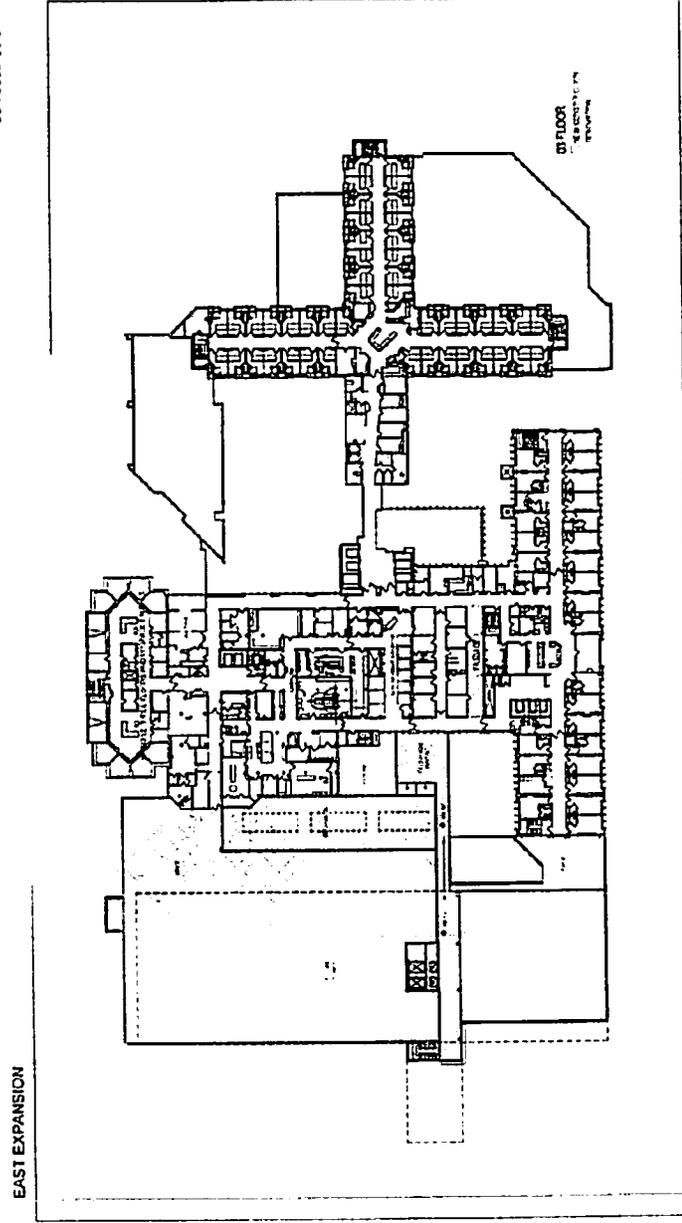
EXHIBIT 1
REQUESTED PROJECT MODIFICATION
WITH COMPARISON TO APPROVED CON 2271-H

	APPROVED CON 2271-H	PROJECT MODIFICATION REQUEST # 1	OVER (UNDER) APPROVED CON
A. Construction (includes modernization, expansion)			
1. Predevelopment	\$ 219,537	\$ 219,537	\$ -
2. Site Acquisition			
3. Site Development	2,291,800	2,291,800	-
4. New Construction	30,074,788	29,156,788	(918,000.00)
5. Professional Fees	5,680,851	5,616,591	(64,260.00)
6. Renovation	6,056,420	6,056,420	-
7. Interest during time period of construction			
8. Attorney and Consultant Fees	See Prof. Fees	See Prof. Fees	
9. Bond Issuance Costs			
10. Other: Routine Project Contingency--Facility & Equipment Related	8,645,582	8,645,582	-
TOTAL COST OF CONSTRUCTION	\$ 52,968,977	\$ 51,986,717	\$ (982,260)
B. Purchase			
1. Facility	\$ -	\$ -	\$ -
2. Major Medical Equipment			
3. Other Equipment	19,000,000	19,000,000	
4. Interest during time of construction			
5. Debt Issuance Costs			
5. Contingency--Equipment	In Facility Related	In Facility Related	
TOTAL COST OF PURCHASE	\$ 19,000,000	\$ 19,000,000	\$ -
C. Lease (Capitalized)			
1. Facility Cost Per Per Lease Period	\$ -	\$ -	\$ -
2. Equipment Cost Per Lease Period			
3. Land-only Lease Cost Per Lease Period			
TOTAL COST OF LEASE(S)	\$ -	\$ -	\$ -
<small>(compute according to generally accepted accounting principles)</small>			
<small>If purchased before financing costs</small>			
D. Services			
1. <input type="checkbox"/> New Service	\$ -	\$ -	\$ -
2. <input type="checkbox"/> Expansion			
3. <input type="checkbox"/> Reduction or Termination			
4. <input checked="" type="checkbox"/> Other	13,404,000	13,404,000	\$ -
FIRST YEAR NEW ANNUAL OPERATING COST	\$ 13,404,000	\$ 13,404,000	\$ -
E. Total Cost of this Project (Total A. through D. should equal V.C. on next page)	\$ 85,372,977	\$ 84,390,717	\$ (982,260)

EXHIBIT 2 - Third Floor Schematic Drawing From CON Application

DRAWING 4 --- THIRD FLOOR

PRINCETON BAPTIST MEDICAL CENTER
8 BIRMGHAM ALABAMA
CON SUBMISSION



princeton

57

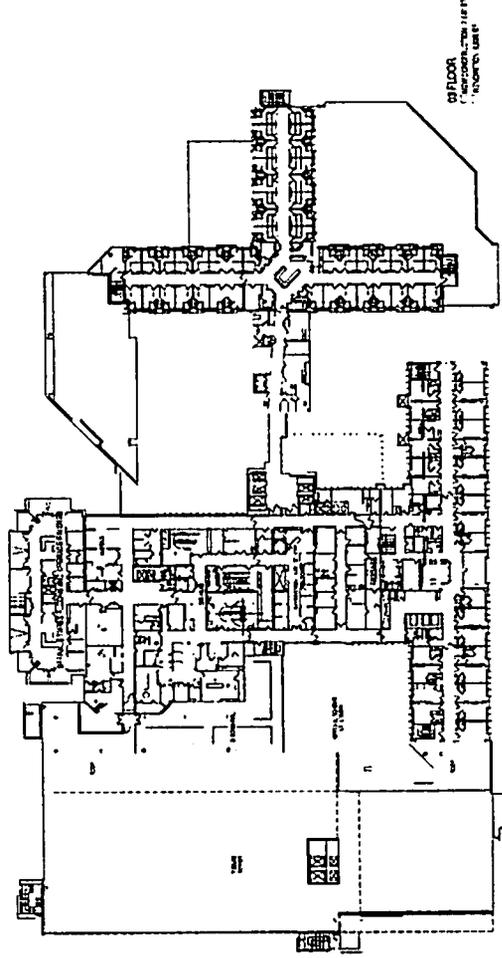
Gary Griffin & Associates, Inc.

EXHIBIT 3 - Third Floor Schematic Drawing Showing Requested Project Modification # 1

PRINCETON HOSPITAL MEDICAL CENTER
2015-2016

Project Modification # 1

EAST PAVILION



01 FLOOR
EAST PAVILION

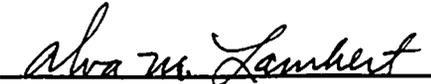
princeton

baptisthealth system
Answering the call.

EXHIBIT 4 - CON Certificate 2271-H

HD-504
(8-95)

**ALABAMA
STATE HEALTH PLANNING & DEVELOPMENT AGENCY
CERTIFICATE OF NEED
FOR HEALTH CARE SERVICES**

I. IDENTIFICATION		
1. Certificate of Need 2271-H	2. Date Issued: April 30, 2009	3. Termination Date: April 29, 2010
4. Project Number: AL2009-008	5. Name of Facility: Baptist Health System, Inc. d/b/a Baptist Princeton Medical Center	
6. Service Area: Jefferson County	7. Location of Facility: 701 Princeton Avenue, Southwest, Birmingham, Alabama 35211	
8. Type of Facility: Hospital	9. Number of Beds: N/A	10. Estimated Cost: \$85,372,977
11. Services to be provided: The applicant will renovate and upgrade its surgery and endoscopic facilities.		
II. CERTIFICATE OF NEED		
In accordance with Section 22-21-260 through 22-21-279, <u>Code of Alabama</u> , 1975, the Certificate of Need Review Board finds as follows:		
<ol style="list-style-type: none"> 1. There is a need for the project. 2. There are in force in the State of Alabama reasonable minimum standards of licensure and methods of operation for hospitals and health facilities. 3. The prescribed standards of licensure and operation will be applied and enforced with respect to the applicant, hospital or other health facility. 		
III. ISSUANCE OF CERTIFICATE OF NEED		
<p>This Certificate of Need is issued to Baptist Health System, Inc. d/b/a Baptist Princeton Medical Center only, for a period not to exceed 12 months from the date of issuance. This Certificate of Need is not transferable and any action on the part of the Applicant to transfer this Certificate of Need will render the Certificate of Need null and void.</p>		
ORIGINAL	 Alva M. Lambert Executive Director	