



JUL 11 2017

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

July 11, 2017

Via Federal Express

Mr. Alva M. Lambert
Executive Director
State Health Planning & Development Agency
100 North Union Street
Suite 870
Montgomery, Alabama 36104

Re: Notice of Proposed Change in Ownership of PCD Gadsden

Dear Mr. Lambert:

On behalf of Fresenius Kidney Care Gadsden Acq, LLC, a subsidiary of Fresenius Medical Care Holdings, Inc., 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 purchase by Fresenius Kidney Care Gadsden Acq, LLC of PCD Gadsden, an ESRD facility located in Etowah County (the "Facility") from Physicians Choice Dialysis of Gadsden, LLC ("PCD"). The following summarizes the transaction proposed to take place on or about July 21, 2017, and addresses SHPDA requirements for a change of ownership.

Description of the Proposed Transaction

Enclosed for your reference as Exhibit A are details regarding the Facility that will be owned by Fresenius Kidney Care Gadsden Acq, LLC immediately following the closing of the Proposed Transaction. PCD is authorized to operate the Facility pursuant to the authority granted to it under RV 2010-016. The Proposed Transaction involves the acquisition by Fresenius Kidney Care Gadsden Acq, LLC of the Facility and related assets. In consideration for the assets being transferred, Fresenius Kidney Care Gadsden Acq, LLC will make a fair market value payment to PCD.

SHPDA Requirements for Changes of Ownership

In answer to the specific questions posed in the Change of Ownership Application, please note the following:

1. **The Financial Scope of the Project.** The financial scope of the project will encompass the fair market value payment that Fresenius Kidney Care Gadsden Acq, LLC will make to PCD as consideration for the transfer of the Facility and related assets.
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 the Facility.
3. **Whether the Proposal Will Include the Addition of Any New Beds.** The contemplated transaction will not result in the addition of new beds or dialysis stations.

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

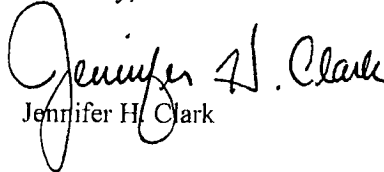
5. Whether the Assets and Stock (if any) Will be Acquired. As described more particularly above, Fresenius Kidney Care Gadsden Acq, LLC will acquire the Facility assets from PCD.

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 for the consummation of this Proposed Transaction. In accordance with the Rules, I am enclosing with this request a check in the amount of \$2,500.00 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,


Jennifer H. Clark

Enclosures

EXHIBIT A

Facility Impacted by the Proposed Transaction

FACILITY NAME	ADDRESS	PCD SELLER ENTITY
PCD Gadsden	800 Goodyear Avenue Gadsden, AL 35903 (Etowah County)	Physicians Choice of Gadsden, LLC

RECEIVED

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STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

State Health Planning and Development Agency

Alabama CON Rules & Regulations

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

- ☒ Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))
☐ Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))
☐ Change in Facility Management (Facility Operator)
 Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 055-D2804
 (This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)
 Name of Facility/Provider: PCD Gadsden
 (ADPH Licensure Name)
 Physical Address: 800 Goodyear Avenue
Gadsden, AL 35903
 County of Location: ETOWAH
 Number of Beds/ESRD Stations: 22
 CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Not applicable.

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: Physicians Choice Dialysis of Gadsden LLC
 Mailing Address: 211 Commerce Courts Ste. 104
Pottstown, PA 19464
 Operator (Entity Name): Same as Owner

Part III: Acquiring Entity Information

Name of Entity: Fresenius Kidney Care Gadsden Acq, LLC
 Mailing Address: 920 Winter Street
Waltham, Massachusetts 02451

Operator (Entity Name):

Fresenius Management Services, Inc.

Proposed Date of Transaction Is
on or after:

07/14/2017

Part IV: Terms of Purchase

Monetary Value of Purchase:

\$ See attached letter.

Type of Beds:

Not Applicable.

Number of Beds/ESRD Stations:

22

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment,
Construction, and Yearly Operating Cost:

Not applicable. See attached letter.

Projected Equipment Cost:

\$

Projected Construction Cost:

\$

Projected Yearly Operating Cost:

\$

Projected Total Cost:

\$ 0.00

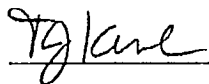
On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information**Current Authority Signature(s):**

The Information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s):



Thomas J. Karl

Operator(s):

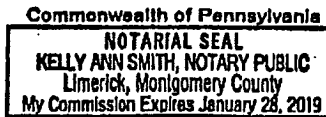
Title/Date:

Manager/owner

6/27/2017

SWORN to and subscribed before me, this 27 day of June, 2017.

(Seal)

Kelly Smith
Notary PublicMy Commission Expires: 1/28/2019

Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): [Signature]

Operator(s): _____

Title/Date: VP / 7-6-17SWORN to and subscribed before me, this 6 day of July, 2017.

(Seal)

[Signature]
Notary PublicMy Commission Expires: 10/17/2020

Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule