

**Arnall
Golden
Gregory LLP**

C02018-063

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May 24 2018

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

Atlanta Office
171 17th Street NW, Suite 2100
Atlanta, GA 30363-1031
Direct phone: 404.873.8598
Direct fax: 404.873.8599
E-mail: alex.foster@agg.com

May 22, 2018

EL107645958US

VIA U.S. EXPRESS MAIL AND EMAIL

Ms. Karen W. McGuire
State Health Planning and Development
Post Office Box 303025
Montgomery, Alabama 36130-3025
Email: Karen.McGuire@shpda.alabama.gov

Re: Alabama Hospice Agencies / Changes in Indirect Ownership Interest

Dear Ms. McGuire:

We are writing on behalf of CH Services Group Holdings, Inc. and its subsidiaries ("Curo") to notify you of a proposed transaction (the "Transaction") that will result in a change in ultimate control and indirect ownership interests of the hospice operators listed on Attachment A and B (the "Operators").

The Transaction will cause a change in indirect ownership interests multiple levels above the Operators. Under the Transaction, a consortium comprised of TPG Capital ("TPG"), Welsh, Carson, Anderson & Stowe ("WCAS"), Humana Inc. ("Humana") and certain other minority investors (collectively the "Shareholder Group") will acquire control of CH Services Group Holdings, Inc. Please see Attachment C and D for diagrams reflecting the pre- and post-closing structures. Note that the Transaction is expected to close in July 2018.

Enclosed please find **Change of Control Applications for the parent Operators listed on Attachment A**. Based on our telephone call on April 10, 2018, we understand Applications are only required for parent hospices and that branch hospices (included at Attachment B) do not require a separate Application.

As discussed on our April 30, 2018, telephone call, we understand that, if the Shareholder Group decides to re-organize or change the proposed organizational structure (as indicated in Attachment D) to include additional intermediate entities, any proposed changes may be submitted for your review in a separate filing. We also understand that any proposed re-organization that does not change the ultimate control and ownership interests in the Certificates of Need (which would continue to be held by the Shareholder

Group as proposed), will not be considered a Change in Indirect Ownership Interest requiring further Certificate of Need review.

We also respectfully request that your consideration of any proposed re-organization that may be submitted not delay your approval of the enclosed filings for a Change in Indirect Ownership Interest.

In a separate communication, change-of-information CMS-855As will be submitted to the assigned Medicare Administrative Contractor and, where required, the applicable state Medicaid agency to report this change.

Thank you for your attention to this matter. Should you have any questions, please do not hesitate to contact me.

Sincerely,

ARNALL GOLDEN GREGORY LLP



Alexander B. Foster

cc: Douglas Abell, Esq. (*Curo Health Services*)
Carol Saul, Esq.
Susan W. Berson, Esq. (*Counsel to TPG and WCAS*)
Robert Belfort, Esq. (*Counsel to Humana*)

ATTACHMENT A

Entity Name	EBAN Name	State	Address	Address 2	City	State	Zip	SHIPDA No.
New Beacon Healthcare Group, LLC	SouthernCare New Beacon - Anniston	Parent	1419 Leighton Avenue	Unit A	Anniston	AL	36207-3800	015-P2418
SouthernCare, Inc.	SouthernCare Greenville	Parent	501 E. Commerce St.		Greenville	AL	36037-2313	013-P2403
New Beacon Healthcare Group, LLC	SouthernCare New Beacon - Jasper	Parent	300 North Airport Road	Units 3 & 4	Jasper	AL	35504-2517	127-P2417
New Beacon Healthcare Group, LLC	SouthernCare New Beacon - Scottsboro	Parent	1602 S. Broad Street		Scottsboro	AL	35768-2611	071-P2389
New Beacon Healthcare Group, LLC	SouthernCare New Beacon - N. Birmingham	Parent	4735 Norrel Drive	Suite 129	Trussville	AL	35173-3606	073-P2390

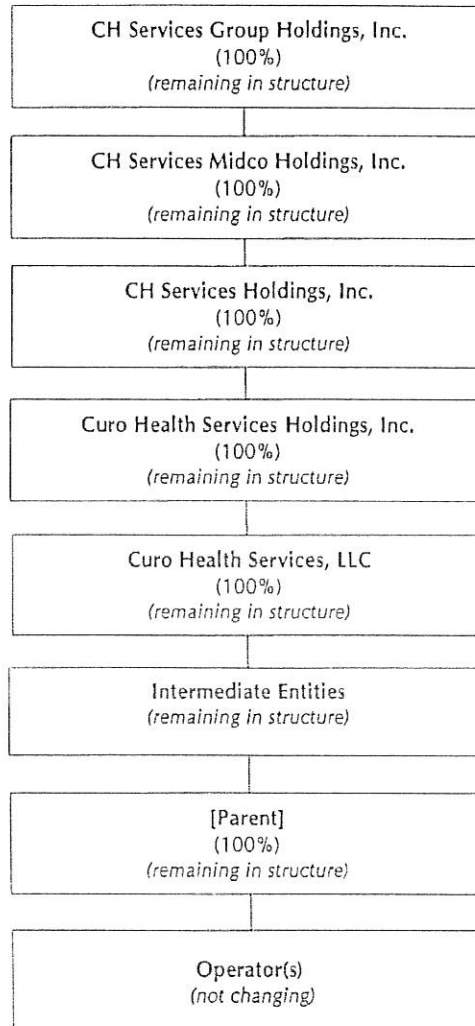
ATTACHMENT B

Legal Entity Name	DBA Name	Status	Address 1	Address 2	City	State	Zip	SHDA No.
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Alexander City	Branch of Anniston	124 Alliant Parkway		Alexander City	AL	35010-3158	015-P2418B
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Gadsden	Branch of Anniston	412 South 5th Street		Gadsden	AL	35901-5102	015-P2418C
SouthernCare, Inc.	SouthernCare Andalusia	Branch of Greenville	109 Medical Park Drive	STE A	Andalusia	AL	36420-5323	013-P2403A
SouthernCare, Inc.	SouthernCare Atmore	Branch of Greenville	1321 S. Main Street	STE 4	Atmore	AL	36502-2812	003-P2329A
SouthernCare, Inc.	SouthernCare Daphne	Branch of Greenville	101 Villa Dr.	Suite A	Daphne	AL	36526-4653	003-P2329
SouthernCare, Inc.	SouthernCare Dothan	Branch of Greenville	2576 Montgomery Hwy	Suite 2	Dothan	AL	36303-2633	069-P2361
SouthernCare, Inc.	SouthernCare Enterprise	Branch of Greenville	1253 Rucker Blvd.	Suite A	Enterprise	AL	36330-3766	031-P1603
SouthernCare, Inc.	SouthernCare Grove Hill	Branch of Greenville	179-B Jackson Street		Grove Hill	AL	36451-3009	025-P2360
SouthernCare, Inc.	SouthernCare Mobile	Branch of Greenville	3938A Government Blvd	Suite 103	Mobile	AL	36693-4383	097-P4904
New Beacon Healthcare Group, LLC	SouthernCare New Beacon S. Birmingham	Branch of Jasper	1280 Columbiana Road	Suite 110	Birmingham	AL	35216-1642	127-P2417A
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Demopolis	Branch of Jasper	927 Hwy 80 West		Demopolis	AL	36732-4102	127-P2417B
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Tuscaloosa	Branch of Jasper	3835 Watermelon Road	Suite 3 and 4	Northport	AL	35473-5001	127-P2417C
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Selma	Branch of Jasper	1013 Medical Center Parkway	Bldg 1, STE 101	Selma	AL	36701-6742	091-P2424A
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Decatur	Branch of Scottsboro	1316 Somerville Rd. SE	Suite 4	Decatur	AL	35601-4309	071-P2389D
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Quad Cities	Branch of Scottsboro	239 Azalea Drive		Florence	AL	35630-1733	071-P2389C
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Cullman	Branch of Scottsboro	417 Main Street		Hanceville	AL	35077-5459	071-P238A
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Huntsville	Branch of Scottsboro	200 West Side Square	Suite 440	Huntsville	AL	35801-4864	071-P2389B

New Beacon Healthcare Group, LLC	SouthernCare New Beacon - Alabaster	Branch of Trussville	122 7th Avenue NE	Suite D	Alabaster	AL	35007-9121	117- P2416
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Clanton	Branch of Trussville	201 Medical Center Drive		Clanton	AL	35045-2329	021- P2327
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Montgomery	Branch of Trussville	7067 Sydney Curve	Suite B	Montgomery	AL	36117-3509	101- P2436
New Beacon Healthcare Group, LLC	SouthernCare New Beacon - Sylacauga	Branch of Trussville	630 Old Birmingham Highway		Sylacauga	AL	35150-2484	117- P2416A

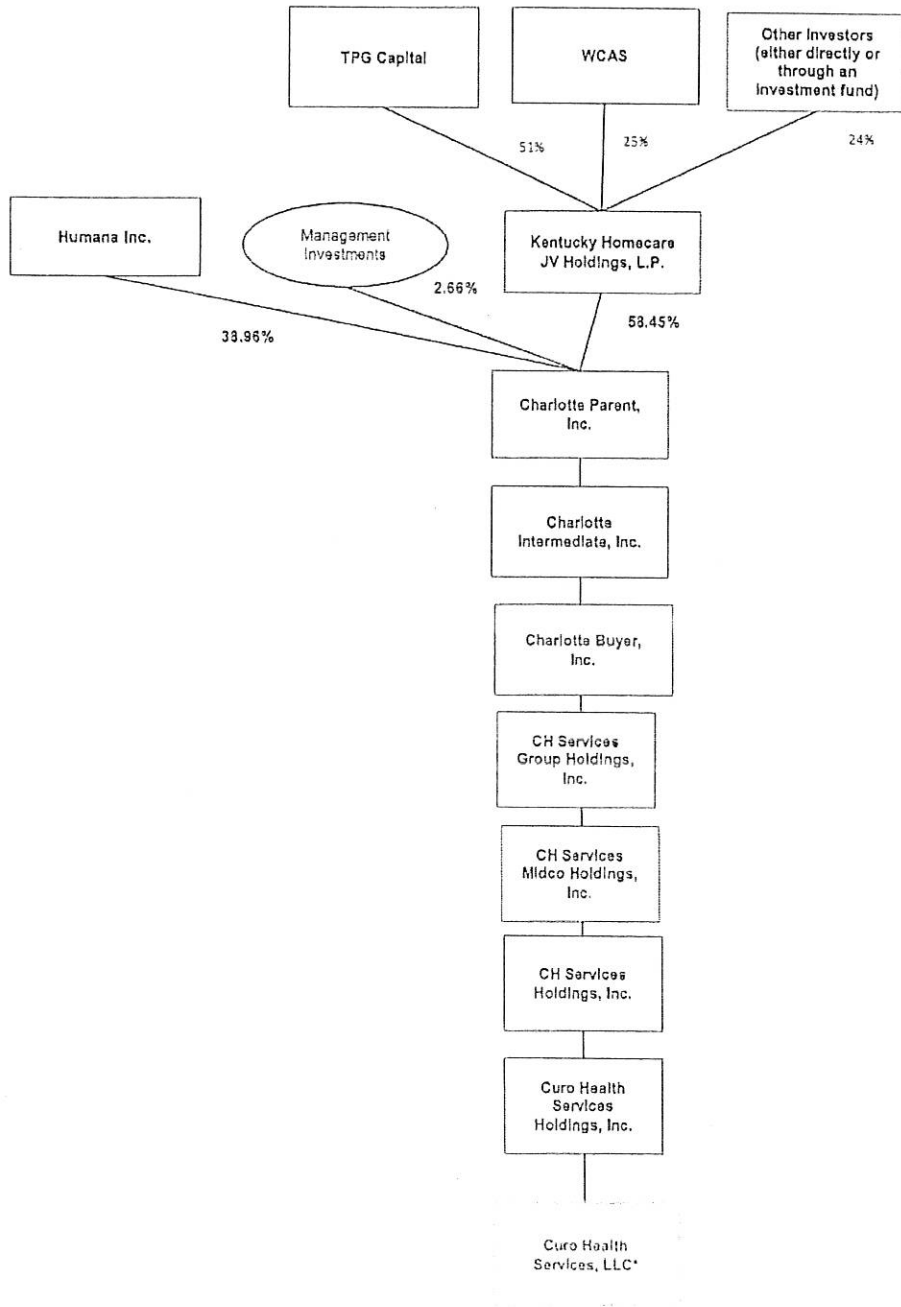
ATTACHMENT C

Curo – Current Ownership Structure



ATTACHMENT D

Post-Closing Structure



*Please see Attachment C for the entities below Curo Health Services, LLC.

**AL NOTICE OF CHANGE OF
OWNERSHIP/CONTROL**

**NEW BEACON HEALTHCARE GROUP, LLC
DBA
SOUTHERNCARE NEW BEACON - JASPER**

C02018-063

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

- Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))
- Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))
- Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 127-P2417
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: New Beacon Healthcare Group, LLC (See Attachment A)
(ADPH Licensure Name)

Physical Address: 300 North Airport Road, Units 3 & 4
Jasper, AL 35504

County of Location: Walker

Number of Beds/ESRD Stations: None / Not Applicable (Hospice Agency)

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. See Attachment A (no change)

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: New Beacon Healthcare Group, LLC

Mailing Address: 655 Brawley School Rd., Ste. 200
Mooreville, NC 28117

Operator (Entity Name): New Beacon Healthcare Group, LLC

Part III: Acquiring Entity Information

Name of Entity: New Beacon Healthcare Group, LLC (No Change)

Mailing Address: 655 Brawley School Rd., Ste. 200
Mooreville, NC 28117

Operator (Entity Name): New Beacon Healthcare Group, LLC (No Change)

Proposed Date of Transaction is on or after: July 2018

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 2,824,423

Type of Beds: Hospice Agency

Number of Beds/ESRD Stations: None/Not Applicable (Hospice Agency)

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: \$ 0

Projected Construction Cost: \$ 0

Projected Yearly Operating Cost: \$ 8,663,558

Projected Total Cost: \$ 8,663,558

On an Attached Sheet Please Address the Following: See Attachment B

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s): 

Operator(s): 

Title/Date: Gusti McGee
Director of Regulatory Services
New Beacon Healthcare Group, LLC

SWORN to and subscribed before me, this 12th day of APRIL 2018



Kirk E. Thevis
Notary Public

My Commission Expires: Aug. 7, 2021

Acquiring Authority Signature(s):

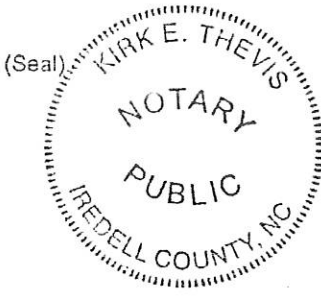
I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): *Gusti McGee*

Operator(s): *Gusti McGee*

Title/Date: Gusti McGee
Director of Regulatory Services

New Beacon Healthcare Group, LLC
SWORN to and subscribed before me, this 12th day of APRIL 2018



Kirk E. Thevis
Notary Public

My Commission Expires: Aug. 7, 2021

Author: Alva M. Lambert
Statutory Authority: § 22-21-271(c), Code of Alabama, 1975
History: New Rule

Attachment A – Jasper

Legal Entity Name	DBA Name	Status	Address	Address	City	State	Zip	SHPDA No.	Counties Served
New Beacon Healthcare Group, LLC	SouthernCare New Beacon - Jasper	Parent	300 North Airport Road	Units 3 & 4	Jasper	AL	35504-2517	127-P2417	Walker, Dallas, Fayette, Greene, Hale, Jefferson, Lamar, Marengo, Marion, Perry, Pickens, Sumter, Tuscaloosa, Winston
New Beacon Healthcare Group, LLC	SouthernCare New Beacon S. Birmingham	Branch of Jasper	1280 Columbiana Road	Suite 110	Birmingham	AL	35216-1642	127-P2417A	Jefferson
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Demopolis	Branch of Jasper	927 Hwy 80 West		Demopolis	AL	36732-4102	127-P2417B	Marengo, Dallas, Greene, Hale, Perry, Sumter
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Tuscaloosa	Branch of Jasper	3835 Watermelon Road	Suite 3 and 4	Northport	AL	35473-5001	127-P2417C	Tuscaloosa, Fayette, Lamar, Pickens
New Beacon Healthcare Group, LLC	SouthernCare New Beacon Selma	Branch of Jasper	1013 Medical Center Parkway	Bldg 1, STE 101	Selma	AL	36701-6742	127-P2417D	Dallas, Perry

Attachment B - Jasper

Responses to Application Questions 1 through 4

1) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).

The Applicant, New Beacon Healthcare Group, LLC d/b/a SouthernCare New Beacon - Jasper, has previously offered the service and the hospice services offered will not change.

2) Whether the proposal will include the addition of any new beds.

The transaction will not include the addition of any new beds.

3) Whether the proposal will involve the conversion of beds.

The transaction will not involve the conversion of beds.

4) Whether the assets and stock (if any) will be acquired.

The transaction involves a change of indirect owners of an existing licensed hospice provider, as a result of a stock transfer.