



RECEIVED

OCT 19 2011

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

JENNIFER H. CLARK
t: (205) 226-3497
f: (205) 488-5803
e: jclark@balch.com

October 18, 2011

BY HAND DELIVERY

Mr. Alva M. Lambert
Executive Director
State Health Planning and Development
Agency
100 North Union Street
RSA Union Building
Suite 870
Montgomery, AL 36130-3025

Dear Mr. Lambert:

I am writing on behalf of NNA of Alabama, Inc. d/b/a RCG Fort Payne ("RCG") to request a project modification to CON 2516-ESRD. SHPDA issued CON 2516-ESRD on December 2, 2010 allowing RCG to expand the services offered by approving the addition of 3 peritoneal dialysis training stations to the existing 12-station facility.

RCG now respectfully requests the issuance of a project modification to CON 2230-ESRD to reflect that RCG's services to be provided include both home peritoneal dialysis training and home hemodialysis training. (See Exhibit A containing pages of the CON application impacted by the proposed project modification.) This change in the description of the services to be provided will not result in any change in the scope of the project or any increase in costs. This modification will simply enable RCG to utilize its additional approved home training stations for both types of home training services.

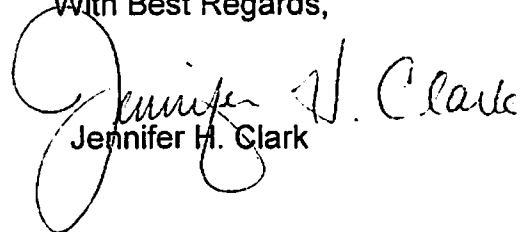
CON 2516-ESRD qualifies for a project modification pursuant to CON Rules and Regulations Section 410-1-10-.03 (project modifications after issuance of CON). We believe that this project modification can be approved by the Executive Director because: (1) the requested modification does not exceed any CON cost thresholds; (2) there will be no change in location from that designated in the original CON; (3) no changes in services or new services are being proposed; (4) no change in station capacity is being proposed; and (5) no other modification is proposed that would otherwise exceed or trigger another CON threshold.

Mr. Alva M. Lambert
October 18, 2011
Page 2

There was no opposition to the approved CON. As such, there are no parties of record in the underlying administrative proceeding that must be notified regarding this proposed project modification.

Thank you for your attention regarding this matter. If you have any questions or concerns, please contact me.

With Best Regards,


Jennifer H. Clark

JHC:rl

EXHIBIT A

TO RCG FORT PAYNE'S PROJECT MODIFICATION REQUEST

Pages from CON Application with Requested
Modification

(Modified language in italics and underlined)

<input checked="" type="checkbox"/> New Service	<input type="checkbox"/> Termination of Service or Facility
Type <u>Home Dialysis Training</u>	
<input type="checkbox"/> Construction/Expansion/Renovation	<input type="checkbox"/> Other Capital Expenditure
<input type="checkbox"/> Change in Service	Type _____

III. EXECUTIVE SUMMARY OF THE PROJECT (brief description)

To accommodate the growing need for home training services, RCG Fort Payne proposes to expand an existing 12 station ESRD facility to enlarge it to a 15 station ESRD unit. The project request includes an additional 3 stations in order to add the service of home peritoneal dialysis training *and home hemodialysis training*, which supports the growing needs of an expanding ESRD patient population in Dekalb County. The Letter of Intent for this proposal is attached as Exhibit "2". Capital expenses for this project will be related construction, equipment and operating costs.

RCG Fort Payne specifically requests that the CON application receive non-substantive review in accordance with the State Health Plan rules and regulations because (i) the project does not entail a capital expenditure of \$500,000.00 or more, (ii) RCG Fort Payne is expanding an existing service and (iii) Sections 410-2-3-.05(2)(a)(1) and 410-2-3-.05(b)(1)(i) of the Alabama State Health Plan provide that the home hemodialysis training stations are removed from the specific need determination of the State Health Plan.



Fresenius Medical Care
North America

**2104 Lorna Ridge Road
Hoover, AL 35216**

Narrative Plan of Operation
FMC Fort Payne, Alabama

This project will primarily service the End Stage Renal Disease patient population of Dekalb County. This medical or health service area is specifically defined in the State Health Plan. The location of the facility is in central Dekalb County. With this location, the majority of patients served are expected to reside in Dekalb county. This project will enhance the operational ability of the existing approved facility by allowing more flexibility in scheduling and more options for patients in their choice and accessibility dialysis treatments. Quality of care and continuity of care will continue to be of the highest standard and will be enhanced by this project through accessibility to an alternative treatment option to incenter hemodialysis due to the addition of peritoneal dialysis services, home hemodialysis services, and educational opportunities. This facility is currently CON approved by the State of Alabama for 12 outpatient, in-center hemodialysis stations and currently offers a nocturnal shift for patients. When licensure and certification is received it is anticipated this facility will function at approximately 80% capacity, with 38 patients on two shifts two days a week and 3 shifts 3 days a week. This is well above the minimal utilization rates applicable to this service area and type of facility. This facility currently contracts with a physician Medical Director, employs a Clinic Manager, Licensed MSW, Licensed Renal Dietician, registered nurses, peritoneal dialysis nurse, pcts and technical staff. The facility staff performs the ancillary services such as lab drawing and medication administration and labs are processed and valued by Spectra Laboratories. Other ancillaries such as housekeeping and lawn maintenance are provided by outside contracted services.