

LAW OFFICES
MELTON, ESPY & WILLIAMS, P.C.
255 DEXTER AVENUE
MONTGOMERY, AL 36104

AL2019-025
RECEIVED
Jul 22 2022
STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

OAKLEY W. MELTON, JR.
(1927-2013)

JOSEPH C. ESPY, III
JAMES E. WILLIAMS
J. FLYNN MOZINGO
C. MARK BAIN
BENJAMIN J. ESPY*
WILLIAM M. ESPY

July 22, 2022

Via Electronic Filing
(shpda.online@shpda.alabama.gov)

MAILING ADDRESS:
P.O. DRAWER 5130
MONTGOMERY, AL 36103-5130
TELEPHONE (334) 263-6621
FAX (334) 269-9516

* ALSO ADMITTED IN MISSISSIPPI

Emily T. Marsal, Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, AL 36104
shpda.online@shpda.alabama.gov

**RE: AL2019-025, CON 2887-Psych
Prattville Baptist Hospital**

Dear Ms. Marsal:

On behalf of Prattville Baptist Hospital we are submitting this letter requesting a project modification to CON 2887-Psych, issued on January 6, 2020, for the addition of twenty-two (22) psychiatric beds to the existing Prattville Baptist Hospital in Prattville, Alabama, to initiate a geropsychiatry program.

On June 23, 2021, a new license was granted to Prattville Baptist Hospital by the Alabama State Board of Health and the first psychiatric patient was admitted on June 24, 2021. This project modification is being requested pursuant to Ala. Admin. Code § 410-1-10.03 due to an increase in the cost for the Project of approximately 25%, which is in excess of the 10% approval threshold stated therein. The excess costs relate to an increase in the first year annual operating costs primarily due to an increase in salaries, wages and benefits for clinical providers as a result of the labor shortage from the COVID-19 Pandemic. We have attached an letter from Eric Morgan, CEO of Prattville Baptist Hospital, explaining the increase in salary expenses due to the shortage of clinical providers.

Below is a chart summarizing the changes in the costs associated with this Project compared with the costs as projected in the CON Application:

Category	CON-Approved Costs	Updated Project Costs
Construction	\$4,925,189	\$4,944,326
Total Cost of Equipment	\$822,468	\$615,951
First Year Annual Operating Costs	\$2,710,122	\$4,758,663
Total Project Cost	\$8,457,779	\$10,318,940

Emily T. Marsal, Executive Director

July 22, 2022

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There were no other parties of record with regard to this Project who would require notification hereof.

The filing fee for this project modification request in the amount of \$7,989.80 is being hand delivered to SHPDA today.

Thank you for your consideration of this project modification request and please contact me if you should have any questions, need additional information, or would like to discuss this further.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Mark Bain', written over a horizontal line.

C. Mark Bain

CMB/dt:l

cc: Eric Morgan, CEO
(jemorgan@baptistfirst.org)



July 18, 2022

Prattville Baptist Hospital

124 South Memorial Drive
PO Box 681630
Prattville, AL 36068
Tel.: 334-365-0651

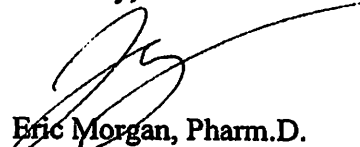
Emily T. Marsal, Executive Director
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Montgomery, AL 36104
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**Re: AL2019-025, CON 2887-Psych
Prattville Baptist Hospital
Project Modification Request**

Dear Ms. Marsal:

The projected cost for salaries, wages and benefits included in the CON Application was calculated prior to the onset of the COVID-19 Pandemic. The CON was issued on January 6, 2020, which was also prior to the COVID-19 Pandemic. Construction was completed on schedule and the first geriatric behavioral health patient was admitted in June 2021. However, at that time and continuing through April 2022, Prattville Baptist Hospital contracted with 29 travel clinicians for the geriatric behavioral health unit due to shortages in the clinical staff from the COVID-19 Pandemic. Payment for the travel clinicians was two to four times greater than the expected costs for full time Baptist staff. This difference in payment accounts for the first year annual operating costs exceeding those projected in the CON Application.

Sincerely,



Eric Morgan, Pharm.D.
Chief Executive Officer
Prattville Baptist Hospital

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July 26, 2022

Via Electronic Filing
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AL2019-025
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**RE: AL2019-025, CON 2887-Psych
Prattville Baptist Hospital**


Dear Ms. Marsal:

Please accept this correspondence as an addendum to the July 22, 2022, project modification request in the above-referenced project. The "CON-Approved Costs" submitted on July 22, 2022, need to be corrected to reflect the costs as provided to SHPDA following the filing of the CON Application and as reported in the Staff Report on this Project. Specifically, the total costs associated with the Project were projected to be \$8,576,626 broken down as follows:

Category	CON-Approved Costs
Total Cost of Construction	\$4,925,189
Total Cost of Equipment	\$822,468
First Year Annual Operating Costs	\$2,828,969

Thank you again for your consideration of this project modification request and please contact me if you should have any questions, need any additional information, or would like to discuss this further.

Sincerely,



C. Mark Bain

CMB/chs:l