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June 4, 2025

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

RV2025-039R  
**RECEIVED**  
Jun 04 2025

STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY

*Via Electronic Mail to: Emily.Marsal@shpda.alabama.gov;  
shpda.online@shpda.alabama.gov; Teresa.Lee@shpda.alabama.gov*

RE: Reviewability Request - Lakeland Community Hospital  
Critical Access Hospital Conversion

Dear Ms. Marsal:

Our firm represents The Health Care Authority of Haleyville and Winston County, Alabama, an Alabama Health Care Authority (the "Board"). The Board owns and operates Lakeland Community Hospital ("LCH" or the "Hospital"), which is a general acute care hospital in Haleyville, Alabama. Winston County is one of the more rural and sparsely populated counties in the State of Alabama, ranking 43 out of 67 counties. The Board has determined that conversion to Critical Access Hospital ("CAH") status is necessary and desirable to ensure the Hospital can continue to serve the citizens of Winston County in the current healthcare environment. The purpose of this letter is to request a determination by the State Health Planning and Development Agency ("SHPDA") that the conversion of Lakeland Community Hospital from a General Acute Care Hospital to CAH status is not reviewable under Alabama Certificate of Need ("CON") laws and regulations.

A CAH is a Medicare provider type which was created through the enactment of the Balanced Budget Act of 1997. The Centers for Medicare and Medicaid Services ("CMS") and the Alabama Department of Public Health ("ADPH") have implemented rules recognizing a process for conversion of a rural general acute

care hospital to a CAH.<sup>1</sup> CMS and ADPH generally have the same requirements to convert from a rural general acute care hospital to CAH status. Among other things, CAHs are required to provide 24-hour emergency care, may provide certain other outpatient services, and are limited to 25 authorized acute care beds.<sup>2</sup>

The Hospital is located in a rural area for purposes of the CAH requirements because it is not located in an urban area or a metropolitan statistical area, as determined by the U.S. Census Bureau. Currently, the Hospital is a general acute care hospital with 49 licensed (CON-authorized) beds and 49 authorized beds. The Hospital plans to reduce the number of authorized inpatient acute care beds from 49 to 25 and enroll as a CAH if a non-reviewability determination is granted, ADPH approves a CAH license for the Hospital, and CMS approves the Hospital's conversion to CAH status.

As of October 1, 2023 and continuing through the date of filing of this request, the 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 any other capital expenditures. All of the projected expenditure amounts for this project are below these thresholds.

The following information is provided as a part of this request:

1. Name of applicant: Lakeland Community Hospital, Inc, dba Lakeland Community Hospital. LCH is owned by The Health Care Authority of Haleyville and Winston County, Alabama.
2. Address and contact information: The hospital is located at 42024 Alabama Highway 195, Haleyville, Alabama 35565. The Hospital's CEO/Administrator is Cherie Sibley. She may be reached at (205)485-7108 or [Cherie.Sibley@lch.care](mailto:Cherie.Sibley@lch.care)
3. Service Area: Winston County, Alabama
4. Services to be provided: Inpatient acute care services limited to 25 authorized beds, twenty-four hour Emergency Department and Outpatient Services as a Critical Access Hospital. At this time, the Hospital does not intend to

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<sup>1</sup> The Alabama Department of Public Health (ADPH) published final CAH licensure rules. See *Ala. Admin. Code Ch. 420-5-7-.03*. ADPH's definition of a CAH is found on Page 15 of the hospital licensure rules. Generally, the ADPH licensure rules track CMS requirements.

<sup>2</sup> 42 C.F.R. § 485 Subpart F.

provide any new or different services compared to what is currently offered by Hospital.

5. Financial breakdown, approximate costs: The Hospital estimates the following new costs associated with the CAH conversion project.

a. <u>Equipment and Furniture:</u>	\$ <u>0</u>
b. <u>First year new annual operating costs:</u>	\$ <u>0</u>
c. <u>Capital Costs:</u>	
i. <u>Leases:</u>	\$ <u>0</u>
ii. <u>Land/Building costs:</u>	\$ <u>0</u>
iii. <u>Construction Costs:</u>	\$ <u>0</u>

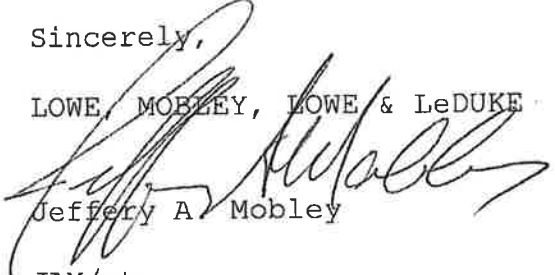
6. The Board is the only entity with a financial interest in the project.

We request SHPDA's determination that the proposed offering of CAH services in Winston County is not subject to CON review because it does not involve any expenditure in excess of the CON monetary thresholds, because the conversion of a rural general acute care hospital to a CAH does not add any health services which are subject to review, and because Hospital will reduce its authorized inpatient bed complement from 49 beds to 25 beds in accordance with CAH regulations. Because the Hospital is rural, no filing fee will be submitted, pursuant to Alabama Code Section 22-21-265 and Rule 410-1-7-02, titled "Reviewability Determination Request."

Thank you for your timely response to this request. Please contact me at your earliest convenience if you have any questions or need additional information regarding this matter.

Sincerely,

LOWE, MOBLEY, LOWE & LeDUKE



Jeffery A. Mobley

JAM/st

AFFIRMATION OF REQUESTING PARTY

The undersigned, Cherie Sibley, being first duly sworn, hereby makes oath or affirms that she is the Chief Executive Officer of Lakeland Community Hospital and 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

Cherie Sibley  
Cherie Sibley, CEO

SUBSCRIBED AND SWORN to before me this 4<sup>th</sup> day of June, 2025.



Tabitha Edwards

Notary Public

My Commission Expires: 9/3/25

Jun 11 2025

STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY**LML&L** **LOWE MOBLEY LOWE & LEDUKE**  
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June 11, 2025

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

Via Electronic Mail to: [Emily.Marsal@shpda.alabama.gov](mailto:Emily.Marsal@shpda.alabama.gov);  
[shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov); [Teresa.Lee@shpda.alabama.gov](mailto:Teresa.Lee@shpda.alabama.gov)

RE: Amended Reviewability Request - Lakeland Community Hospital  
Critical Access Hospital Conversion

Dear Ms. Marsal:

Our firm represents The Health Care Authority of Haleyville and Winston County, Alabama, an Alabama Health Care Authority (the "Board"). The Board owns and operates Lakeland Community Hospital ("LCH" or the "Hospital"), which is a general acute care hospital in Haleyville, Alabama. Winston County is one of the more rural and sparsely populated counties in the State of Alabama, ranking 43 out of 67 counties. The Board has determined that conversion to Critical Access Hospital ("CAH") status is necessary and desirable to ensure the Hospital can continue to serve the citizens of Winston County in the current healthcare environment. The purpose of this letter is to request a determination by the State Health Planning and Development Agency ("SHPDA") that the conversion of Lakeland Community Hospital from a General Acute Care Hospital to CAH status is not reviewable under Alabama Certificate of Need ("CON") laws and regulations.

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As of October 1, 2024 and continuing through the date of filing of this request, the CON 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. All of the projected expenditure amounts for this project are below these thresholds.

The following information is provided as a part of this request:

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2. Address and contact information: The hospital is located at 42024 Alabama Highway 195, Haleyville, Alabama 35565. The Hospital's CEO/Administrator is Cherie Sibley. She may be reached at (205)485-7108 or [Cherie.Sibley@lch.care](mailto:Cherie.Sibley@lch.care)
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c. <u>Capital Costs:</u>	
i. <u>Leases:</u>	\$ <u>0</u>
ii. <u>Land/Building costs:</u>	\$ <u>0</u>
iii. <u>Construction Costs:</u>	\$ <u>0</u>

6. The Board is the only entity with a financial interest in the project.

We request SHPDA's determination that the proposed offering of CAH services in Winston County is not subject to CON review because it does not involve any expenditure in excess of the CON monetary thresholds, because the conversion of a rural general acute care hospital to a CAH does not add any health services which are subject to review, and because Hospital will reduce its authorized inpatient bed complement from 49 beds to 25 beds in accordance with CAH regulations. Because the Hospital is rural, no filing fee will be submitted, pursuant to Alabama Code Section 22-21-265 and Rule 410-1-7-02, titled "Reviewability Determination Request."

Thank you for your timely response to this request. Please contact me at your earliest convenience if you have any questions or need additional information regarding this matter.

Sincerely,

LOWE, MOBLEY, LOWE & LeDUKE

Jeffery A. Mobley

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AFFIRMATION OF REQUESTING PARTY

The undersigned, Cherie Sibley, being first duly sworn, hereby makes oath or affirms that she is the Chief Executive Officer of Lakeland Community Hospital and 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

Cherie Sibley  
Cherie Sibley, CEO

SUBSCRIBED AND SWORN to before me this 11th day of June, 2025.



Janetha Edwards

Notary Public

My Commission Expires: 9-3-25