

Jennifer Clark
jclark@bradley.com
205.521.8020 direct



April 15, 2025

RV2025-032
RECEIVED

Apr 15 2025

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

Via Electronic Filing
(shpda.online@shpda.alabama.gov)

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

**RE: Affinity Hospital, LLC d/b/a Grandview Medical Center
Request for Reviewability Determination**

Dear Mrs. Marsal:

On behalf of Affinity Hospital, LLC d/b/a Grandview Medical Center ("Grandview"), we are writing to request your determination, pursuant to Rule 401-1-7-.02 of the Alabama Certificate of Need Program Rules and Regulations ("CON Rules"), that Grandview is not required to obtain a Certificate of Need ("CON") to operationalize two (2) operating rooms located in a professional office building on Grandview's campus. In order to assist with this determination, we offer the following information.

Grandview Medical Center ("Grandview") is a 434-bed, Joint Commission-accredited tertiary care hospital located in Jefferson County, Alabama. Grandview proposes to expand the hospital's existing surgical services by operationalizing two (2) additional operating rooms located within existing space in an on-campus professional office building. As background, on January 31, 2021, the State Health Planning and Development Agency ("SHPDA") issued Certificate of Need 2982-H allowing Grandview to expand the hospital's existing surgical services by constructing outpatient surgical space in a new professional office building on the hospital's campus. The approved project was completed, and the outpatient surgical space in the new professional office building is now operational. Due to increased demand for surgical services, Grandview proposes to operationalize two (2) additional operating rooms within the existing outpatient surgical space in the professional office building. Construction will be coordinated with ongoing operations to ensure minimal disruption to ongoing patient care throughout the renovation process. Further, the proposal will allow Grandview to continue to meet the current and future demand for surgical services for patients in Jefferson County and beyond.

The expenditures by Grandview associated with this proposal will not exceed any of the CON expenditure thresholds, as set forth in Ala. Code 22-21-263 and CON Rules 410-1-4-.01 and 410-1-2-.07, and as indexed for inflation and set forth in SHPDA's September 23, 2024, New Certificate of Need Application Fee and Monetary Threshold for Review Memorandum. Specifically, the cost estimates for the proposal are as follows:

1. Equipment Cost Estimate – \$ 2,957,500
2. New Annual Operating Cost Estimate – \$ 960,438
3. Construction Cost Estimate – \$ 346,114

The currently effective CON review monetary thresholds are \$3,379,066.00 for major medical equipment; \$1,350,305.00 for new annual operating costs, and \$6,751,537.00 for any other capital expenditures. Thus, the cost estimates for the proposed expenditures associated with this proposal fall below the applicable statutory CON review monetary thresholds, as indexed by SHPDA.

Therefore, the proposal does not constitute a “new institutional health service” subject to CON review under Ala. Code 22-21-263 and CON Rule 410-1-4-.01 because the proposal does not include any of the following:

1. The construction, development, acquisition through lease or purchase or other establishment of a healthcare facility or health maintenance organization;
2. Any expenditure by or on behalf of a health care facility or health maintenance organization exceeding the CON statutory thresholds for major medical equipment, new annual operating costs, or any other capital expenditure by or on behalf of a health care facility;
3. The addition of any inpatient beds or conversion of one classification of beds into another classification of beds;
4. Any health service which is proposed to be offered in or through a health care facility which was not offered on a regular basis in or through such health care facility within the preceding twelve-month period;
5. Any relocation of a health care facility; or
6. Any other reviewable activity under existing CON statutes or regulations of the State of Alabama.

As such, we respectfully request SHPDA’s determination that the proposal described within this letter is not subject to CON review. The applicable fee will be paid via the online SHPDA portal. Please let me know if any additional information is needed in order to complete your review of this Reviewability Determination Request.

With Warm Regards,

A handwritten signature in cursive script that reads "Jennifer Clark". The signature is written in black ink and is positioned above the printed name.

Jennifer Clark

JHC

cc: Sydney H. Willmann (swillmann@bradley.com)

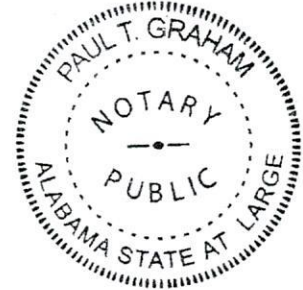
Enclosure

Affirmation of Requesting Party:

The undersigned, being first duly sworn, hereby makes oath or affirms that he, an employee of Grandview Medical Center has knowledge of the facts in the attached Request for Reviewability Determination, and to the best of his/her information, knowledge and belief, such facts are true and correct.

Daniel McKinney
Daniel McKinney
Grandview Medical Center

(SEAL)



SUBSCRIBED AND SWORN to before me this 14th day of April, 2025.

Paul T. Graham
Notary Public

My commission expires: 2/13/2027

Sydney H. Willmann

Associate
swillmann@bradley.com
205.521.8298 direct



April 28, 2025

Via Electronic Filing
(shpda.online@shpda.alabama.gov)

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

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Apr 29 2025

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

**RE: Affinity Hospital, LLC d/b/a Grandview Medical Center
Request for Reviewability Determination**

Dear Ms. Marsal:

This letter is written in response to your April 23, 2025, letter requesting additional information relating to Affinity Hospital, LLC d/b/a Grandview Medical Center's ("Grandview") Request for Reviewability Determination filed on April 15, 2025.¹

First, you requested that we "provide a disclosure of financial interests in the entity requesting the reviewability determination held by any other healthcare facilities or groups." The entity requesting the reviewability determination is Affinity Hospital, LLC d/b/a Grandview Medical Center. Affinity Health Systems, LLC is the sole member of Affinity Hospital, LLC. Affinity Health Systems, LLC is owned by Birmingham Holdings, LLC and Birmingham Holdings II, LLC. Birmingham Holdings, LLC and Birmingham Holdings II, LLC are both wholly owned by Tennyson Holdings, LLC, which is a wholly-owned downstream subsidiary of CHS/Community Health Systems, Inc.

Second, you requested that we "provide this Agency with additional details concerning the new equipment for the proposal." The equipment costs are broken down as follows:

Type of Equipment	Cost
Medical Equipment ²	\$2,900,000
Furniture	\$1,750
Med/Com Equipment	\$25,000
Signage	\$750
Medical Equipment Planners	\$22,500
IT Equipment Planners	\$7,500
Total Equipment Cost:	\$2,957,500

¹ A copy of the State Health Planning and Development Agency's additional information request is attached hereto.

² Medical equipment includes surgical tables, lights, c-arms, cabinets, monitors, etc.

April 28, 2025

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Please let me know if any additional information is needed in order to complete the State Health Planning and Development Agency's review of Grandview's Reviewability Determination Request.

With Warm Regards,

/s/ Sydney H. Willmann

Sydney H. Willmann
Associate

SHW

cc: Jennifer Clark (jclark@bradley.com)



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

April 23, 2025

Jennifer H. Clark, Esquire
Bradley Arant Boult Cummings LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203-2119

RE: RV2025-032
Affinity Hospital, LLC d/b/a
Grandview Medical Center
SHPDA ID: 073-6530161

Dear Ms. Clark:

This letter is written in response to the above referenced Reviewability Determination Request received April 15, 2025, on behalf of *Affinity Hospital, LLC d/b/a Grandview Medical Center*, a four hundred thirty-four (434) bed, Joint Commission-accredited tertiary care hospital in Jefferson County, Alabama. The request indicates that Certificate of Need (CON) 2982-H was issued January 31, 2022 to add four (4) operating rooms and two (2) procedure rooms on the existing medical campus in Jefferson County, noting the project was completed and the outpatient surgical space in the new professional office building is now operational. The applicant states due to increased demand, Grandview Medical Center proposes to expand the hospital's current surgical services by operationalizing two (2) additional operating rooms located within existing outpatient surgical space in an on-campus professional office building. It is asserted construction will be coordinated with ongoing operations to ensure minimal disruption to ongoing patient care throughout the renovation process.

Supplemental information is required on behalf of this request.

- The request states Affinity Hospital, LLC d/b/a Grandview Medical Center seeks to operationalize two (2) operating rooms located within existing surgical space in a professional office building on the hospital campus in Jefferson County, Alabama. Please provide a disclosure of financial interests in the entity requesting the reviewability determination held by any other healthcare facilities or groups.
- The applicant estimates \$2,957,500.00 in equipment costs for the proposed expansion/renovation project. Please provide this Agency with additional details concerning the new equipment for the proposal.

Additional review will be conducted upon receipt of the requested information.

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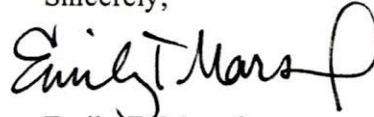
April 23, 2025

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Pursuant to ALA. ADMIN. CODE r. 410-1-3-.09, all documents to be filed must be submitted electronically to shpda.online@shpda.alabama.gov in text searchable, PDF format.

Should you have any questions, please contact the Agency at (334) 242-4103.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily T. Marsal", with a large, stylized flourish at the end.

Emily T. Marsal
Executive Director

ETM:mst

cc: Sydney H. Willmann, Esquire