



PRESTON
STRATEGY
GROUP

RV2026-013
RECEIVED

Mar 20 2026

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

FILED: shpda.online@shpda.alabama.gov

March 20, 2026

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

RE: RV2026-013
Houston County Health Care Authority
d/b/a Southeast Health
SHPDA ID: 069-6530373

Dear Ms. Marsal:

This letter will confirm my receipt of your March 9, 2026, correspondence requesting supplemental information regarding the Reviewability Determination Request filed February 26, 2026, on behalf of *Houston County Health Care Authority d/b/a Southeast Health and Pulmonary Associates, PA*. I am pleased to provide the following response:

- | | |
|-----------------------------|---------------------------------|
| Mr. Derek Miller | Southeast Health Medical Center |
| Sr. VP/CFO Southeast Health | |
| 1108 Ross Clark Circle | 1108 Ross Clark Circle |
| Dothan, AL 36303 | Dothan, AL 36303 |
- The proposed Joint Venture company will be comprised of the following ownership percentages:

Pulmonary Associates, PA	70%
Southeast Health	30%



3. Pulmonary Associates, PA is an existing private physician practice in Dothan, Alabama, and is not subject to Certificate of Need as defined by the CON Rules and Regulations:

410-1-2-.05 Health Care Facility

(2). The term "health care facility" shall not include any of the following:

(a) The private office of any duly licensed physician, dentist, chiropractor, or podiatrist, whether for individual or group practice and regardless of ownership.

A Letter of Non-Reviewability is not warranted for Pulmonary Associates, PA.

4. The proposed JV company will construct and own a 31,000 square foot medical office building and is not subject to nor provide any services as defined by CON Rules and Regulations:

410-1-2-.05 Health Care Facility

410-1-2-.06 Health Services

410-1-2-.14 Institutional Health Services

In addition, Section 410-1-4-.01 New Institutional Health Services Subject to Review specifically excludes the planned medical office building:

(j) Notwithstanding any other provisions of these rules to the contrary, the modernization or construction of a non-clinical building, parking facility or any other non-institutional health services capital item on the existing campus of a health care facility shall be exempt from Certificate of Need review provided the construction or modernization does not allow the health care facility to provide any new institutional health services subject to review and not previously provided on a regular basis.

Please let me know if you have any additional questions at this time.

Sincerely,

Stephen D. Preston



PRESTON
STRATEGY
GROUP

FILED: shpda.online@shpda.alabama.gov

February 26, 2026

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

RE: Reviewability Determination Request
Southeast Health

Dear Ms. Marsal:

Pursuant to Certificate of Need (CON) Rules and Regulations, 410-1-7-.02 Reviewability Determination Request, the following information is submitted requesting your determination that a proposed project is not required to obtain a CON from the State Health Planning and Development Agency (SHPDA).

Proposed Project

Houston County Health Care Authority dba Southeast Health (Southeast Health Medical Center) and Pulmonary Associates, PA (a private physician practice) are proposing to develop a Lung Center on the Medical Park campus located across the street from Southeast Health Medical Center in Dothan, Houston County, Alabama. The two entities will form a Joint Venture arrangement to construct and own a 31,000 square foot (approximately) medical office building. Each respective individual entity will then lease space in the facility:

- Southeast Health Medical Center will lease approximately 8,800 sq ft to relocate the existing 6 bed Sleep Lab from its current location on the 2nd floor of the hospital outpatient area. The proposed new Sleep Lab will add 4 additional sleep study beds and purchase 2 CT scanners.
- Pulmonary Associates, PA, will lease approximately 20,600 sq ft to relocated their existing private practice from its current location in Dothan. Pulmonary Associates, PA, will continue to operate as a private practice under the Physician's Office Exemption.
- Potential lease of 1,010 sq ft for Durable Medical Equipment operator.

P.O. Box 2183 Fairhope, AL 36533

RV2026-013
RECEIVED
Feb 26 2026
STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY



1. Name of company seeking the reviewability determination
Houston County Health Care Authority d/b/a Southeast Health

2. Address and contact information for the authorized company representative seeking the determination:

Derek Miller Senior VP CFO Southeast Health (334)793-8701 rdmiller@southeasthealth.org	Stephen Preston President Preston Strategy Group (205)873-0816 stephen@prestonstrategygroup.com
--	---

3. Service area for the proposed service/equipment.
Primary service area is Houston County

4. Any new/additional services to be provided under the proposed project.
No new services are proposed to be provided by either entity. The Southeast Health Medical Center Sleep Lab will add four (4) additional sleep lab beds resulting in a total of ten (10) sleep lab beds.

5. Approximate cost of the proposed project:

Joint Venture:	
Land (7.0 acres):	\$ 1,500,000
Building Construction:	\$17,750,000
Southeast Health Medical Center Sleep Lab	
Equipment - 2 CT Scanners:	\$978,000 each
New First Year Annual Operating Costs:	\$790,011

6. There are no other financial interests in the entity requesting the reviewability determination held by any other healthcare facilities or groups.

7. Attestation - Attached

The \$1,200 Reviewability Determination Request fee is being submitted via the SHPDA Payment Portal. Please let me know if you need any additional information at this time.

Sincerely,

Stephen D. Preston

February 26, 2026

Reviewability Determination Request
Southeast Health

Affirmation of Requesting Party:

The undersigned, being first duly sworn, hereby make oath or affirm that he/she is [include position with entity requesting the determination], has knowledge of the facts in this request, and to the best of his/her/their information, knowledge and belief, such facts are true and correct.

Affiant David Miller, CFO (SEAL)
SUBSCRIBED AND SWORN to before me this 26th day of February, 2026.

Catherine G. Henderson
Notary Public My commission expires: 05/17/2027