

Filed Electronically at: shpda.online@shpda.alabama.gov

July 5, 2024

Ms. Emily T. Marsal
Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Re: RV2024-028R, EAMC-Lanier
SHPDA ID: 017-6530580

Dear Ms. Marsal:

This letter is in response to your July 5, 2024, correspondence requesting additional information regarding EAMC-Lanier's reviewability request proposing to convert from an acute care hospital to a rural emergency hospital (REH).

The additional information that you requested is listed below:

The request indicates EAMC-Lanier is currently authorized for fifty-three (53) acute care beds. This bed count includes twenty (24) acute care beds, seventeen (17) inpatient rehabilitation beds, and twenty (20) geriatric psychiatric beds, for a total of sixty-one (61) beds. The Alabama Department of Public Health (ADPH) Facilities Directory lists EAMC-Lanier as a seventy-eight (78) bed general acute care hospital, which includes seventeen (17) inpatient rehabilitation beds and twenty (20) geriatric psychiatric beds. Please provide the agency with a detailed explanation concerning the number of licensed beds, Certificate of Need (CON) authorized beds at the existing medical facility in Chambers County, Alabama.

There was an error in the July 1, 2024, request for reviewability determination that was submitted to the State Health Planning and Development Agency (SHPDA). Currently, EAMC-Lanier is authorized for a total of fifty-three (53) acute care beds which includes **sixteen (16) acute care beds**, seventeen (17) inpatient rehabilitation beds, and twenty (20) geriatric psychiatric beds. EAMC-Lanier requested a decrease in authorized beds in August 2021 and was granted that decrease in authorized beds on October 19, 2021. I have enclosed a copy of the email that was received from ADPH regarding that decrease in authorized beds as well as EAMC-Lanier's licenses for 2021 through 2024 which all state that EAMC-Lanier has an authorized bed count of fifty-three (53). In addition, according to ADPH's health care facilities'

directory available on their website, EAMC-Lanier's authorized bed capacity is fifty-three (53). A printout from that directory is included as well.

Please let me know if you need any additional information. My sincerest apologies for the confusion that the error in the original letter caused. Thank you for your consideration of this reviewability request.

Sincerely,



Marcilla C. Gross
Executive Director
Regulatory Affairs & Leadership Development

cc: Laura Grill, President/CEO
Dana Billingsley, ADPH

Marcilla Gross

From: Gloria.Harris@adph.state.al.us
Sent: Monday, October 25, 2021 3:37 PM
To: Marcilla Gross
Subject: EAMC - Lanier (H0904)
Attachments: ReportCertificate4 2021-10-25 1533437.pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

CAUTION: If you are unsure if this email is valid or not, please forward it to ITSecurity@eamc.org for review.

Dear Marcilla Gross,

A regular Hospital facility license has been granted to the The East Alabama Health Care Authority to operate the 115 bed **EAMC - Lanier (H0904)**. This license represents an 62 authorized bed capacity decrease of the facility. The license was granted effective October 19, 2021. Verification can be made at <https://www.alabamapublichealth.gov/providerstandardsin> the Facilities Directory section. Any action on the part of the licensee to transfer or divide this license will render the license null and void. This license will expire December 31, 2021 and must be renewed for the 2022 licensure year.

A confirmation letter will be mailed to the facility in the next few days. **Please wait two business days from now to print your license certificate online at <https://dph1.adph.state.al.us/FacilityCertificatePrint>.** Use the following Facility ID and PIN to print your certificate.

Facility ID: H0904

Facility PIN: [REDACTED]

Please destroy the old license certificate after successfully printing and posting the new certificate.

Thanks

Gloria Harris, ASA III
Alabama Department of Public Health
Bureau of Health Provider Standards
Licensure Unit
Office: 334-206-5175
Email: gloria.harris@adph.state.al.us



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Alabama

Certificate # 24892

STATE BOARD OF HEALTH

This is to certify that a license is hereby granted by the State Board of Health to
THE EAST ALABAMA HEALTH CARE AUTHORITY
to operate

EAMC - LANIER

as a

HOSPITAL

This license is valid for the following location

4800 48TH STREET • VALLEY, AL 36854-3666



Licensed Beds: **115**

Auth. Bed Capacity: **53**

H0904

Facility Identification



2021

This License shall expire December 31, 2021.

Scott Harris, MD

Scott Harris, M.D.
State Health Officer

Alabama

Certificate # 25490

STATE BOARD OF HEALTH

This is to certify that a license is hereby granted by the State Board of Health to

THE EAST ALABAMA HEALTH CARE AUTHORITY

to operate

EAMC - LANIER

as a

HOSPITAL

This license is valid for the following location

4800 48TH STREET • VALLEY, AL 36854-3666



Licensed Beds: **115**

Auth. Bed Capacity: **53**

H0904

Facility Identification



2022

This License shall expire December 31, 2022.

Scott Harris, MD

Scott Harris, M.D.
State Health Officer

Alabama

Certificate # 27128

STATE BOARD OF HEALTH

This is to certify that a license is hereby granted by the State Board of Health to

THE EAST ALABAMA HEALTH CARE AUTHORITY

to operate

EAMC - LANIER

as a

HOSPITAL

This license is valid for the following location

4800 48TH STREET • VALLEY, AL 36854-3666



Licensed Beds: **115**

Auth. Bed Capacity: **53**

H0904

Facility Identification



2023

This License shall expire December 31, 2023.

Scott Harris, MD

Scott Harris, M.D.
State Health Officer

Alabama

Certificate # 29112

STATE BOARD OF HEALTH

This is to certify that a license is hereby granted by the State Board of Health to

THE EAST ALABAMA HEALTH CARE AUTHORITY

to operate

EAMC - LANIER

as a

HOSPITAL

This license is valid for the following location

4800 48TH STREET • VALLEY, AL 36854-3666



Licensed Beds: **115**

Auth. Bed Capacity: **53**

H0904

Facility Identification



2024

This License shall expire December 31, 2024.

Scott Harris, MD

Scott Harris, M.D.
State Health Officer

Hospitals

Chambers County

EAMC - Lanier
4800 48th Street
Valley, AL 36854-3666 (334) 756-9180
78 bed General Hospital
17 bed Specialized Rehabilitation Hospital
20 bed Specialized Geriatric Psychiatric Hospital

Authorized bed capacity: 53

Licensee Type: Hospital Authority
Administrator: Greg Nichols
Fac ID: H0904 License: Regular
Medicare: 01-0175
Deemed Status

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July 1, 2024

Ms. Emily T. Marsal
Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Re: Reviewability Determination Request
EAMC-Lanier Rural Emergency Hospital Conversion

Dear Ms. Marsal:

On behalf of EAMC-Lanier, I am writing to submit a reviewability determination request in accordance with Section 410-1-7-.02 of the Alabama State Health Planning and Development Agency's Certificate of Need ("CON") Rules and Regulations with regards to converting EAMC-Lanier from an acute care hospital to a rural emergency hospital ("REH"). EAMC-Lanier believes that this conversion is not subject to CON review under the current rules and regulations; however, EAMC-Lanier is asking for a formal opinion from the State Health Planning and Development Agency ("SHPDA").

EAMC-Lanier, formally known as George H. Lanier Memorial Hospital, is in Chambers County and has been serving residents since it opened on January 18, 1950. It is worthy to note that EAMC-Lanier was the first hospital in the nation to qualify for funding under the Hill-Burton Act. Just as the hospital did seventy-four years ago, it continues to serve as a valuable healthcare resource for residents of Chambers County. As a rural hospital, EAMC-Lanier is facing many of the same financial and workforce staffing challenges that other rural hospitals are facing across the country. It is extremely important that the residents of Chambers County have access to quality health care. To ensure that these residents continue to have access to healthcare services, the conversion to a REH is necessary.

The Consolidated Appropriations Act of 2021 was signed into law on December 27, 2020, and established REHs as a new Medicare provider type to give rural communities more access to health care. Both the Centers for Medicare and Medicaid Services ("CMS") and the Alabama Department of Public Health ("ADPH") have developed rules and regulations on how a rural general acute care hospital can convert to a REH. A REH must provide twenty-four-hour emergency services and can provide additional outpatient medical and health services that do

not exceed an annual per patient average length of stay of twenty-four (24) hours or greater. In addition, a REH is not allowed to operate any inpatient services.

To qualify to become a REH, a hospital had to be enrolled and certified in Medicare as of December 27, 2020 and be a critical access hospital or a subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act) with not more than fifty (50) beds located in a county (or equivalent unit of local government) in a rural area (as defined in section 1886(d)(2)(D) of the Social Security Act) otherwise known as rural hospital.¹ EAMC-Lanier classifies as rural per the REH requirements as EAMC-Lanier is classified as rural on Worksheet S-2 Part 1 of its cost report that covers December 27, 2020.² Currently, EAMC-Lanier is authorized for a total of fifty-three (53) acute care beds which includes twenty-four (24) acute care beds, seventeen (17) inpatient rehabilitation beds, and twenty (20) geriatric psychiatric beds. Per the REH regulations, REHs are not allowed to operate distinct part units except for skilled nursing facility distinct part units. Furthermore, for REH purposes, the number of beds is calculated by taking the number of available bed days during the cost reporting period and dividing it by the number of days in the cost reporting period both at the time the REH designation was enacted (December 27, 2020) and during the most recent cost reporting period.³ This calculation confirms that EAMC-Lanier meets the REH requirement of not having more than fifty (50) beds.

To convert to a REH, EAMC-Lanier will discontinue all inpatient services including the services it currently provides in its two distinct part units. If EAMC-Lanier receives a non-reviewable determination from SHPDA, the formal application process with CMS and ADPH will begin. This will include applying for a REH license from ADPH and receiving final approval from CMS.

The current CON thresholds are: \$3,322,582.00 for major medical equipment, \$1,327,734.00 for new annual operating costs, and \$6,638,679.00 for other capital expenditures. All expenditures associated with this conversion will be below these three thresholds.

In addition, the following information is included to ensure that SHPDA has the information it needs to process this request:

1. *Name of Applicant:* EAMC-Lanier
2. *Address and Contact Information:* Address of Facility
4800 48th Street
Valley, Alabama 36854

¹ <https://www.cms.gov/medicare/health-safety-standards/guidance-for-laws-regulations/hospitals/rural-emergency-hospitals>

² <https://ruralemergencyhospital.rhrco.org/wp-content/uploads/2024/06/REH-FAQ-April-2024-v16.pdf> (page 8)

³ <https://ruralemergencyhospital.rhrco.org/wp-content/uploads/2024/06/REH-FAQ-April-2024-v16.pdf> (page 7)

Address for Contact Information

Laura Grill
President/CEO
2000 Pepperell Parkway
Opelika, Alabama 3680
(334) 528-1310
laura.grill@eamc.org

3. *Service Area:* Chambers County
4. *Services to be provided:* EAMC-Lanier plans to provide twenty-four (24) hour emergency services as well as hospital outpatient services. There will not be any inpatient services provided upon conversion. The same outpatient services that are currently available to the residents of Chambers County at EAMC-Lanier will still be available after the REH conversion. These services include, but are not limited to, outpatient imaging, laboratory services, and rehabilitation services. Other services that will still be available on the EAMC-Lanier campus include nursing home services and ambulatory surgery.
5. *Financial Breakdown, Approximate Costs:*
Expenditures for the proposed REH conversion are as follows:

Renovation and Construction:	\$75,000.00
Equipment and Furnishings:	\$ 0.00
New Annual Operating Costs:	\$ 0.00

6. *Financial Interests:*
The East Alabama Health Care Authority is the only entity with a financial interest in this proposed conversion.

Based on the information provided above, we respectfully request your determination that EAMC-Lanier is not required to obtain a CON for its conversion to a REH. An attestation from the requesting party is enclosed. Since EAMC-Lanier is a rural provider, the required filing fee is not required. I appreciate your consideration of this request and welcome the opportunity to address any questions regarding this matter.

Sincerely,



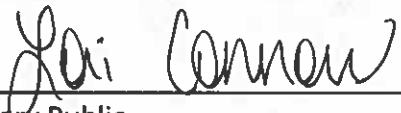
Laura Grill
President/CEO

Affirmation of Requesting Party:

The undersigned, Laura Grill, being first duly sworn, hereby makes oath or affirms that she is the President/CEO of The East Alabama Health Care Authority d/b/a EAMC-Lanier, has knowledge of the facts in this request, and to the best of her information, knowledge and belief, such facts are true and correct.

Affiant  _____
Laura Grill

SUBSCRIBED AND SWORN to before me this 1 day of July 2024.

 _____
Notary Public

My commission expires: 9/8/2025

