

**CERTIFICATION OF ADMINISTRATIVE RULES  
FILED WITH THE LEGISLATIVE REFERENCE SERVICE  
JERRY L. BASSET, DIRECTOR**

(Pursuant to Code of Alabama 1975, § 41-22-6, as amended).

I certify that the attached is/are a correct copy/copies of rule/s as promulgated and adopted on the 20<sup>th</sup> day of June, 2012, and filed with the agency secretary on the 25<sup>th</sup> day of June, 2012.

**AGENCY NAME:** State Health Planning and Development Agency  
(Certificate of Need Review Board)

X  Amendment; \_\_\_\_\_ New; \_\_\_\_\_ Repeal; (Mark appropriate space)

**Rule No. 410-1-7-.04(5)**

(If amended rule, give specific paragraph, subparagraphs, etc., being amended)

**Rule Title: Notice of Change of Ownership**

**ACTION TAKEN:** State whether the rule was adopted with changes from the proposal due to written or oral comments;

The rule was adopted with changes from oral comments as discussed at the June 20, 2012, Public Hearing.

**NOTICE OF INTENDED ACTION PUBLISHED IN VOLUME XXX**

**ISSUE NO. 7, DATED April 30, 2012.**


**Statutory Rulemaking Authority: Code of Alabama, 1975 §§ 22-21-263 and -275.**

(Date Filed)  
(For LRS Use Only)

**REC'D & FILED**

**JUN 25 2012**

**LEGISLATIVEREFSSERVICE**

  
Alva M. Lambert, Executive Director  
State Health Planning and Development Agency  
(Certifying Officer or his or her Deputy)

(NOTE: In accordance with § 41-22-6(b), as amended, a proposed rule is required to be certified within 90 days after completion of the notice.)

**410-1-7-.04 Notice of Change of Ownership**

- (1) Any change in ownership of an existing health care facility, other than a stock purchase only, shall require that a notice of change in ownership be provided to the State Agency by the acquiring entity at least thirty (30) days before the transaction occurs.
- (2) The notice of change of ownership shall be delivered in writing to the Executive Director of the State Agency, accompanied by a reviewability determination fee of \$2,000.00 before the transaction occurs. If there will be no change in service, conversion of beds, or increase in bed capacity, the Executive Director may determine that a Certificate of Need is not required.
- (3) The notice shall include:
  - (a) the financial scope of the project to include the preliminary estimate of the costs broken down by equipment, construction, and yearly operating cost;
  - (b) the services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service);
  - (c) whether the proposal will include the addition of any new beds;
  - (d) whether the proposal will involve the conversion of beds;
  - (e) whether the assets and stock (if any) will be acquired; and
  - (f) any other information that the Executive Director shall deem necessary to insure a full understanding by the State Agency.
- (4) Any Request made pursuant to this rule shall be subject to the publication requirements of 410-1-7-.02, provided, however, the Executive Director may provide a determination or other response without regard to the time periods set forth in 410-1-7-.02.
- (5) Any Request that conveys ownership through a lease must ~~involve a lease of~~ be for substantially all assets of the health care facility and the lease must be for a minimum term of a two (2) years term. A copy of the lease must accompany the request. The two (2) year requirement may be waived by the CON Board upon evidence of the need of a temporary change of ownership to protect the health and safety of patients.

Statutory Authority: § 22-21-275, Code of Alabama, 1975.

History: Amended: Filed June 25, 2012; effective July 30, 2012.