RV2027-003
RECEIVED
Oct 14 2026
STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Tuscaloosa Rehabilitation And Hand Center

9/21/2026

VIA Electronic filing

Shpda.online@shpda.alabama.gov

Executive Director

Alabama State Health Planning and Development Agency

RSA Union Building

100 North Union Street, Suite 870

Montgomery, Al 36104

Re: Request for Reviewability Determination (in accordance with SHPDA rule 410-1-3-.09

Tuscaloosa Rehabilitation and Hand Center, Inc. (AL2013-035-E, CON 2613-REHAB-E)

5690 Watermelon Road

Northport, AL 35473

Tuscaloosa County

(205) 759-2211

Proposed Expansion through leasing additional space at 4310 Watermelon Rd. Northport, Al. 35473 (less than 1 mile from current location).

Dear Executive Director:

Tuscaloosa Rehabilitation and Hand Center, Inc. is requesting a determination concerning whether expansion through leasing additional space for a satellite clinic near our current location is subject to a certificate of need. The new location would

be located at 4310 Watermelon Rd., Northport, AL 35473 (address is subject to change upon completion of construction).

Due to the current cost of commercial property and limited ability to expand at our current location, we have determined the best course of action for expansion would be to lease additional space in a location that is convenient to our current location. We also feel the new location is desirable due to accessibility in and within the property. At our current location we do not have adequate land on our property to add any more space. The only space available is on the other side of our parking lot and due to limited parking, it would not be a viable option to expand our current building into that space. Cost is also an issue. Construction cost for new commercial health care building is currently $350 - $400/sq ft and current land cost near to us is approximately $300,000 - $400,000 per ¼ acre. Building a 1618 sq ft facility (the same size we hope to lease) would cost between $556,300 – $647,200 plus land cost of $300,000 - $400,000 would put total real estate cost at $856,000 - $1,047,200. Where the lease would place our monthly cost at $3500 and yearly cost at $42,000. At that rate it would take us 25 years (without interest) to spend the same amount of money. Equipment and build-out cost in the space we plan to lease would be approximately $96,000. Our build-out cost will be around $60,000 and total capital expense would be close to $36,000 (Office supplies $8300, Clinic supplies $27,700). We would use our current staff to provide care in the new location for the first year. Therefore, we expect our first-year operating cost to be approximately $78000 ($3500 lease + $3000 utilities and supplies = $6500/month or $78,000/year). It is our belief that saving money through leasing will provide us with the ability to expand our current treatment space and purchase the most up to date equipment to provide the best care possible.

Our plan would be to offer the same services we currently offer at our current location but expand our treatment area to a convenient location that would allow an increase in our volume of patients and that would increase our accessibility to the population in our current area. These are all services that are needed in our community and would be of benefit to the health of our community.

The projected date for completion of the space we would lease is October 2027. We would then officially sign the lease agreement and plan a move in date.

Tuscaloosa
Rehabilitation
And
Hand
Center

Leasing the space close to our current office would allow us to expand our clinic without taking on considerable cost that may be detrimental to our business and be detrimental to our patients receiving care. We opened our doors in 2005 and over that time we have treated over 26000 patients. We are currently the only privately owned certified rehabilitation center in our area. The cost of property, employees, equipment, supplies, insurance, etc.... has all increased and continues to be a challenge to negotiate and remain viable. Being able to lease additional space near our current location and continue to provide our current services to our patients would not only be the best way forward for our clinic but would also be the best way forward for our patients. We hope this information will allow us to move forward with our project without the added expense and time-consuming process of obtaining another certificate of need.

Sincerely,

Greg Hobbs Owner, OTR/L, MSPT, CHT, Cert. DN, Cert. SMT **(primary contact- 205-759-2211)**

Derek Babin Owner, OTR/L, CHT **(secondary contact – 205-759-2211)**

Attestation by an officer, partner, or authorized agent of the company, knowing the facts disclosed in the reviewability request, utilizing the following form: Affirmation of Requesting Party: The undersigned, being first duly sworn, hereby makes oath or affirms that he/she is [include position with entity requesting the determination], has knowledge of the facts in this request, and to the best of his/her/their information, knowledge, and belief, such facts are true and correct. Affiant _____ (SEAL) SUBSCRIBED AND SWORN to before me this 13th day of October. 2026 My commission expires July 29, 2030 Notary Public

BRYTON REID TANNER
Notary Public
Alabama State at Large
My Commission Expires Jul 29, 2030

5690 Watermelon Road, Suite 100, Northport, Alabama 35473
Phone: 205-759-2211 Fax: 205-759-2213

RV2027-003

RECEIVED

Nov 02 2026

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Tuscaloosa Rehabilitation And Hand Center

10/19/2026

VIA Electronic filing

Shpdaonline@shpda.atabama.gov

Executive Director

Alabama State Health Planning and Development Agency

RSA Union Building

100 North Union Street, Suite 870

Montgomery, Al 36104

Dear Emily T. Marsal, Executive Director,

This is in response to the letter sent from SHPDA on 10/19/2026 requiring certain supplemental information be provided related to RV2027 – 003 Tuscaloosa Rehabilitation and Hand Center, Inc. SHPDA ID: 125-R6304.

1. Certificate of Need (CON) expenditure threshold totals, effective October 1, 2026, were $3,553, 351.00 for major medical equipment; $1,419,951.00 for new annual operating cost; and $7,099,768.00 for capital expenditures.
2. Tuscaloosa Rehabilitation and Hand Center, Inc. is owned by Derek Babin and Greg Hobbs and no other entity has any vested interest in Tuscaloosa Rehabilitation and Hand Center, Inc.

If there is any other information needed, please do not hesitate to contact me.

Sincerely,

Greg Hobbs Owner, OTR/L, MSPT, CHT, Cert. SMT

greghobbs@trahc.net

(205) 759-2211