

**Holly S. Hosford**

hhosford@bradley.com  
205.521.8376



CO2024-005  
**RECEIVED**

**Jan 10 2024**

STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY

January 10, 2024

Via Electronic Filing  
(shpda.online@shpda.alabama.gov)

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

RE: Change in Ownership; Nephrology Vascular Lab of Central Alabama, LLC  
(SHPDA ID 073-U3718)

Dear Ms. Marsal:

We respectfully submit to the State Health Planning and Development Agency (“SHPDA”) this letter as an attachment to the Notice of Change of Ownership/Control form (the “Notice”) that we are filing pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the “Rules”). The proposed change of ownership involves transfer of one hundred percent (100%) of the equity interest of Nephrology Vascular Lab of Central Alabama ASC, LLC (the “CON Holder”) from Nephrology Associates, P.C. (“Nephrology Associates”) to Fresenius Vascular Care Birmingham MSO, LLC (“FVC Birmingham”). The CON Holder operates a single-specialty ambulatory surgery center located at 1280 Columbiana Rd., Suite 120, Birmingham, Alabama 35216 (the “Facility”).

### **I. Overview of Proposed Transaction.**

Currently, Nephrology Associates owns 100% equity ownership in the CON Holder. FVC Birmingham and Fresenius Vascular Care, Inc. currently manage the operations of the Facility through Management Services Agreements. Nephrology Associates plans to transfer 100% of the equity interest in the CON Holder to FVC Birmingham. In consideration for the equity interest being transferred, FVC Birmingham will make a fair market value payment to Nephrology Associates. The Transaction is anticipated to take place on or about March 1, 2024.

Organizational charts showing the ownership of the CON Holder before and after the Transaction are attached as Attachment A. We understand that the Transaction does not constitute a “transfer, assignment, or conversion” of the CON, as described in Rule 410-1-11-.09. However, we are submitting the enclosed Notice because the Notice of Change of Ownership/Control is the method by which parties have historically notified SHPDA of a change in the indirect ownership of a CON.

## II. SHPDA Requirements for Change of Ownership

Concerning the questions posed in the Change of Ownership Application, please note the following:

1. The Financial Scope of the Project. The transaction involves transfer of ownership of one hundred percent (100%) equity interest in the CON Holder in exchange for a fair market value cash payment. The transaction does not involve new cost associated with the Facility exceeding the following expenditure thresholds: (i) \$3,322,582 for major medical equipment; (ii) \$1,327,734 for new annual operating costs; and (iii) \$6,638,679 for capital expenditures.
2. Services to be Offered. The contemplated transaction will not result in any new or additional services to those already authorized to be provided by the Facility.
3. Whether the Proposal will Include the Addition of Any New Beds. The contemplated transaction will not result in the addition of new beds.
4. Whether the Proposal will Involve the Conversion of Beds. The contemplated transaction will not result in the conversion of beds.
5. Whether the Assets and Stock (if any) will be acquired. As described more particularly above, one hundred percent (100%) equity interest in the CON Holder will be transferred to FVC Birmingham.

## III. Requested Action

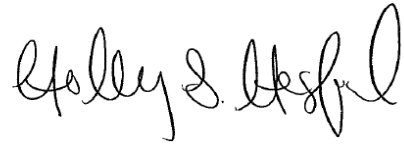
Based upon the above description of the proposed transaction and a showing that there will be no change in health services, conversion of beds, or increase or decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a Certificate of Need is not required for the consummation of this proposed transaction. In accordance with the Rules, I am enclosing with this request a check in the amount of \$2,500 made payable to the Alabama State Health Planning and Development Agency.

Should you have any questions or need further information, please feel free to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Ms. Marsal  
Nephrology Vascular Associates of Central Alabama ASC, LLC  
January 10, 2024  
Page 3

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Best regards,

A handwritten signature in black ink, appearing to read "Holly S. Hosford". The signature is written in a cursive style with a large, looped initial "H".

Holly S. Hosford

## 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: 073-U3718  
(This can be found at [www.shpda.alabama.gov](http://www.shpda.alabama.gov), Health Care Data, ID Codes)

Name of Facility/Provider: Nephrology Vascular Lab of Central Alabama ASC, LLC  
(ADPH Licensure Name)

Physical Address: 1280 Columbiana Rd. Suite 120  
Birmingham, AL 35216

County of Location: JEFFERSON

Number of Beds/ESRD Stations: Not applicable

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Not applicable

**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: Nephrology Vascular Lab of Central Alabama ASC, LLC

**Mailing Address:** 1280 Columbiana Road, Suite 120  
Birmingham, AL 35216

**Operator (Entity Name):** Nephrology Associates, PC

### Part III: Acquiring Entity Information

Name of Entity: Nephrology Vascular Lab of Central Alabama ASC, LLC

**Mailing Address:** 1280 Columbiana Road, Suite 120  
Birmingham, AL 35216

**Operator (Entity Name):**

Fresenius Vascular Care Birmingham MSO, LLC

**Proposed Date of Transaction is on or after:**

March 1, 2024

**Part IV: Terms of Purchase**

**Monetary Value of Purchase:**

\$ See attached letter.

**Type of Beds:**

Not applicable

**Number of Beds/ESRD Stations:**

Not applicable.

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

See attached letter.

Projected Equipment Cost:

\$ \_\_\_\_\_

Projected Construction Cost:

\$ \_\_\_\_\_

Projected Yearly Operating Cost:

\$ \_\_\_\_\_

Projected Total Cost:

\$ 0.00

**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):** Nephrology Vascular Lab of Central Alabama ASC, LLC

  
\_\_\_\_\_  
Thomas Watson, M.D.

**Operator(s):** Nephrology Associates, PC

  
\_\_\_\_\_  
Thomas Watson, M.D.

**Title/Date:** Medical Director/Owner

12/22/23

SWORN to and subscribed before me, this 22 day of DECEMBER, 2023.

(Seal)



Linda Kay Fowler  
Notary Public

My Commission Expires: 3/16/27

**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): Nephrology Vascular Lab of Central Alabama ASC, LLC

G. Miller MD  
Gregg Miller, M.D.

Operator(s): Fresenius Vascular Care Birmingham MSO, LLC

G. Miller MD  
Gregg Miller, M.D.

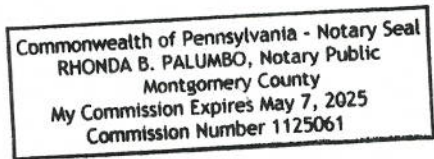
Title/Date: Sr. VP of Operations/Manager

SWORN to and subscribed before me, this 8<sup>th</sup> day of January, 2024.

(Seal)

Rhonda B. Palumbo  
Notary Public

My Commission Expires: May 7, 2025



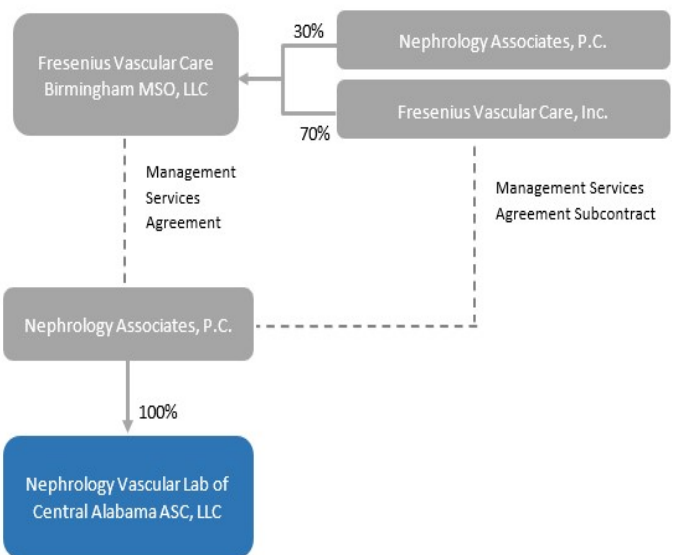
Author: Alva M. Lambert

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

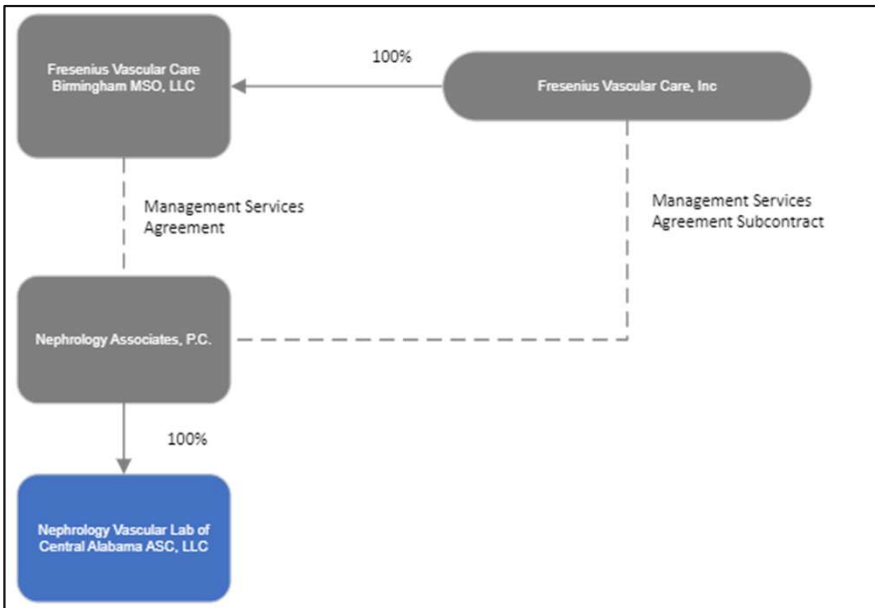
History: New Rule



Prior to Close



# Phase 1



# Phase 2

