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MAY 13 2014



STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY
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May 12, 2014

VIA FEDEX

Mr. Alva Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street
RSA Union Building
Suite 870
Montgomery, AL 36130-3025

RE: Change of Ownership; Bio-Medical Applications of Alabama, Inc. d/b/a Fresenius Medical Care West Jefferson; Certificate of Need 2610-ESRD

Dear Mr. Lambert:

We respectfully submit to the State Health Planning and Development Agency ("SHPDA") this letter as an attachment to the Notice of Change of Ownership form that we are filing pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules"). The proposed change of ownership involves the transfer of CON 2610-ESRD from the current CON-holder to a new limited liability company that is 100% owned by the current CON-holder.

The facility that is subject of this change is a 13-station ESRD facility located in Jefferson County, Alabama (the "Facility") that is currently under construction. The Facility was authorized by CON 2610-ESRD that was granted to Bio-Medical Applications of Alabama, Inc. ("BMA") on April 4, 2013.

I. Overview of Proposed Transaction.

The transaction is proposed to occur on or about July 1, 2014. The transaction will involve the transfer of the Facility under construction and CON 2610-ESRD to Fresenius Medical Care McCalla, LLC, a newly-formed Delaware limited liability company authorized to do business in Alabama ("FMC McCalla"). FMC McCalla is owned 100% by BMA, the current CON-holder. Thus, BMA and FMC McCalla are members of a parent-subsiary controlled group as defined in 26 U.S.C. § 1563.

Alabama Code § 22-21-270(e) provides that "prior to becoming vested under subsection (d), a certificate of need shall not be transferable, assignable, or convertible other than to an entity under common ownership and control." (Emphasis added) Because this proposed transaction involves the transfer of CON 2610-ESRD to a wholly-owned subsidiary of the current legal entity holding the CON, this proposed transfer meets the requirements for transfers allowed by section 22-21-270(e).

II. SHPDA Requirements for Change of Ownership

Addressing the questions posed in the Change of Ownership Application, please note the following:

1. The Financial Scope of the Project. BMA transfer the Facility currently under construction and CON 2610-ESRD to FMC McCalla, which is a wholly-owned subsidiary of BMA. Because the entities are both under common ownership and control, there will be no material financial effects from the transaction.

2. Services to be Offered. The contemplated transaction will not result in any new or additional services to those already authorized to be provided by BMA. In short, all other aspects of the project remain unchanged.

3. Whether the Proposal will Include the Addition of Any New Beds. The contemplated transaction will not result in the addition of new beds.

4. Whether the Proposal will Involve the Conversion of Beds. The contemplated transaction will not result in the conversion of beds.

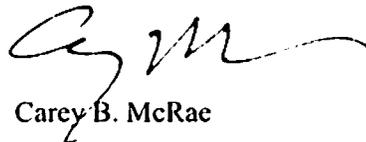
5. Whether the Assets and Stock (if any) will be acquired. As described more particularly above, FMC McCalla will acquire the Facility under construction and CON 2610-ESRD from BMA.

III. Requested Action

Based upon the above description of the proposed transaction and a showing that there will be no change in health services, conversion of beds, or increase or decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a Certificate of Need is not required because the transfer of ownership is exempt from CON review under Alabama Code Section 22-21-270(e). In accordance with the Rules, I am enclosing with this request a check in the amount of \$2,800 made payable to the Alabama State Health Planning and Development Agency.

Should you have any questions or need further information, please feel free to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Sincerely,



Carey B. McRae

Enclosures

RECEIVED**CHANGE OF OWNERSHIP**

MAY 13 2014

Part I: Purchasing Organization InformationSTATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

Name of Organization: Fresenius Medical Care McCalla, L.L.C.

Facility Name:
(ADPH Licensure name) Fresenius Medical Care West Jefferson

SHPDA ID Number: CON 2610-ESRD

Address (PO Box #): 920 Winter Street

City, State, Zip, County: Waltham Massachusetts 02451

Number/Type Licensed Beds: N/A

Owner(s): Currently Bio-Medical Applications of Alabama, Inc. (100%);
Following Change of Ownership: Bio-Medical Applications
of Alabama, Inc. as sole member of Fresenius Medical Care
McCalla, L.L.C.

Operator(s): Fresenius Management Services, Inc. (management company)

Part II: Selling Organization Information

Name of Organization: Bio-Medical Applications of Alabama, Inc. d/b/a
Fresenius Medical Care West Jefferson

Address (PO Box #): 920 Winter Street

City, State, Zip, County: Waltham, Massachusetts 02451

Number/Type Licensed Beds: N/A

Owner(s): Bio-Medical Applications Management Company, Inc.

Operator(s): Same as owner

Part III: Value of Consideration

Monetary Value of Purchase: \$ Please see attached letter No./Type Beds: N/A

Terms of Purchase: Please see attached letter
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need AuthorityNumber of Beds: N/A

Types of Institutional Health Services: End Stage Renal Disease

List Service Area by County for Home Health Agencies: N/A

On an Attached Sheet Please Address the Following:

- *1.) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.
- *2.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service).
- *3.) Whether the proposal will include the addition of any new beds.
- *4.) Whether the proposal will involve the conversion of beds.
- *5.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

I certify that I agree to provide the information necessary (financial, utilization of services and beds, etc.) so the new owner can have the necessary information to complete reports as necessary for the entire fiscal year. The purchaser has agreed to these terms,

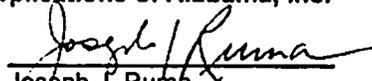
Seller(s) Signature(s):

Owner(s): **Bio-Medical Applications of Alabama, Inc.**

By:

Name:

Title/Date:


 Joseph J. Ruma
 Vice President, May 12, 2014

Operator(s): Same as Owner

I certify that I will be responsible for retaining records as necessary to complete reports required for the entire fiscal year, and agree to these terms. I have enclosed a check in the amount of \$2,800* made payable to 'Alabama State Health Planning and Development Agency' to cover the cost of the change of ownership.

YES NO The above Purchaser and Seller have agreed to these purchase terms.

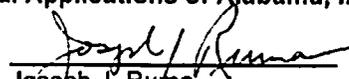
Purchaser Signature: **Fresenius Medical Care McCalla, L.L.C.**

By: **Bio-Medical Applications of Alabama, Inc., its sole member**

By:

Name:

Title/Date:


 Joseph J. Ruma
 Vice President, May 12, 2014