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CO2024-028

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Jul 19 2024

STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY

R. TAYLOR STEEN  
DIRECT DIAL: 334.409.2231  
EMAIL: TSTEEN@GILPINGIVHAN.COM

July 18, 2024

***Via E-Filing to: shpda.online@shpda.alabama.gov***

**State Health Planning and Development Agency**

Ms. Emily Marsal, Esq.  
100 North Union Street, Suite 870  
Montgomery, Alabama 36104

***Re: City of Jackson Health Care Authority – Acquisition of Jackson Medical Center  
Our File No. 12938.0001***

Dear Ms. Marsal:

On behalf of City of Jackson Health Care Authority (“Authority”), please accept this letter and filing as notice of a proposed transaction between the Authority and Jackson Medical Center, LLC (“Seller”), which currently operates Jackson Medical Center (“JMC”), a general acute care hospital, and Jackson Home Health (“JHH”), a home health agency, both located in Clarke County, Alabama. Both JMC and JHH are operated by Seller under existing Certificate of Need Authority previously granted to it by the State Health Planning and Development Agency (“SHPDA”).

Pursuant to an Asset Purchase Agreement, the Authority will obtain all assets, other than those excluded by the parties, necessary for the Authority to operate both JMC and JHH. Subject to and assuming approval of SHPDA, the Alabama Department of Public Health’s issuance of a license for the Authority to operate JMC, and CMS approval of the changes of ownership referenced herein, the parties anticipate closing the transaction on September 30, 2024. The Authority will hold all ownership and control over JMC and JHH following closing. An organizational chart demonstrating the change in control of JMC and JHH as a result of this transaction is attached hereto in the Appendix as A-3.

Following closing, the Authority will simply assume the existing operations of both JMC and JHC. As such, this transaction will not result in a change in health services, nor will it result in the addition of new beds or conversion of existing beds. Additionally, the proposed transaction does not involve the purchase of new equipment, the undertaking of new construction or the addition of new operating costs. As demonstrated on Attachments A-1 and A-2, Terms of Purchase, the capital expenditure thresholds are not exceeded as a result of this transaction.

GILPIN GIVHAN

SHPDA

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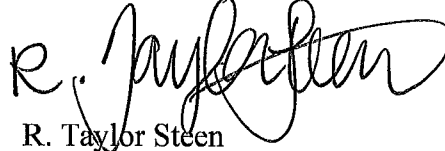
In sum, the proposed transaction will not result in a change in service, spending above the capital expenditure thresholds, conversion of beds, or increase in capacity. Accordingly, we respectfully request that you exercise your authority under Ala. Admin. Code r. 410-1-7-.04(2) to determine that a CON is not required for the consummation of the proposed transaction.

As not to delay processing of the notice of change of ownership for JMC and JHH, I have already submitted payment of the \$2,500 reviewability determination fee for each Change of Ownership application through the payment portal on the SHPDA website. Copies of the receipts are attached for your reference in the Appendix at A-4.

Should you have any questions or require any additional information, please feel free to contact me.

Very truly yours,

GILPIN GIVHAN, PC

  
R. Taylor Steen

RTS:dk

Enclosures

Jul 19 2024

**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: 025-H7112  
(This can be found at [www.shpda.alabama.gov](http://www.shpda.alabama.gov), Health Care Data, ID Codes)  
Name of Facility/Provider: Jackson Medical Center Home Health  
(ADPH Licensure Name)  
Physical Address: 3748 N College Ave.  
Jackson, Alabama 36545  
County of Location: CLARKE  
Number of Beds/ESRD Stations: 0  
CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Clarke County

**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: Jackson Medical Center, LLC  
3748 N College Ave.  
Mailing Address: Jackson, Alabama 36545  
Jackson Medical Center, LLC  
Operator (Entity Name):

**Part III: Acquiring Entity Information**

Name of Entity: City of Jackson Health Care Authority  
Mailing Address: 400 Commerce Street  
Jackson, Alabama 36545

Operator (Entity Name): City of Jackson Health Care Authority

Proposed Date of Transaction is on or after: 9/30/2024

#### Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 3010000

Type of Beds: n/a

Number of Beds/ESRD Stations: 0

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

Projected Equipment Cost: \$ 0

Projected Construction Cost: \$ 0

Projected Yearly Operating Cost: \$ 0.00

Projected Total Cost: \$ 0

#### 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.

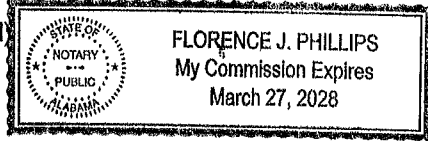
Owner(s):  \_\_\_\_\_

Operator(s):  \_\_\_\_\_

Title/Date: Authorized Officer 7/10/24

SWORN to and subscribed before me, this 10<sup>th</sup> day of July, 2024.

(Seal)



Florence J. Phillips  
Notary Public

My Commission Expires: 03-27-2028

**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): \_\_\_\_\_

Operator(s): \_\_\_\_\_

Title/Date: \_\_\_\_\_

SWORN to and subscribed before me, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Seal)

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

SAVE

PRINT

SUBMIT

Author: Alva M. Lambert

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

History: New Rule

SWORN to and subscribed before me, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Seal)

Notary Public

My Commission Expires: \_\_\_\_\_

**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): Spady I Bedwell CITY OF JACKSON HEALTH CARE AUTHORITY

Operator(s): Spady I Bedwell CITY OF JACKSON HEALTH CARE AUTHORITY

Title/Date: CHA: KARAN 7/18/24 \_\_\_\_\_

SWORN to and subscribed before me, this 8th day of July, \_\_\_\_\_.

(Seal)

Notary Public

My Commission Expires: July 20, 2027

Author: Alva M. Lambert

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

History: New Rule

## **SHPDA CHANGE OF OWNERSHIP APPLICATIONS**

### **APPENDIX**

- A-1 SHPDA Hospital Attachment IV – Terms of Purchase
  - A-2 SHPDA Home Health Attachment IV – Terms of Purchase
  - A-3 Organization Structure
  - A-4 Proof of Payment of Filing Fees
-

**A-1**

**SHPDA Hospital Attachment IV – Terms of Purchase**



NOTICE OF CHANGE OF OWNERSHIP/CONTOL  
HOSPITAL

Part IV: Terms of Purchase – Attachment

1. Services offered by Jackson Medical Center will include inpatient, outpatient, emergency, and other general acute care services, consistent with Ala. Admin. Code Rule 420-5-7-.03. All services to be provided at the Hospital are continuations of existing services. No new services will be added at this time.
2. There will be no new beds added.
3. There will be no conversion of beds.
4. The proposed transaction will be a sale of assets (real property, personal property, equipment, and operational control). The operations will be transferred from Jackson Medical Center, LLC to City of Jackson Health Care Authority. No stock is involved in this transaction.

Note on Financial Scope:

There are no new operating costs associated with this project as Applicant is only assuming existing operations and service lines.

**A-2**

**SHPDA Home Health Attachment IV- Terms of  
Purchase**

NOTICE OF CHANGE OF OWNERSHIP/CONTROL  
HOME HEALTH

Part IV: Terms of Purchase – Attachment

1. Jackson Medical Center Home Health will offer skilled nursing and therapeutic services, including skilled nursing care, personal care, physical therapy, speech therapy, medical social services and medical supplies services, consistent with Ala. Admin. Code Rule 410-2-4-.07. All services to be provided by Jackson Medical Center Home Health are continuations of existing services. No new services will be added at this time.
2. There will be no new beds added.
3. There will be no conversion of beds.
4. The proposed transaction will be a sale of assets (real property, personal property, equipment, and operational control). The operations will be transferred from Jackson Medical Center, LLC to City of Jackson Health Care Authority. No stock is involved in this transaction.

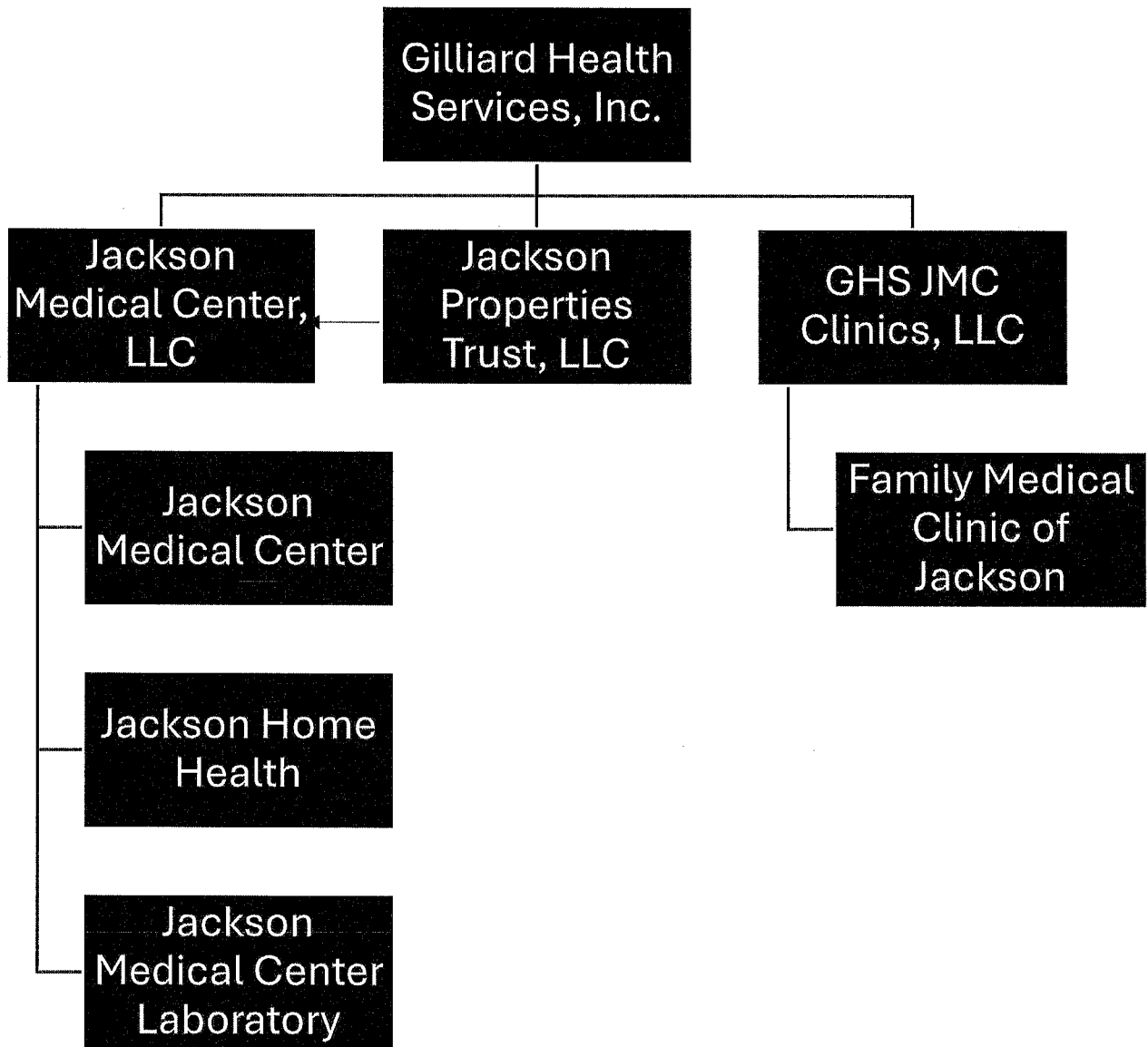
Note on Financial Scope:

There are no new operating costs associated with this project as Applicant is only assuming existing operations and service lines.

**A-3**

## **Organization Structure**

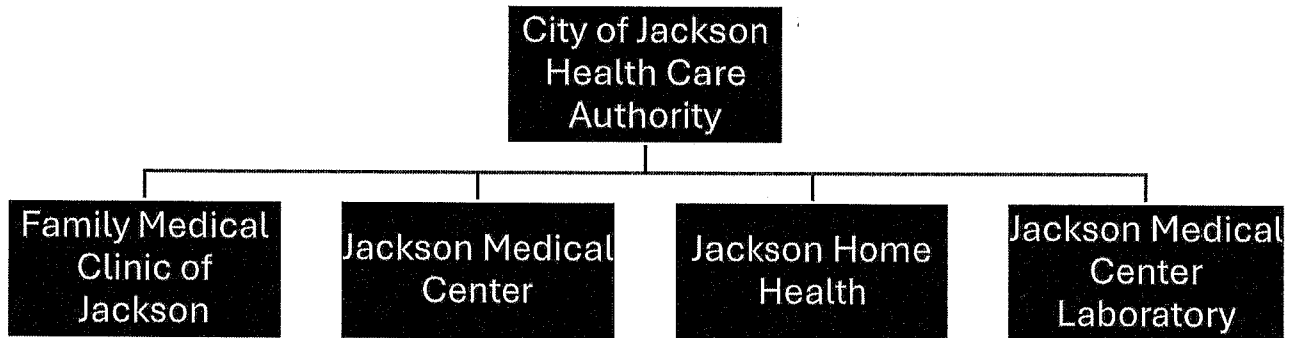
PRE-TRANSACTION ORGANIZATIONAL STRUCTURE



Gilliard Health Services, Inc. is the sole Member and Manager of Jackson Medical Center, LLC, Jackson Properties Trust, LLC, and GHS JMC Clinics, LLC.

Jackson Properties Trust, LLC is the owner of the real property on which Jackson Medical Center is situated, and leases the property to Jackson Medical Center, LLC.

ORGANIZATIONAL CHART  
CITY OF JACKSON HEALTH CARE AUTHORITY  
POST-TRANSACTION



Note: City of Jackson Health Care Authority holds 100% ownership in the Family Medical Clinic, Jackson Medical Center, Jackson Home Health and Jackson Medical Center Laboratory.