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AND DEVELOPMENT AGENCY

February 4, 2016

## Via Federal Express and Electronic Mail

Alva Lambert, Executive Director Alabama State Health Planning and Development Agency 100 North Union Street, Suite 870 Montgomery, AL 36104

Re: Request for Letter of Non-Reviewability - SouthernCare Greenville

Dear Mr. Lambert:

We are writing regarding our interest in obtaining a Letter of Non-Reviewability so that we may "consolidate" several Certificates of Need ("CON) issued to hospice agencies that we own and operate in Alabama. We are considering an action to consolidate the CONs issued to several hospices owned by a subsidiary of Curo Health Services: SouthernCare, Inc. ("SouthernCare") as set forth below. Specifically, the CONs associated with the below-referenced SouthernCare providers will be consolidated into the CON for SouthernCare of Greenville (Facility ID 013-P2403, Medicare # 01-1655, CON 2403-HPC, current CON Authorized service area of Butler, Conecuh, Covington and Crenshaw counties).

The following SouthernCare providers are proposed to surrender their parent statuses to be consolidated into the CON for SouthernCare Greenville:

- SouthernCare Daphne, Facility ID 003-P2329, Medicare # 01-1653, CON 2329-HPC, current CON with satellite office SouthernCare Atmore, Authorized service area of Baldwin, Escambia and Mobile counties
- SouthernCare Dothan, Facility ID 069-P2361, Medicare # 01-1650, CON 2361-HPC-MOD#1, current CON Authorized service area of Barbour, Coffee, Dale, Geneva, Henry and Houston counties
- SouthernCare Grove Hill, Facility ID 025-P2360, Medicare # 01-1569, CON 2360-HPC, current CON Authorized service area of Choctaw, Clarke, Monroe, Washington and Wilcox counties

After consolidation, the new service area of SouthernCare Greenville would consist of Baldwin, Barbour, Butler, Choctaw, Clarke, Coffee, Conecuh, Covington, Crenshaw, Dale, Escambia, Geneva, Henry, Houston, Mobile, Monroe, Washington and Wilcox and counties. It is acknowledged these counties will be served under Medicare Provider 01-1655 and may not be transferred or divided.

Importantly, this request to consolidate the CONs for SouthernCare <u>does not</u> include a request to change the service areas currently served by these agencies or encompassed in the issued CONs, simply a consolidation of the CONs into a lesser number of "parent" agencies. Following the approval of this request for consolidation, the individual CONs issued for the new branch offices will be surrendered.

This request to consolidate these CONs will be necessary to enable SouthernCare to add new branch locations in place of the currently operating SouthernCare parent agencies. To facilitate this process, it will be necessary for the prospective SouthernCare branch office to apply for and obtain state licenses to operate branch locations in their place, and apply for approval from CMS to operate those branch locations as multiple offices of SouthernCare Greenville. Doing so will enable SouthernCare to achieve greater administrative efficiencies in the operation of this agency, as well as continuity of care to its patients.

The request to consolidate these CONs under SouthernCare is expressly dependent upon SouthernCare receiving approvals from the Alabama Department of Public Health and the Centers for Medicare and Medicaid Services ("CMS") for the surrender of these parent hospice agencies and the establishment of SouthernCare branch offices at the locations currently occupied by the existing SouthernCare hospice agencies. Once these regulatory agency approvals are obtained, we will notify your office of the effective date for the consolidation of the CONs. As we have discussed with Karen McGuire, should either or both these approvals not be obtained from the Alabama Department of Public Health or CMS, Curo Health Services would surrender the right for consolidations under this request and will continue operating under the separate CONs in the current structure outlined above.

Lastly, to facilitate this request, included with this correspondence you will find check # 099936 in the amount of \$1,000 for the filing fee under the Alabama State Health Planning and Development Agency rules. Thank you in advance for your time and assistance with this matter. If you have any questions or are in need of further information regarding this request, please contact me at (704) 662-0416 or via email at <a href="mailto:gmcgee@curohs.com">gmcgee@curohs.com</a>.

Very truly yours,

Gusti McGee, MBA/HCM

**Director Regulatory Services** 

**Enclosures**