



David A. Lester
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October 30, 2024

(DELIVERED BY EMAIL TO: shpda.online@shpda.alabama.gov)

Ms. Emily T. Marsal, Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, AL 36104

CO2025-005
RECEIVED

Oct 31 2024

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

Re: Change of Ownership: ProHealth Home Health, LLC, 117-H7179

Dear Ms. Marsal:

I am writing on behalf of ProHealth Home Health, LLC (“ProHealth”) to submit the enclosed Change of Ownership (“CHOW”) forms that we are filing pursuant to Chapter 410-107-.04 of the Rules and Regulations of the Alabama Certificate of Need Program (the “Rules”). The Change in Ownership involves: (1) a change in direct ownership interest in ProHealth; (2) a change in the indirect ownership structure of ProHealth; and (3) a reallocation of ultimate ownership percentages in ProHealth. ProHealth anticipates closing this transaction on or before December 31, 2024. The information below addresses SHPDA’s required disclosures for a CHOW:

I. Financial Scope of the Project.

The financial scope of the project will encompass a nominal payment which does not exceed the following expenditure thresholds: (1) \$3,379,066.00 for major medical equipment; (2) \$1,350,305.00 for new annual operating costs; and (3) \$6,751,537.00 for capital expenditures.

II. Services to be Offered.

This transaction will not result in any new or additional services other than those that are currently being provided by ProHealth.

III. Beds.

This transaction will not involve the addition or conversion of any beds.

IV. Stock and Assets

ProHealth Home Health, LLC is currently owned entirely by ProHealth, LLC. ProHealth, LLC is owned entirely by ProHealth Group, Inc. ProHealth Group, Inc. is owned in equal shares by: (1) David Alan Lester Irrevocable Trust II; (2) Hannah Elizabeth Lester Irrevocable Trust II; and (3) James Paul Lester Irrevocable Trust. After the proposed transaction, ProHealth Home Health, LLC will be directly owned by: (1) ProHealth Home Health & Hospice, LLC (78.75%); (2) Hannah Elizabeth Lester Irrevocable Trust II (10.75%); and (3) James Paul Lester Irrevocable Trust (10.75%). ProHealth Home Health & Hospice, LLC is owned by: (1) David Alan Lester Irrevocable Trust II (51%); Hannah Elizabeth Lester Irrevocable Trust II (24.45%); (3) James Paul Lester Irrevocable Trust (24.45%); and (4) Complete Systems, LLC (0.1%). Diagrams of the current ownership structure and the proposed post-closing ownership structure are enclosed herewith. Other than the foregoing, this transaction will not involve the acquisition of any stock or other assets.

V. Conclusion

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/decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules to determinate that Certificates of Need are not required for the consummation of the proposed transaction. In accordance with SHPDA rules, I am making an online payment to SHPDA in the amount of \$2,500.00 contemporaneously with the filing of this letter and enclosures.

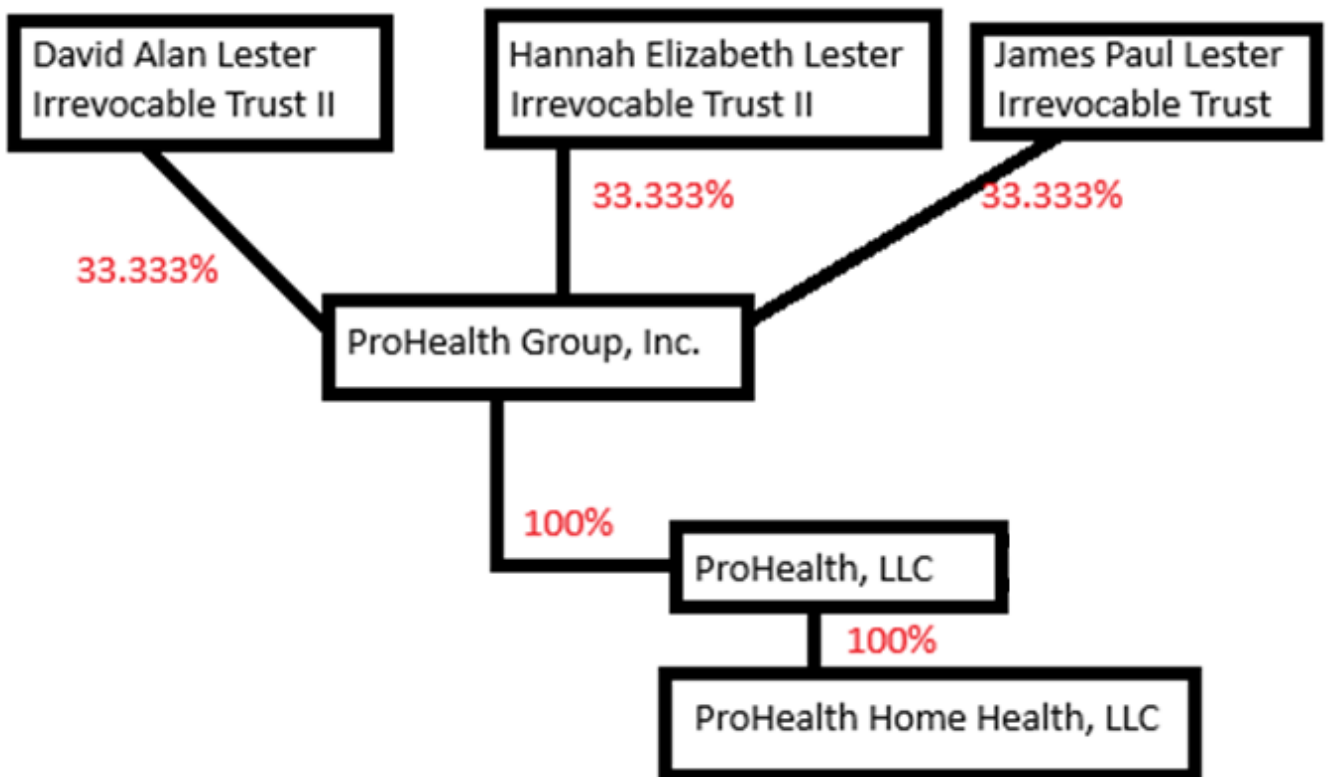
If you have any questions or need any additional information from us, please do not hesitate to contact me.

Sincerely,

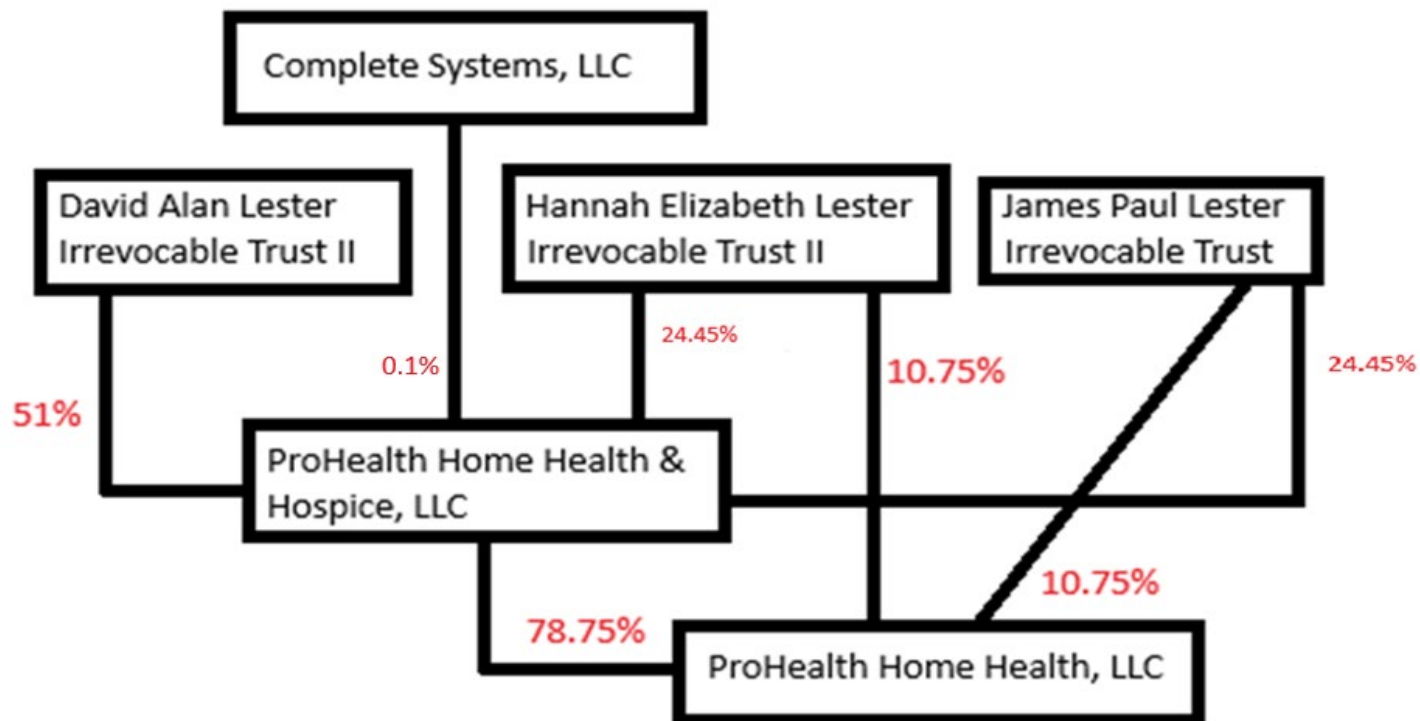
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David A. Lester

Current Ownership Structure:



Post-Closing Ownership Structure:



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: 117-H7179
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: ProHealth Home Health, LLC
(ADPH Licensure Name)

Physical Address: 1800 Corporate Drive
Birmingham, AL 35242

County of Location: SHELBY

Number of Beds/ESRD Stations: 0

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Bibb, Blount, Chilton, Coosa, Cullman, Etowah, Fayette, Greene, Hale, Jefferson, Marion, Marshall, Perry, Pickens, Saint Clair, Shelby, Talladega, Tuscaloosa, Walker.

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: ProHealth, LLC

Mailing Address: 1800 Corporate Drive
Birmingham, AL 35242

Operator (Entity Name): ProHealth, LLC

Part III: Acquiring Entity Information

Name of Entity: ProHealth Home Health & Hospice, LLC

Mailing Address: 1800 Corporate Drive
Birmingham, AL 35242

Operator (Entity Name): ProHealth Home Health & Hospice, LLC

Proposed Date of Transaction is
on or after: 12/31/2024

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ Nominal fee

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: \$ Not to exceed thresholds

Projected Construction Cost: \$ Not to exceed thresholds

Projected Yearly Operating Cost: \$ Not to exceed thresholds

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.

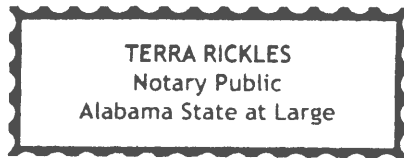
Owner(s):  David A. Lester

Operator(s):  David A. Lester

Title/Date: CEO, 10/30/2024 _____

SWORN to and subscribed before me, this 30th day of October, 2024.

(Seal)



A handwritten signature in blue ink, appearing to read "Terra Rickles".

Notary Public

My Commission Expires
June 30, 2027**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): A handwritten signature in blue ink, appearing to read "DALE".

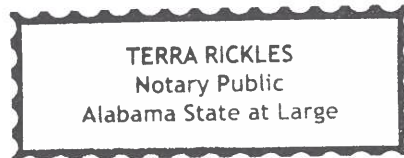
David A. Lester

Operator(s): A handwritten signature in blue ink, appearing to read "DALE".

David A. Lester

Title/Date: CEO, 10/30/2024SWORN to and subscribed before me, this 30th day of October, 2024.

(Seal)



A handwritten signature in blue ink, appearing to read "Terra Rickles".

Notary Public

My Commission Expires
June 30, 2027

Author: Alva M. Lambert

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

History: New Rule