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SEP 09 2015

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

September 9, 2015

Mr. Alva Lambert
Executive Director
State Health Planning and Development Agency
P.O. Box 303025
Montgomery, AL 36130-3025

Re: Change of Ownership Gardendale Surgical Associates, LLC, an Ambulatory Surgery Center
in Jefferson County, Alabama

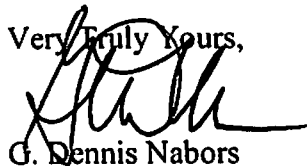
Dear Mr. Lambert:

Please be advised that Gardendale Surgical Associates, LLC ("Gardendale") is being acquired by our client, Brookwood Medical Center. Gardendale is an Ambulatory Surgery Center properly authorized and doing business in Jefferson County, Alabama in the City of Gardendale. You will find enclosed the following documents:

1. Application/Change of ownership.
2. A check payable to SHPDA for \$2500.
3. Answers to Questions on Page 2 of the SHPDA Chow form/regulation.

If you have any questions please do not hesitate to call.

Very Truly Yours,



G. Dennis Nabors

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STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

CHANGE OF OWNERSHIP

Part I: Purchasing Organization Information

Name of Organization: Brookwood Medical Center

Facility Name:
(ADPH Licensure name) Gardendale Surgical Associates, LLC

SHPDA ID Number: 073-43712

Address (PO Box #): 2213 Decatur Highway

City, State, Zip, County: Gardendale, AL 35671 Jefferson

Number/Type Licensed Beds: 4 OR, 2 Procedure Rooms

Owner(s): Brookwood Medical Center

Operator(s): Brookwood Medical Center

Part II: Selling Organization Information

Name of Organization: See Attached

Address (PO Box #): "

City, State, Zip, County: "

Number/Type Licensed Beds: "

Owner(s): "

Operator(s): "

Part III: Value of Consideration

Monetary Value of Purchase: \$10.00 No./Type Beds: 4 OR, 2 Procedure Rooms

Terms of Purchase: See Attached
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds: 4 OR, 2 Procedure Rms

Types of Institutional Health Services: Ambulatory Surgery Center

List Service Area by County for Home Health Agencies: NA

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):

Operator(s):

Title/Date:

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 \$2,500 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:

Title/Date:

Gardendale Surgical Associates, LLC Ambulatory Surgery Center

Selling Organizations:

- 1) Practice Partners in Healthcare, Inc. sold it's 70.80%
 - a. 1 Chase Corp Drive, Suite 200, Birmingham, AL 35244
- 2) MH Med, LLC (Mike Hudson) sold it's 7.10%
 - a. 1128 Camellia Circle, Birmingham, AL 35226
- 3) DGMedventure, LLC (Denise Gamel) sold it's 1.50%
 - a. 2217 Decatur Hwy, Suite 101, Gardendale, AL 35071
- 4) Dr. Jeff Cusmariu sold his .40%
 - a. 494 Lake Colony Way, Birmingham, AL 35242

Per Page 2:

1. *The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating cost.*
 - a. The ASC has seen consistent financial losses since inception. The facility had current liabilities with vendors as well as long term debt related to equipment it could not service. A third party appraiser determined the value of the ASC to be negligible. The selling parties were paid a total of \$10.00 for their equity. In addition to the purchase price the purchaser paid off all outstanding debts as well as renegotiated the building lease to remove all previous owners from the lease liability.
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 presented offered service, or whether the service is a new service)*
 - a. There will be no change in the services currently being provided at the ASC.
3. *Whether the proposal will include the addition of any new beds.*
 - a. There will be no addition of beds, operating rooms or procedure rooms to the existing ASC.
4. *Whether the proposal will involve the conversion of beds.*
 - a. There will be no conversion of beds.
5. *Whether the assets and stock (if any) will be acquired.*
 - a. Brookwood Medical Center has been a 20% owner in the ASC since inception. This transaction is simply Brookwood purchasing the stock from all other partners to make this a 100% Brookwood owned entity.