

Holland & Knight

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RV2025-040

RECEIVED

Jun 20 2025

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

June 20, 2025

VIA EMAIL (SHPDA.ONLINE@SHPDA.ALABAMA.GOV)

Hon. Emily T. Marsal, Executive Director
State Health Planning and Development Agency
100 North Union Street
RSA Union Building, Suite 870
Montgomery, Alabama 36130-3025

**Re: Non-Reviewability Determination Request – USA Health Infusion Center
Relocation and Expansion**

Dear Ms. Marsal:

We are writing to submit a reviewability determination request (“Request”) in accordance with Section 410-1-7-.02 of the Alabama State Health Planning and Development Agency’s (“SHPDA”) certificate of need (“CON”) program rules and regulations (the “Rules”) with regard to the relocation and expansion of the outpatient infusion department (“Infusion Center”) located within the USA Health (“USA Health”) University Hospital main hospital building at 2451 University Hospital Drive, Mobile, Alabama 36617 (“UH”).

1. *Description of the Project.* Currently, the Infusion Center is located on the 9th floor of UH and USA Health plans to relocate it to the ground floor of the UH hospital building. Additionally, the current Infusion Center has six (6) infusion chairs and upon relocation USA Health plans to have up to twelve (12) infusion chairs on the ground floor of the UH hospital building. USA Health will generally offer the same infusion center services that it now offers in the relocated and expanded UH Infusion Center, including outpatient drug infusions, injections, blood transfusions and other related therapies. (collectively, the “Project”)

2. *Estimated Costs.* This Project will not exceed any of the CON expenditure thresholds specified in Section 410-1-2-.07 of the Regulations. The estimated incremental costs associated with the Project are as follows: (1) Incremental Operating Costs - \$896,851 (threshold is \$1,350,305.00); (2) Major Medical Equipment Cost - \$30,000 (approximately \$5,000 per additional infusion chair); and (3) Renovation Costs – approximately \$50,000.

3. *Legal Analysis.* We note that the Project:

- a) does not involve the establishment of a new “health care facility” under CON law; *see* Ala. Code § 22-21-260(6); and

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Houston | Jacksonville | Los Angeles | Miami | Nashville | Newport Beach | New York | Orlando | Philadelphia | Portland
Richmond | San Francisco | Seattle | Stamford | Tallahassee | Tampa | Tysons | Washington, D.C. | West Palm Beach

- b) does not involve offering a new “health service” under CON law since USA Health already operates the 6-chair Infusion Center at UH; *see* Ala. Admin. r. 410-1-2-.06 (Defining “Health Services” as “Clinically related (i.e., diagnostic, curative or rehabilitative) services, including alcohol, drug abuse and mental health services customarily furnished on either an inpatient or outpatient basis by health care facilities, but not including the lawful practice of any profession or vocation conducted independently of a health care facility and in accordance with applicable licensing laws of this State”); and
- c) does not involve the purchase of any new major medical equipment exceeding the cost thresholds (only minimal equipment costs of approximately \$5,000 per additional infusion chair are anticipated); and
- d) does not represent an increase in incremental annual operating costs exceeding the cost threshold; and
- e) involves no capital expenditures exceeding the cost threshold, with only minimal renovation costs associated with the Project as described above; and
- f) does not involve any change in the service area of the UH Infusion Center nor any new services to be provided by USA Health.

This Project will not involve the addition of inpatient acute care beds or the conversion of one classification of beds into another classification of beds. Further, this change will not result in the provision of any new institutional health services not already offered at USA Health’s existing UH Infusion Center.

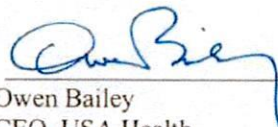
Based on the foregoing information, we respectfully request that SHPDA grant a determination of non-reviewability for the Infusion Center Project. An attestation from the requesting party is enclosed herein. In accordance with SHPDA Rule 410-1-7-.02, the filing fee of \$1,000.00 for this Letter of Non-Reviewability has been paid via the SHPDA electronic payment portal. Please do not hesitate to contact me at kristen.larremore@hkllaw.com or (205) 226-5747 if you require any further information or have any questions.

Very truly yours,

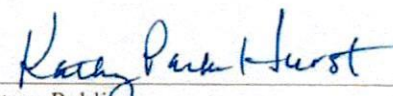
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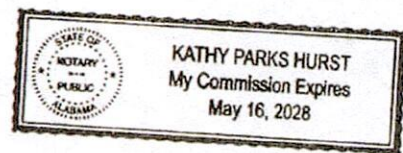
The undersigned, being first duly sworn, hereby makes oath or affirms that he is the Chief Executive Officer of USA Health and that he has knowledge of the facts in this request, and to the best of his information, knowledge and belief, such facts are true and correct.

Affiant: 
Owen Bailey
CEO, USA Health

SUBSCRIBED AND SWORN to before me this 18th day of June, 2025.


Notary Public
My commission expires: May 16, 2028

(SEAL)



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Hon. Emily T. Marsal, Executive Director
State Health Planning and Development Agency
100 North Union Street
RSA Union Building, Suite 870
Montgomery, Alabama 36130-3025

**Re: Supplement to Non-Reviewability Determination Request – USA Health Infusion
Center Relocation and Expansion**

Dear Ms. Marsal:

I am writing to submit a supplement to the reviewability determination request (“Request”) previously filed in accordance with Section 410-1-7-.02 of the Alabama State Health Planning and Development Agency’s (“SHPDA”) certificate of need (“CON”) program rules and regulations (the “Rules”) with regard to the relocation and expansion of the outpatient infusion department (“Infusion Center”) located within the USA Health (“USA Health”) University Hospital main hospital building at 2451 University Hospital Drive, Mobile, Alabama 36617 (“UH”).

This supplement is to provide confirmation that the Infusion Center Project at UH is located within Mobile County, Alabama.

Please do not hesitate to contact me at kristen.larremore@hklaw.com or (205) 226-5747 if you require any further information or have any questions.

Very truly yours,



Kristen A. Larremore

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July 1, 2025

VIA EMAIL (SHPDA.ONLINE@SHPDA.ALABAMA.GOV)

Hon. Emily T. Marsal, Executive Director
State Health Planning and Development Agency
100 North Union Street
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This supplement is to provide additional information as requested regarding USA Health and UH. USA Health UH is a 406-bed licensed acute care hospital, is a division of the University of South Alabama (“USA”), a public body corporate and a state institution of higher learning and has no separate legal status or ownership from USA. UH is an academic medical center and is a regional referral center component division of USA, serving Mobile and Baldwin Counties, Alabama; South Central Mississippi; and Northwest Florida. UH is governed by the USA Board of Trustees, which includes the current members:

Member:	County/Area Represented:
Kay Ivey, Ex Officio President	Governor, State of Alabama
Katherine Alexis Atkins, Chair pro tempore	Mobile
Lenus M. Perkins, Vice Chair	State at Large
William Ronald Graham, Secretary	16 th and 17 th Districts, Butler, Conecuh, Covington, Monroe and Wilcox Counties
Chandra Brown Steward	Mobile County
Dr. Scott A. Charlton	23 rd , 25 th , and 30 th Districts, Coffee, Crenshaw, Dale, Dallas, Geneva and Lowndes Counties
Dr. Steven P. Furr	19 th and 20 th Districts, Choctaw, Clarke, Marengo, Sumter, & Washington Counties
Luis Gonzalez	United States at Large

Hon. Emily T. Marsal

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Meredith Mitchell Hamilton	State at Large
Robert D. Jenkins, III	United States at Large
Bill W. Lewis, II	State At Large
Arlene Mitchell	33 rd District, Mobile County
James H. Shumock	State At Large
Dr. Steven H. Stokes	35 th District, Henry and Houston Counties
Michael P. Windom	State At Large
James A. Yance	21 st District, Baldwin and Escambia Counties

UH along with its affiliated hospitals, USA Health Children's & Women's Hospital and USA Health Providence Hospital, make up the hospital system commonly referred to as "USA Health".

Please do not hesitate to contact me at kristen.larremore@hklaw.com or (205) 226-5747 if you require any further information or have any questions.

Very truly yours,



Kristen A. Larremore