



David A. Lester
Chief Executive Officer
717 37th Street South
Birmingham, AL 35222
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Email: david.lester@prohealthgroup.com

December 23, 2020

CO2021-008

CO2021-009

CO2021-010

(DELIVERED BY EMAIL TO 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

RECEIVED

Dec 23 2020

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

Re: Changes of Ownership:
ProHealth of Northeast Alabama, LLC;
ProHealth of North Central Alabama, LLC; and
ProHealth-Gulf Coast, LLC

Dear Ms. Marsal,

I am writing on behalf of ProHealth Home Health, LLC ("ProHealth") to submit the enclosed Change of Ownership ("CHOW") forms that we are filing pursuant to Chapter 410-107-.04, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules"). The Changes of Ownership involve an internal reorganization through which ProHealth will acquire:

- (a) one Certificate of Need ("CON") (SHPDA ID: 019-H7178) and Medicare provider number (01-7178) held by ProHealth of Northeast Alabama, LLC ("PHNE") to provide home health services in the counties identified on the enclosed CHOW forms;
- (b) one CON (SHPDA ID: 009-H7179) and Medicare provider number (01-7179) held by ProHealth of North Central Alabama, LLC ("PHNC") to provide home health services in the counties identified on the enclosed CHOW forms; and
- (c) one CON (SHPDA ID: 003-H7180) and Medicare provider number (01-7180) held by ProHealth-Gulf Coast, LLC ("PHGC") to provide home health services in the counties identified on the enclosed CHOW forms;

ProHealth anticipates closing this reorganization on or after January 31, 2021. The information below addresses SHPDA's required disclosures for a change of ownership:

I. Financial Scope of the Project.

The financial scope of the project will encompass a nominal payment in which ProHealth related entities will conduct an internal reorganization through which PHNE (SHPDA ID: 019-H7178), PHNC (SHPDA ID: 009-H7179), and PHGC (SHPDA ID: 003-H7180) transfer their

Certificates of Need and Medicare provider numbers to ProHealth Home Health, LLC. The proposed transaction does not contemplate new costs exceeding the following expenditure threshold: (i) \$3,079,347.00 for major medical equipment; (ii) \$1,231,738.00 for new annual operating costs; and (iii) \$6,158,695.00 for capital expenditures.

II. Services to be Offered

This transaction will not result in any new or additional services other than those that have been provided by PHNE, PHNC, and PHGC.

III. Beds

This transaction will not involve the addition or conversion of any beds.

IV. Stock and Assets

As described above, PHNE, PHNC, and PHGC will transfer ownership of their CONs and Medicare provider numbers to ProHealth. In addition, ProHealth will acquire certain other intangible assets owned by PHNE, PHNC, and PHGC. Other than the foregoing, the transaction will not involve the acquisition of any stock or other assets.

V. Conclusion

Based upon the above description of the proposed transaction and a showing that there will be no change in health services, conversion of beds, or increase/decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules to determine that Certificates of Need are not required for the consummation of the proposed transaction. In accordance with SHPDA rules, I am making an online payment to SHPDA in the amount of \$7,5000 (\$2,500 for each CHOW) contemporaneously with the filing of this letter and enclosures.

If you have any questions or need further information, please do not hesitate to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. A. Lester', with a long horizontal flourish extending to the right.

David A. Lester


cc: Ms. Karen McGuire (SHPDA)
Mr. Guy Nevins (ADPH)

Affirmation of Requesting Party

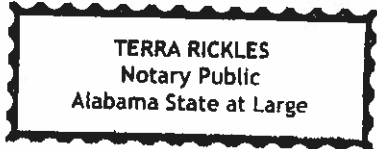
The undersigned, being first duly sworn, hereby make oath or affirm that he is the Chief Executive Officer of ProHealth Home Health, LLC; ProHealth of Northeast Alabama, LLC; ProHealth of North Central Alabama, LLC; and ProHealth-Gulf Coast, LLC has knowledge of the facts in this request , and to the best of his knowledge and belief, such facts are true and correct.

Affiant:  _____

Subscribed and sworn to before me on this the 23rd day of December, 2020.

Notary Public:  _____

My Commission Expires: _____ My Commission Expires
June 21, 2023



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: 009-H7179
 (This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: ProHealth of North Central Alabama, LLC
 (ADPH Licensure Name)

Physical Address: 25522 Highway 75 North
Oneonta, AL 35121

County of Location: BLOUNT

Number of Beds/ESRD Stations: 0

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Blount County, Cullman County, Etowah County, Jefferson County, Marshall County, St. Clair County, and Walker County

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: ProHealth of North Central Alabama, LLC

Mailing Address: 25522 Highway 75N
Oneonta, AL 35121

Operator (Entity Name): ProHealth of North Central Alabama, LLC

Part III: Acquiring Entity Information

Name of Entity: ProHealth Home Health, LLC

Mailing Address: 717 37th Street South
Birmingham, AL 35222

Operator (Entity Name): ProHealth Home Health, LLC

Proposed Date of Transaction is on or after: 01/31/2021

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ NOMINAL PAYMENT

Type of Beds: 0

Number of Beds/ESRD Stations: 0

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

Projected Equipment Cost: \$ 0.00

Projected Construction Cost: \$ 0.00

Projected Yearly Operating Cost: \$ 4,500,000.00

Projected Total Cost: \$ 4,500,000.00

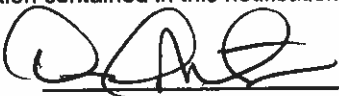
On an Attached Sheet Please Address the Following:

- 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.

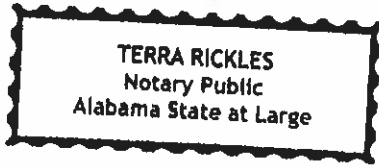
Owner(s):  _____

Operator(s): _____

Title/Date: CEO, 12-23-2020 _____

SWORN to and subscribed before me, this 23rd day of December, 2020

(Seal)



Terra Rickles
Notary Public

My Commission Expires: My Commission Expires
June 21, 2023

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:

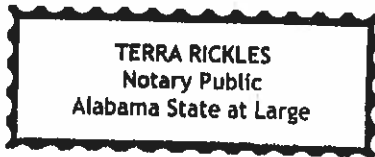
Purchaser(s): [Signature] _____

Operator(s): _____

Title/Date: CEO, 12-23-2020 _____

SWORN to and subscribed before me, this 23rd day of December, 2020

(Seal)



Terra Rickles
Notary Public

My Commission Expires: My Commission Expires
June 21, 2023

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



David A. Lester
Chief Executive Officer
717 37th Street South
Birmingham, AL 35222
Tel: (205) 820-7000
Fax: (205) 383-3557
Email: david.lester@prohealthgroup.com

November 12, 2020

(DELIVERED BY EMAIL TO shpda.online@shpda.alabama.gov)

CO2021-008
RECEIVED
Nov 12 2020
STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

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

Re: Changes of Ownership:
ProHealth of Northeast Alabama, LLC;
ProHealth of North Central Alabama, LLC; and
ProHealth-Gulf Coast, LLC

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- (b) one CON (SHPDA ID: 009-H7179) and Medicare provider number (01-7179) held by ProHealth of North Central Alabama, LLC (“PHNC”) to provide home health services in the counties identified on the enclosed CHOW forms; and
- (c) one CON (SHPDA ID: 003-H7180) and Medicare provider number (01-7180) held by ProHealth-Gulf Coast, LLC (“PHGC”) to provide home health services in the counties identified on the enclosed CHOW forms;

There will be no change in in-direct ownership. ProHealth anticipates closing this reorganization on or before December 31, 2020. The information below addresses SHPDA’s required disclosures for a change of ownership:

I. Financial Scope of the Project.

The financial scope of the project will encompass a nominal payment in which ProHealth related entities will conduct an internal reorganization through which PHNE (SHPDA ID: 019-

H7178), PHNC (SHPDA ID: 009-H7179), and PHGC (SHPDA ID: 003-H7180) transfer their Certificates of Need and Medicare provider numbers to ProHealth Home Health, LLC. The proposed transaction does not contemplate new costs exceeding the following expenditure threshold: (i) \$2,997,918 for major medical equipment; (ii) \$1,199,166 for new annual operating costs; and (iii) \$5,995,836 for capital expenditures.

II. Services to be Offered

This transaction will not result in any new or additional services other than those that have been provided by PHNE, PHNC, and PHGC.

III. Beds

This transaction will not involve the addition or conversion of any beds.

IV. Stock and Assets

As described above, PHNE, PHNC, and PHGC will transfer ownership of their CONs and Medicare provider numbers to ProHealth. In addition, ProHealth will acquire certain other intangible assets owned by PHNE, PHNC, and PHGC. Other than the foregoing, the transaction will not involve the acquisition of any stock or other assets.

V. Conclusion

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If you have any questions or need further information, please do not hesitate to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Sincerely,

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David A. Lester

cc: Ms. Karen McGuire (SHPDA)
Mr. Guy Nevins (ADPH)

Affirmation of Requesting Party

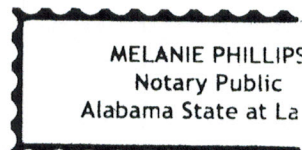
The undersigned, being first duly sworn, hereby make oath or affirm that he is the Chief Executive Officer of ProHealth Home Health, LLC; ProHealth of Northeast Alabama, LLC; ProHealth of North Central Alabama, LLC; and ProHealth-Gulf Coast, LLC has knowledge of the facts in this request , and to the best of his knowledge and belief, such facts are true and correct.

Affiant:  _____

Subscribed and sworn to before me on this the 12th day of November, 2020.

Notary Public:  _____

My Commission Expires: _____
My Commission Expires
May 24, 2023



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))

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

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(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider:
(ADPH Licensure Name) ProHealth of North Central Alabama, LLC

Physical Address: 25522 Highway 75 North
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County of Location: BLOUNT

Number of Beds/ESRD Stations: 0

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Blount County, Cullman County, Etowah County, Jefferson County, Marshall County, St. Clair County, and Walker County

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: ProHealth of North Central Alabama, LLC

Mailing Address: 25522 Highway 75N
Oneonta, AL 35121

Operator (Entity Name): ProHealth of North Central Alabama, LLC

Part III: Acquiring Entity Information

Name of Entity: ProHealth Home Health, LLC

Mailing Address: 717 37th Street South
Birmingham, AL 35222

Operator (Entity Name): ProHealth Home Health, LLC

Proposed Date of Transaction is on or after: 12/07/2020

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ Fair Market Value

Type of Beds: 0

Number of Beds/ESRD Stations: 0

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

Projected Equipment Cost: \$ 0.00

Projected Construction Cost: \$ 0.00

Projected Yearly Operating Cost: \$ 4,500,000.00

Projected Total Cost: \$ 4,500,000.00

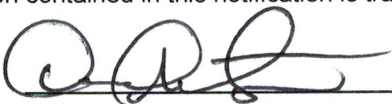
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- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

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: Chief Executive Officer,
11/12/2020

SWORN to and subscribed before me, this 12th day of November, 2,020.

Melanie Phillips
Notary Public

My Commission Expires: My Commission Expires
May 24, 2023

(Seal)

MELANIE PHILLIPS
Notary Public
Alabama State at Large

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): _____

Operator(s): _____

Title/Date: Chief Executive Officer,
11/12/2020

SWORN to and subscribed before me, this 12th day of November, 2,020.

Melanie Phillips
Notary Public

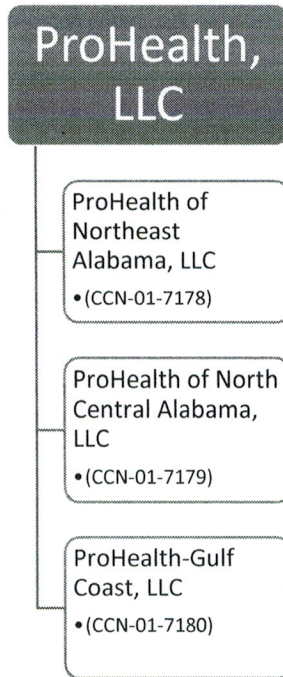
My Commission Expires: My Commission Expires
May 24, 2023

(Seal)

MELANIE PHILLIPS
Notary Public
Alabama State at Large

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

Structure Prior to Closing



Structure After Closing

