

**TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION**

Control 410 Department or Agency State Health Planning and Development  
 Agency (Certificate of Need Review Board)

Rule No. 410-1-7-.04

Rule Title: Notice of Change of Ownership

     New  Amend      Repeal      Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?                 NO                

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?                 YES                

Is there another, less restrictive method of regulation available that could adequately protect the public?                 NO                

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?                 NO                

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?                 NO                

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?                 YES                

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 Does the proposed rule have an economic impact?                 NO                

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer                 Abram. Lambert                

Date                 4-19-12                

DATE FILED  
(STAMP)



## STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870

MONTGOMERY, ALABAMA 36104

### NOTICE OF INTENDED ACTION

AGENCY NAME: STATE HEALTH PLANNING AND DEVELOPMENT AGENCY  
(Certificate of Need Review Board)

RULE NO. & TITLE: 410-1-7-.04 Notice of Change of Ownership

INTENDED ACTION:

The State Health Planning and Development Agency and the Certificate of Need Review Board propose to amend the above styled section of the *Alabama Certificate of Need Program Rules and Regulations*.

SUBSTANCE OF PROPOSED ACTION:

To require that any request that conveys a change of ownership through a lease must involve a lease for substantially all assets of the health care facility for a minimum two (2) year term.

TIME, PLACE, MANNER OF PRESENTING VIEWS:

In response to this Proposed Rule, all interested persons are invited to submit data, views, comments and/or arguments, orally or in writing. Any and all such data, comments, arguments and/or requests to orally address the Certificate of Need Review Board shall be made in writing on or before June 5, 2012, and shall be made to:

Nicole Horn, Executive Secretary  
State Health Planning and Development Agency  
P. O. Box 303025  
Montgomery, Alabama 36130-3025

On June 20, 2012, at 10:00 a.m., the Certificate of Need Review Board shall conduct a public hearing in the State Capitol, Capitol Auditorium, 600 Dexter Avenue, Montgomery, Alabama, at which time it shall consider the Proposed Amendment, along with all written and oral submissions respecting the Proposed Amendment. Only those interested persons who have made timely written requests will be afforded the opportunity to speak.

Copies of the proposed changes are available for review at 100 North Union Street, RSA Union Building, Suite 870, Montgomery, Alabama. Phone (334) 242-4103 or visit the office Monday through Friday from 8:00 a.m. to 5:00 p.m., excluding State holidays.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

June 5, 2012

CONTACT PERSON AT AGENCY:

Nicole Horn  
100 North Union Street  
RSA Union, STE 870  
Montgomery, AL 36104  
(334) 242-4103

*Alva M. Lambert*  

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Alva M. Lambert, Executive Director

**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 substantially all assets of the health care facility for a minimum of a two (2) year term.

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

History: Amended: Filed March 26, 2012; effective April 30, 2012