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August 29, 2022

**VIA EMAIL**

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

**Re: Skilled Nursing Facility Change of Ownership – Russellville Health Care, LLC  
formerly known as Russellville Health Care, Inc.**

Dear Ms. Marsal:

Please allow this letter to provide clarification and additional information related to the above-referenced change of ownership. As disclosed on August 8, 2022, the Change of Ownership involves the sale of the 50-bed skilled nursing facility located in Russellville, Franklin County, Alabama, and licensed as Russellville Health Care (the "Facility"). The current holder of the certificate of need and the licensee/operator of the Facility is Russellville Health Care, LLC formerly known as Russellville Health Care, Inc. In 2016, Russellville Health Care, Inc., converted from a single shareholder corporation to a single member limited liability company. *See Exhibit A.* The sole shareholder of the corporation remained the sole member of the limited liability company; therefore, there was no change in ownership or control. We have also updated the change of ownership form and transaction terms below to reflect the correct entities involved.

I. Facts.

1. Current Operator holds the certificate of need and operates the Facility located at 705 Northeast Gandy Street, Russellville, Alabama.
2. Pursuant to an asset purchase agreement, Current Operator intends to transfer substantially all the assets of the Facility, including the certificate of need, to new owner, Arabella Health and Wellness PropCo of Russellville, LLC, a limited liability

- company ("Purchaser"). The transaction is expected to close on or after October 1, 2022.
3. Purchaser will simultaneously enter into a lease with a new operator, Arabella Health and Wellness of Russellville, LLC, who will hold the license to operate the facility, subject to approval by the Alabama Department of Public Health ("ADPH") and the issuance of a license by ADPH to Arabella Health and Wellness of Russellville, LLC, to operate the Facility as a 50-bed nursing facility.
  4. The resulting "change in ownership and control" requires notification to your agency pursuant to ALA. ADMIN. CODE §410-1-7-.04(1).
  5. This change is documented by the enclosed executed change of ownership form.

II. Financial Scope of Project.

New Purchaser has entered into a purchase agreement to purchase the Facility for fair market value. This transaction does not involve the purchase of any new equipment or other capital expenditures in excess of the spending thresholds set forth in Section 22-21-263(a)(2) of the Code of Alabama.

III. Services to be Offered.

1. No New Services: The transaction does not involve the offering of any new services by the Facility. The facility will continue to operate as a skilled nursing facility.

IV. Beds.

1. New Beds: The proposed transaction does not involve any addition or reduction of beds.
2. Conversion of Beds: The proposed transaction does not involve the conversion of beds.

V. Stock and Assets.

Other than described above, the transaction does not involve the acquisition of stock or assets relating to the operation of the Facility.

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Based on the above showing that there has been no (i) change in health service, (ii) spending in excess of the spending thresholds, (iii) conversion of beds or (iv) increase in bed capacity we respectfully ask that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a CON or other action by SHPDA is not required for the consummation of the above-described proposed transaction.

Should you have any questions or need further information, please contact me at 205-458-5209.

Sincerely,

*Angie Smith*

Angie C. Smith

ACS/jlr

Enclosures

## 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: 059-N0001  
 (This can be found at [www.shpda.alabama.gov](http://www.shpda.alabama.gov), Health Care Data, ID Codes)

Name of Facility/Provider: Russellville Health Care  
 (ADPH Licensure Name)

Physical Address: 705 Northeast Gandy Street  
Russellville, AL 35653

County of Location: FRANKLIN

Number of Beds/ESRD Stations: 50

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. N/A

**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: Russellville Health Care, LLC\*

Mailing Address: P. O. Box 98 - 110 Second Avenue East  
Oneonta, AL 35121

Operator (Entity Name): Russellville Health Care, LLC\*

### Part III: Acquiring Entity Information

Name of Entity: Arabella Health and Wellness PropCo of Russellville, LLC

Mailing Address: 3440 Hollywood Blvd., Suite 415  
Hollywood, FL 33021

\* Russellville Health Care, Inc. converted to a limited liability company.

Operator (Entity Name): Arabella Health and Wellness of Russellville, LLC  
 Proposed Date of Transaction is on or after: 9/1/2022

**Part IV: Terms of Purchase**

Monetary Value of Purchase: \$ 11,000,000\*  
 Type of Beds: SNF  
 Number of Beds/ESRD Stations: 50

**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: \$ 4,470,000  
 Projected Total Cost: \$ 15,470,000

**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): [Signature]  
 Operator(s): Russellville Health Care [Signature]  
 Title/Date: Managing Member 4 Aug 2022

\*The purchase price reflects the sale of two facilities.



SWORN to and subscribed before me, this 4<sup>th</sup> day of August, 2022.

[Signature]  
Notary Public

My Commission Expires: 01-16-23

**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: \_\_\_\_\_

SWORN to and subscribed before me, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Seal)

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**SAVE**

**PRINT**

**SUBMIT**

SWORN to and subscribed before me, this \_\_\_\_ day of \_\_\_\_\_.

(Seal)

Notary Public

My Commission Expires: \_\_\_\_\_

**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):

*[Handwritten Signature]*

Adam Sasouness

Operator(s):

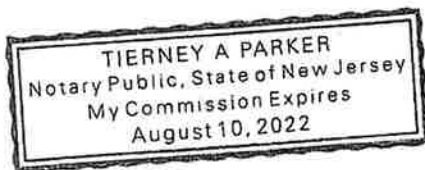
Title/Date:

Authorized Signatory

8/3/22

SWORN to and subscribed before me, this 3 day of August, 2022.

(Seal)



Notary Public

My Commission Expires: 08/10/2022

**SAVE**

**PRINT**

**SUBMIT**

Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule

SWORN to and subscribed before me, this \_\_\_\_\_ day of \_\_\_\_\_.

(Seal)

Notary Public

My Commission Expires: \_\_\_\_\_

**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): cm kl

Chaim HERTZEL

Title/Date: Manager ~~08-03-2022~~

08-03-2022

SWORN to and subscribed before me, this 3 day of August, 2022.

*only for Chaim Hertznel*

(Seal)

BRIANNA CURRINGTON  
Notary Public, State of Alabama  
Alabama State At Large  
My Commission Expires  
August 24, 2022

*[Signature]*  
Notary Public

My Commission Expires: 8/24/2022

SAVE

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SUBMIT



