

BAKER DONELSON
BEARMAN, CALDWELL & BERKOWITZ, PC

201 SIVLEY ROAD
SUITE 2
HUNTSVILLE, ALABAMA 35801

RECEIVED
www.bakerdonelson.com

JUN 29 2017

ALABAMA HEALTH PLANNING
& DEVELOPMENT AGENCY

JOE W. CAMPBELL, SHAREHOLDER
Direct Dial: 256.265.2432
Direct Fax: 256.265.2839
E-Mail Address: joe.campbell@hhsys.org

June 29, 2017

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

Re: Radiation Therapy Services
Amended Letter of Nonreviewability

Dear Mr. Lambert:

We are submitting this request for a letter of nonreviewability pursuant to Rule 410-1-7-.02 to convert an existing radiation oncology facility on the campus of Huntsville Hospital from a freestanding clinic to a hospital based clinic.

The background is that prior to 2003, Huntsville Hospital operated a radiation oncology department at Blackwell Medical Tower on the campus of Huntsville Hospital. In 2003, Huntsville Hospital entered into a business relationship with the radiation oncologists on the Huntsville Hospital medical staff for the oncologists to purchase the radiation oncology equipment. The radiation oncology equipment remained in the same location and no new services were added, but the oncologists billed the technical component of the services rendered. Therefore, the facility ceased to be considered a hospital based facility for billing purposes. In 2016, the equipment was conveyed from the radiation oncologists to North Alabama Cancer Care, LLC.

Huntsville Hospital now desires to lease the radiation oncology equipment from North Alabama Cancer Care, LLC and resume control of the radiation oncology department. There will be no new service and the site will remain in the same location. Huntsville Hospital will be responsible for the employees that provide the clinical support staff in the department.

The Hospital currently offers a range of outpatient oncology services, including chemotherapy, other IV drug therapies, blood transfusion, stem cell therapy, comprehensive imaging, wound and nutritional support, outpatient surgery and other services typically provided at a tertiary referral hospital (such as emergency department).

Alva M. Lambert, Executive Director
June 29, 2017
Page 2

Resuming control of the equipment and department will allow Huntsville Hospital to classify the radiation oncology center as a department of the hospital and be classified as hospital based for billing purposes only.

The Hospital will lease the staff, equipment and space involved in providing this service. The annual cost of leasing these services is approximately \$2.7m, which includes the following amounts: \$300,000 for equipment, \$1.5m for staff, and \$900,000 for other operating expenses.

We respectfully request that you grant approval of this letter of nonreviewability.


Sincerely,


Joe W. Campbell

cc: David Spillers, CEO
Jeff Samz, COO

Affirmation of Requesting Party:

The undersigned, being first duly sworn, hereby make oath or affirm that he/she is Chief Executive Officer, has knowledge of the facts in this request, and to the best of his information, knowledge and belief, such facts are true and correct.

Affiant:  (SEAL)
David Spillers, CEO

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MAY 31 2017

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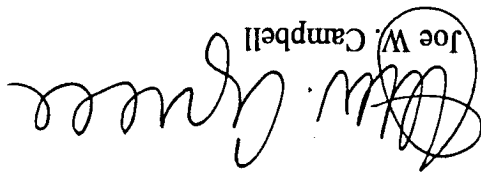
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