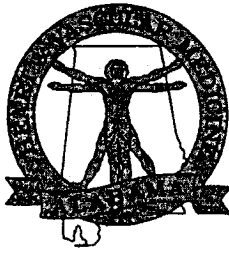


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**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**



ALABAMA HEART & VASCULAR MEDICINE

January 11, 2017

State Health and Planning and Development Agency
100 North Union Street
RSA Union Building, Suite 870
Montgomery, Alabama 36130-3025

Re: Non-Reviewability Determination Request Bama Heart Doc, P.C. dba Alabama Heart and Vascular Medicine

To Whom It May Concern:

On behalf of Alabama Heart and Vascular Medicine, I am writing to submit a reviewability determination request in accordance with the Alabama State Health Planning and Development Agency's Certificate of Need (CON) program rules and regulations. We are planning to add office-based, minimally invasive endovascular treatment of upper and lower extremity arterial and venous disease to our practice. This document will give an overview of the scope of procedures involved. We will also show how the criteria of the Physician Office Exemption, and thus non-reviewability, will be met by our office-based performance of those procedures.

We will perform fluoroscopic based, angiographic arterial and venous interventions limited to vessels of the upper and lower extremities. No cardiac or coronary interventions will be performed. All procedures will be percutaneous and catheter based (no incisions.) The intent is for all procedures to be done under local anesthesia with light conscious sedation for adjunct. No general anesthesia will be administered.

The criteria as adopted by the Supreme Court for the Physician Office Exemption are as follows:

1. The proposed services are to be provided, and related equipment used, exclusively by the physicians identified as owners or employees of the physicians' practice for the care of their patients.
2. The proposed services are to be provided, and related equipment used, at any office of such physicians.
3. All patient billing related to such services are through, or expressly on behalf, of the physicians' practice.
4. The equipment shall not be used for inpatient care, nor by, through, or on behalf of a health-care facility.

Alabama Heart and Vascular Medicine will, through the performance of the procedures previously reviewed, meet the above criteria respectively as follows:

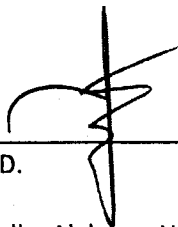
1. Procedures will be performed only by physician owners or physician employees of Alabama Heart and Vascular Medicine.
2. All procedures will be performed in the office of Alabama Heart and Vascular Medicine currently located at 100 Rice Mine Road Loop Suite 104 Tuscaloosa, Alabama 35406. All equipment necessary for the performance of the procedures will be used only in the office of Alabama Heart and Vascular Medicine.
3. All patient billing for the procedures performed will be done on behalf of Alabama Heart and Vascular Medicine.
4. At no time will the equipment used for the performance of our office-based procedures be used for inpatient care, nor by, through, or on behalf of any other health-care facility.

With the support of this document we request that the Alabama State Health Planning and Development Agency grant a determination of non-reviewability to Bama Heart Doc, P.C. dba Alabama Heart and Vascular Medicine for the proposed procedures as described above.

An electronic payment for the filing fee in the amount of \$1000.00 will be made today via the SHPDA online payment portal. Please see the attached financial breakdown.

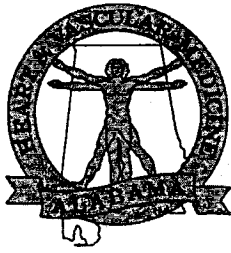
Please do not hesitate to contact us directly at (205) 561-5243 if you require any further information or have any questions.

Sincerely,



G. Phil Hemstreet, M.D.
Owner

Bama Heart Doc, P.C. dba Alabama Heart and Vascular Medicine



ALABAMA HEART & VASCULAR MEDICINE

- 1.) Equipment: Total cost of equipment is \$386,519.96
 - a.) Medical equipment including c-arm, patient monitoring equipment, defibrillator and IVUS for arterial and venous procedures = \$342,519.96 or \$7,259.94 per month. This equipment is being leased through Phillips Medical Capital on a 60 month term with FMV buyout.
 - b.) All other necessary medical equipment/supplies = \$44,000.00
- 2.) Estimated 1st year annual operating costs: Total = \$975,718.64
 - a.) Building Lease - \$67,279.36
 - b.) Equipment Lease - \$87,119.28
 - c.) Supplies – \$600,000.00
 - d.) Wages – \$221,320.00
- 3.) Capital Costs:
 - a.) Leases - \$67,279.36/year
 - b.) Land/Building - \$0
 - c.) Construction Costs - \$169,811.16