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STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

BURR::FORMAN LLP
results matter

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July 6, 2018

VIA EMAIL, ORIGINAL TO FOLLOW BY FEDERAL EXPRESS

Mr. Alva M. Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery Alabama 36104
shpda.online@shpda.alabama.gov

**Re: Notice of Change of Ownership
Hospice of Tennessee Valley, Inc.
077-P2325
Anticipated Effective Date: August 6, 2018**

Dear Mr. Lambert:

I respectfully submit this Notice of Change of Ownership pursuant to Section 410-1-7-.04 of the Rules and Regulations of the Alabama Certificate of Need Program (the "CON Rules") in anticipation of the proposed transaction described below. The Change of Ownership involves Hospice of Tennessee Valley, a hospice located in Lauderdale County, Alabama (the "Hospice"). The following is a summary of the proposed transaction:

I. Scope of the Transaction

1. Hospice of Tennessee Valley, Inc., an Alabama corporation (the "Seller"), is the current owner and operator of the Hospice.
2. Preston Health Services, Inc., an Alabama Corporation ("Preston"), has entered into an Asset Purchase Agreement with the Seller, as assigned to Community

Care Hospice, LLC (the "Purchaser"), pursuant to which the Purchaser plans to acquire from the Seller substantially all of the personal property and assets of the Hospice, as well as the associated rights to operate the Hospice in all SHPDA-authorized service areas.¹ The proposed transaction does not include the sale of stock. Following the Closing Date, the Purchaser will continue to provide hospice services in the SHPDA-authorized service areas of Colbert, Franklin, Lauderdale, Lawrence, and Limestone counties.

3. It is contemplated that the above-described asset purchase transaction will close on or around August 6, 2018, subject to applicable regulatory approval ("Closing Date"). Should the Closing Date change, I will notify your office accordingly.

II. Financial Scope of the Project

The purchase price of the transaction is \$1,625,000.00, subject to post-closing adjustments that may ultimately reduce the purchase price. The Change of Ownership transaction will not involve new construction, the purchase of any new equipment, or the incurrence of new operating costs.

III. Services to be Offered

1. The proposed transaction does not involve the offering of any new institutional health services.
2. The proposed transaction will not result in the addition or reduction of beds.

¹ The Seller has appropriate authority to operate the Hospice in the following counties: Colbert, Franklin, Lauderdale, Lawrence, and Limestone.

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3. The proposed transaction will not involve the conversion of beds.
4. The Purchaser has not previously offered hospice services.

In accordance with the CON Rules, enclosed please find a check in the amount of \$2,500.00 for the Change of Ownership Filing fee. Also enclosed, please find an executed Notice of Change of Ownership form.

Based on the facts presented above, I respectfully request that you exercise your authority under § 410-1-7-.04 of the CON Rules and determine that neither a certificate of need, nor any further certificate of need regulatory review, is required for the consummation of the above-described proposed transaction.

Should you have any questions or need further information, please feel free to contact me at (205) 458-5325 or at cthompson@burr.com.

Sincerely,



Chris Thompson

CRT
Enclosures (\$2,500 Filing Fee and CHOW Form)

cc: Mr. Jim Walker
Richard J. Brockman, Esq.
Kelli Fleming, Esq.

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: 077-P2325
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Hospice of Tennessee Valley, Inc.
(ADPH Licensure Name)

Physical Address: 115 Helton Court
Florence, Alabama 35630

County of Location: Lauderdale

Number of Beds/ESRD Stations: N/A – In-Home Hospice

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Colbert, Franklin, Lauderdale, Lawrence, and Limestone

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: Hospice of Tennessee Valley, Inc.

Mailing Address: 115 Helton Court
Florence, Alabama 35630

Operator (Entity Name): Hospice of Tennessee Valley, Inc.

Part III: Acquiring Entity Information

Name of Entity: Community Care Hospice, LLC

Mailing Address: 230 West Main
Centre, Alabama 35960

Operator (Entity Name): Community Care Hospice, LLC

Proposed Date of Transaction is on or after: August 6, 2018

Part IV: Terms of Purchase

Monetary Value of Purchase: \$1,625,000.00 (Subject to negative adjustments)

Type of Beds: Hospice

Number of Beds/ESRD Stations: N/A

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

Projected Equipment Cost: \$ N/A. The transaction involves an asset purchase for a hospice whose CON has vested. There will be no additional expenditures, other than the purchase price, as a result of this change of ownership.

Projected Construction Cost: \$ N/A

Projected Yearly Operating Cost: \$ N/A

Projected Total Cost: \$ N/A

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): Hospice of Tennessee Valley, Inc. *Blake Edwards*

Operator(s): Hospice of Tennessee Valley, Inc. *Blake Edwards*

Title/Date: Blake Edwards, President 7/5/2018

SWORN to and subscribed before me, this 5th day of July, 2018.

(Seal)

Suzanne Wheat
Notary Public

My Commission Expires: 9-25-2019

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): Community Care Hospice, LLC *James P. Walker, Jr.*

Operator(s): Community Care Hospice, LLC *James P. Walker, Jr.*

Title/Date: James P. Walker, Jr., Owner 7/5/2018

SWORN to and subscribed before me, this 5th day of July, 2018.

(Seal)

Suzanne Wheat
Notary Public

My Commission Expires: 9-25-2019

Author: Alva M. Lambert

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

History: New Rule

BURR & FORMAN LLP

NO. 446438

Vendor State Health Planning and Development Agency

Check Date 07/06/2018

<u>Invoice</u>	<u>Date</u>	<u>Amount</u>	<u>Description</u>
070618-A	7/6/2018	\$2,500.00	CHOW filing fee - 077- P2325

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK.

HOLD AT AN ANGLE TO VIEW. DO NOT CASH IF NOT PRESENT.

BURR & FORMAN LLP

420 N 20th Street
Suite 3400
Birmingham, AL 35203

WELLS FARGO BANK

Check No. 446438

Date: 07/06/2018

Void After 180 days

Pay: ***Two thousand five hundred and 00/100***

\$*****2,500.00***

Pay
To The
Order Of

State Health Planning and Development Agency

[Handwritten Signature]

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FORM NO. 9713B
SUPER SAFETY - ANTI-FRAUD PROTECTION