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STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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February 12, 2021

VIA EMAIL: 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

Re: The Healthcare Authority of Winfield, Alabama, d/b/a

**Northwest Medical Center** 

**Request for Nonreviewability Determination** 

Dear Ms. Marsal:

I write on behalf of The Healthcare Authority of Winfield, Alabama, d/b/a Northwest Medical Center (the "Hospital") to request your determination, pursuant to Ala. Code § 22-21-260, et seq. and Section 410-1-7-.02 of the Alabama Certificate of Need Program Rules and Regulations (the "CON Rules"), that the Hospital is not required to obtain a new Certificate of Need ("CON") for the proposed expansion of its Emergency Department described herein (the "Project"). The Project will expand the Emergency Department's capacity from six to ten examination rooms and will be accomplished at a cost that will not exceed current regulatory thresholds for CON review. To assist with your determination, we submit the following information:

Northwest Medical Center is a 71 bed rural acute care hospital located in Winfield, Alabama, serving Marion, Walker, Winston, Fayette and Lamar Counties. The Hospital needs to expand its Emergency Department to address overcrowding, meet increased demand and reduce wait times for patients. The Project will involve the conversion of space in the Emergency Department that is currently used for storage into four new examination rooms. The Project will increase the Emergency Department's capacity from six to ten examination rooms and will include the purchase of new medical equipment to outfit the new treatment space.

The anticipated capital expenditures for the Project are beneath the current threshold amounts set forth in Ala. Admin. Code 410-1-4-.01(b) and Ala. Code 22-21-263. Capital costs for the Project include an estimated \$3,900,000 in construction costs, \$2,500,000 of which will be funded through a federal grant provided by the Economic Development Administration under the Economic Adjustment program, authorized by Section 209 of the Public Works and Economic Development Act of 1965. The remaining construction costs will be borne by the Hospital. There will be no new land/building or lease costs associated with the Project. The cost of new equipment for the Project is estimated to be \$100,000, and first year annual operating costs attributable to the Project are estimated to be \$233,471.

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The Project does not involve the construction, development, acquisition or other establishment of a new institutional health service, and it will not result in any change in the Hospital's existing licensed inpatient bed capacity nor the relocation or reclassification of any beds. Likewise, the Project will not result in the offering of any new health services, as the Hospital already has an emergency department, and this Project will not alter the type of services the Hospital provides through its Emergency Department. No other healthcare facility or group holds any financial interest in The Healthcare Authority of Winfield, Alabama, d/b/a Northwest Medical Center.

Accordingly, the Hospital requests SHPDA's determination that the proposed Project is not subject to CON review under Ala. Code § 22-21-260 et seq. and the CON Rules.

Payment of the \$1,000 filing fee is being made today via the SHPDA Electronic Payment Portal. Should you have any questions or need further information, please feel free to contact me.

Very truly yours,

Gaines Brake

GB:

## **Affirmation of Requesting Party**

The undersigned, <u>Michael D. Windham</u>, being first duly sworn, hereby makes oath or affirms that he is CEO of Northwest Medical Center, 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 Wichael J- Windha (SEAL)

SUBSCRIBED AND SWORN to before me this 171 day of February, 2021.

Notary Public

My commission expires: 07 08 2023