

Gary Griffin & Associates, Inc.

April 27, 2011

Mr. Alva Lambert
Executive Director
State Health Planning & Dev. Agency
P. O. Box 303025
Montgomery, Alabama 36130-3025

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

MAY 02 2011

RECEIVED

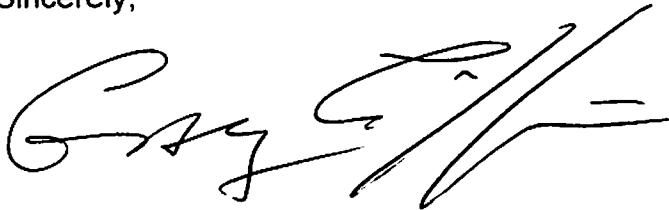
**RE: First Progress Report
CON 2481-PSY
AL2010-144
Laurel Oaks Behavioral Health Center
Dothan, Houston County, Alabama**

Dear Mr. Lambert:

Please consider this letter and attachment the first progress report on the above project. The attached letter is a request for Project Modification that was filed with SHPDA. Please note that the Project Number is incorrect on the Project Modification. The correct Project Number is AL2010-144. The CON Number is correct in the attachment.

Thank you for your assistance in this matter.

Sincerely,



Gary Griffin

Gary Griffin & Associates, Inc.

Health Care Advisors & Planners
P.O. Box 8551 Gadsden, Al. 35902-8551
Tel. 256.546.1GGA(1442)
E-Mail Address: GaryGGA@bellsouth.net

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**RE: Project Modification Request # 1
CON 2481-PSY, AL2010-137
Laurel Oaks Behavioral Health Center
Dothan, Lee County, Alabama**

Dear Mr. Lambert:

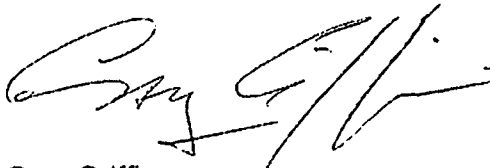
This letter represents a request by Laurel Oaks Behavioral Center for Project Modification # 1. The amounts requested are below the financial thresholds for review provided in CON Rules and Regulations Section 410-1-4-01. Furthermore, this request does not involve a change in location, or a relocation, or a change in bed capacity or the provision of new services.

The dollar amounts in the Requested Project Modification # 1 are presented in Attachment One. In summary, additional dollars are being requested to reflect costs pertaining to: the contested case hearing; HVAC codes; ceiling replacements due to codes; and site work for 34 parking spaces, holding pond and driveway.

The Certification Letter is also attached. This letter or notification has been sent to three presumed parties of record located in the counties of Winston, Etowah and Chilton counties.

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

Sincerely,



Gary Griffin

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**ATTACHMENT ONE
PROJECT MODIFICATION REQUEST # 1 to AL2010-137, CON 2481-PSY
Laurel Oaks Behavioral Health Center
Dothan, Alabama**

	APPROVED CON AL2010-137	PROJECT MODIFICATION ONE REQUEST	REQUESTED INCREASE (DECREASE)
A. Construction (Includes modernization, expansion)			
1. Predevelopment (CON Process Including Contested Case)	\$ -	\$ 100,000	\$ 100,000
2. Site Acquisition			
3. Site Development			
4. New Construction			
5. Professional Fees	2,500	30,000	27,500
6. Renovation	11,000	450,000	439,000
7. Interest during time period of construction			
8. Attorney and Consultant Fees			
9. Bond Issuance Costs			
10. Contingency	2,500	96,000	93,500
TOTAL COST OF CONSTRUCTION	\$ 16,000	\$ 676,000	660,000
B. Purchase			
1. Facility	\$ -		
2. Major Medical Equipment			
3. Other Equipment	15,000	15,000	
4. Interest during time of construction			
5. Debt Issuance Costs			
5. Contingency	3,000	3,000	
TOTAL COST OF PURCHASE	\$ 18,000	\$ 18,000	
C. Lease (Capitalized per GAAP)			
1. Facility Cost Per Lease Period	\$ -	\$ -	\$ -
2. Equipment Cost Per Lease Period			
3. Land-only Lease Cost Per Lease Period			
TOTAL COST OF LEASE(S)	\$ -	\$ -	\$ -
<i>(compute according to generally accepted accounting principles) if purchased before financing costs</i>			
D. Services			
1. New Service	\$ -	\$ -	\$ -
2. X Expansion	610,000	610,000	
3. Reduction or Termination			
4. Other			
FIRST YEAR NEW ANNUAL OPERATING COST	\$ 610,000	\$ 610,000	
E. Total Cost of this Project	\$ 644,000	\$ 1,304,000	660,000

410-1-10-03 (b) Project Modifications After Issuance of Certificate of Need

CERTIFICATE OF SERVICE

I HERBY CERTIFY that I have served a copy of the foregoing upon the listed parties of record by placing same in the United States Mail, postage prepaid and properly addressed, on this the 27th day of April, 2011.

CLANTON HOSPITAL, L.L.C. d/b/a CHILTON MEDICAL CENTER

Ms. Debra Richardson
Chief Executive Officer
1010 Lay Dam Road
Clanton, AL 35045

GADSDEN REGIONAL MEDICAL CENTER

Mr. Stephen Pennington
Chief Executive Officer
1007 Goodyear Avenue
Gadsden, AL 35903

LAKELAND COMMUNITY HOSPITAL, L.L.C. d/b/a LAKELAND COMMUNITY HOSPITAL

Mr. Noel D. Falls
Falls Marketing Group, Inc.
152 South School Street
Fairhope, AL 36532

and to

Administrator/CEO
Lakeland Community Hospital
4024 Hwy 195
P.O. Box 780
Haleyville, AL 35565

Laurel Oaks Behavioral Health Center
(Name of applicant requesting project modification)