

Angie Cameron
acameron@burr.com
Direct Dial (205) 458-5209

RECEIVED
MAY 08 2014
STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

420 North 20th Street
SUITE 3400
Birmingham, AL 35203

May 5, 2014

Office (205) 251-3000
Fax (205) 458-5100

BURR.COM

Mr. Alva M. Lambert
Executive Director
State Health Planning and Development
Agency
100 North Union Street
Suite 870
Montgomery, AL 36104

Re: Change of Ownership - Caring Hands/Journey Hospice

Dear Mr. Lambert:

We respectfully submit to the State Health Planning and Development Agency ("SHPDA") this letter as an attachment to the Notice of Change of Ownership form that we are filing pursuant to the Alabama Certificate of Need Program Rules and Regulations ("CON Rules") Chapter 410-1-7-.04. The change of ownership involves Caring Hands Hospice, Inc. ("Caring Hands"), a non-profit corporation, which operates a hospice. Caring Hands is located at 4930 Rice Mine Road NE, Tuscaloosa, Alabama 35406 (the "Hospice"). The following summarizes the proposed transaction that is estimated to take place on or after June 5, 2014.

1. Facts
 - (a) Caring Hands (the "Owner") is the licensed owner and operator of the Hospice.
 - (b) Journey Hospice of Alabama, LLC ("Purchaser"), has agreed to purchase the equipment and operating authority of the Hospice from the Owner for \$95,000.
 - (c) Contemporaneous with the purchase of the Hospice, Purchaser will assume the lease.
2. SHPDA Requirements for Change of Ownership: In accordance with Rule 410.1-7-.04 of the Rules and Regulations of the Alabama Certificate of Need Program, the following information is provided for your review.
 - (a) Nature of the Transaction: The proposed transaction will involve the purchase of the Hospice pursuant to the attached purchase agreement.

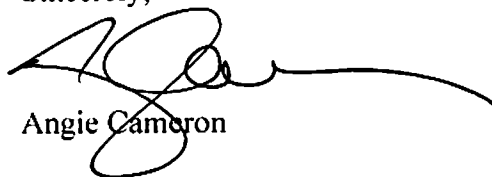
- (b) **Financial Scope of Project:** The Purchaser will purchase the Hospice from the Owner at a closing that is scheduled to occur on or after June 1, 2014. The Owner will convey the assets covered by the purchase agreement at the closing in exchange for the payment of \$95,000. No new equipment or construction is involved in the acquisition. Operator's expected new annual operating costs to operate the Hospice will not exceed the thresholds set forth in Section 22-21-263(a)(2) of the Code of Alabama.
- (c) **No New Services:** The proposed transaction will not involve creating any new health services.
- (d) **No New Beds:** There will be no addition or reduction of beds with respect to the proposed transaction.
- (e) **No Conversion of Beds:** The proposed transaction will not involve the conversion of beds.
- (f) **Nature of Transaction:** The proposed transaction will involve the transfer of the right to operate a hospice agency, but does not involve the sale of stock.

Pursuant to Rule 410-1-7-.04(2) of the Rules and Regulations of the Alabama Certificate of Need Program, enclosed please find a fee of Two Thousand Eight Hundred Dollars (\$2,800.00) for this Notice of Change of Ownership filing. Also enclosed, please find a completed SHPDA Change of Ownership form.

Based on the above showing that there will be no change in health service, no conversion of beds or increase in bed capacity, nor any capital expenditure in excess of the thresholds set forth in Alabama Code § 22-21-263(a)(2), 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 the above-described proposed transactions.

Should you have any questions or need further information, please feel free to contact me at (205) 458-5209.

Sincerely,



Angie Cameron

ACC
Enclosures

RECEIVED

MAY 08 2014

CHANGE OF OWNERSHIP

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Part I: Purchasing Organization Information

Name of Organization: Journey Hospice of Alabama, LLC

Facility Name:
(ADPH Licensure name) Journey Hospice of Alabama

SHPDA ID Number: _____

Address (PO Box #): 4128 Crosshaven Drive

City, State, Zip, County: Birmingham, Alabama 35243

Number/Type Licensed Beds: In-home hospice

Owner(s): Journey Hospice of Alabama, LLC

Operator(s): Journey Hospice of Alabama, LLC

Part II: Selling Organization Information

Name of Organization: Caring Hands Hospice, Inc.

Address (PO Box #): 4930 Rice Mine Road NE

City, State, Zip, County: Tuscaloosa, Alabama 35406

Number/Type Licensed Beds: In-home hospice

Owner(s): Caring Hands Hospice, Inc.

Operator(s): Caring Hands Hospice, Inc.

Part III: Value of Consideration

Monetary Value of Purchase: \$see attached No./Type Beds: In-home hospice

Terms of Purchase: see attached
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds: N/A

Types of Institutional Health Services: In-home hospice

List Service Area by County for Home Health Agencies: N/A

On an Attached Sheet Please Address the Following:

- *1) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.
- *2.) 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).
- *3.) Whether the proposal will include the addition of any new beds.
- *4) Whether the proposal will involve the conversion of beds.
- *5) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

I certify that I agree to provide the information necessary (financial, utilization of services and beds, etc.) so the new owner can have the necessary information to complete reports as necessary for the entire fiscal year. The purchaser has agreed to these terms,

Seller(s) Signature(s):

Owner(s): _____

Operator(s): Car Ash

Title/Date: CEO 3/27/14

I certify that I will be responsible for retaining records as necessary to complete reports required for the entire fiscal year, and agree to these terms. I have enclosed a check in the amount of \$2,800* made payable to 'Alabama State Health Planning and Development Agency' to cover the cost of the change of ownership.

YES NO The above Purchaser and Seller have agreed to these purchase terms.

Purchaser Signature: Richard K. Rice

Title/Date: 3-24-14 Chief Minister

* - Please note that the fee for a Notice of Change of Ownership includes a temporary surcharge of \$300.

RECEIVED

MAY 08 2014

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

PURCHASE AGREEMENT

This agreement is entered between Journey Hospice of Alabama, LLC, and Alabama Limited Liability Company, or its designee (the "Buyer") and Caring Hands Hospice, Inc., an Alabama Non-Profit Corporation (the "Seller").

WHEREAS Seller provides hospice services to patients from its offices at 4930 Rice Mine Road, N.E., Ste. 103 Tuscaloosa, Alabama 35401, and

WHEREAS Seller's hospice services are currently being managed by Palliative Care Partners, a Ga. LLC pursuant to that Management Agreement dated 12/9/2013 as in interim step to sale of the Assets of Sellers hospice services, and

WHEREAS Buyer and Palliative Care Partners are affiliated, and

WHEREAS Buyer wishes to purchase the Assets of Seller, and

NOW THEREFORE, in consideration for the covenants contained herein, Buyer and Seller agree as follows:

1) Purchase and Sale. At the Closing on the Closing Date, Seller shall sell, convey, assign, transfer and deliver to Buyer, free and clear of any Encumbrance, good and marketable right, title and interest in and to Seller's right, title, interest in and to all Assets related to the Business (hereafter referred to as the "Assets"), other than those specified as Excluded Assets, including but not limited to the following:

- a) All Tangible Personal Property owned or leased by Seller (whenever located and whether or not carried on Seller's books;
- b) All inventory and supplies;
- c) All Intellectual Property Assets used or proposed to be used in connection with the Business including;
- d) All rights to Contracts.
- e) All Governmental Authorizations, including but not limited to Seller's provider numbers and provider agreements.
- f) All rights, claims, credits, causes of action or rights of set-off, whether inchoate, known or unknown, contingent or noncontingent, with respect to or arising out of the Assets, the Assumed Liabilities or proceeds paid or payable under insurance contracts relating to the Assets.
- g) All prepaid expenses and other prepaid items, including lease deposits, utility deposits, earned credits and rebates, related to the operation of the Business.
- h) All other Assets, other than the Excluded Assets, which are used by Seller in connection with the Business to the extent that Seller has any rights or interests therein.

- i) All other intangible rights and property of Seller, including goodwill claims made basis, with coverage limits and deductibles that are not less than the limits and deductibles currently maintained by Seller;
 - j) Excluded Assets. Seller's cash and cash equivalents in Seller's bank accounts, and Seller's corporate minute book and tax returns.
- 2) Purchase Price. The Purchase Price of the Assets shall be \$95,000 plus assumption of certain listed liabilities of Seller. The Purchase price shall be paid as follows:
- a) \$60,000 shall be paid in cash at closing.
 - b) \$35,000 shall be paid thirty (30) days from the date of closing. Buyer shall sign a promissory note to Seller for the \$35,000. In the event the Assets are purchased by a designee of Buyer, then Buyer shall unconditionally guarantee payment of the Note. The Note shall provide for interest in the amount of 12% per annum on the unpaid balance if the Note is not timely paid, and for 15% attorney's fees in the event the Note is collected through an attorney at law.
 - c) In addition to payment of purchase price, Buyer shall assume Seller's Medicare liabilities, and the liabilities specifically listed in Exhibit "A".
- 3) Liabilities. Buyer is not assuming any liabilities of Seller except for the liabilities specifically listed in Exhibit "A". Seller shall be responsible for all obligations and liabilities of Seller incurred prior to the date of closing which are not listed in Exhibit "A".
- 4) Condition of Property. Buyer shall have the privilege and responsibility of inspecting the Assets of the Seller prior to closing. By closing this Agreement, Buyer shall be deemed to have accepted the Assets in their present condition "As Is".
- 5) Closing. The closing of this agreement shall take place at the office of Jere F. Wood, 1173 Canton Street, Roswell, GA 30075 during normal business hours at a date and time selected by Buyer, no later than April 1st, 2014.
- 6) Transactions at Closing. At closing, the parties shall execute and deliver respective documents listed below:
- a) Buyer and Seller shall sign a Settlement Statement setting forth the cash paid at closing.
 - b) Buyer shall pay Seller the balance of the Purchase Price due at closing by immediately payable funds.
 - c) Buyer shall sign and deliver a note to Seller for balance of the Purchase Price not paid at closing on the terms set forth in this agreement.
 - d) Seller shall sign a Bill of Sale conveying all of the assets of its hospice service to Seller.
 - e) Seller shall execute and deliver a Certificate that the representations and warranties contained in this Agreement are true and correct at the time of Closing and

that Seller has performed all of its obligations and complied with all covenants contained in this Agreement.

f) Seller shall furnish Certificates of Existence and Good Standing issued with respect to Seller by the State of Alabama, dated no more than 10 days prior to the Closing;

g) Seller shall furnish evidence of all board or member approvals necessary to authorize the execution delivery and performance of this Agreement and all actions taken by Seller in furtherance of this Agreement.

h) Seller shall furnish such items necessary to transfer to Buyer of all Seller's rights in and to the Intellectual Property in a form reasonably satisfactory to Buyer, including, without limitations, Seller's rights to all telephone and facsimile numbers, email addresses and website domains included in the Assets.

i) Seller shall deliver all records, keys, access cards, operating manuals and other items included in the Assets and necessary to deliver exclusive possessions and control of the Agency and the Assets to Buyer on the Closing Date; and

j) Seller shall execute and deliver all such further instruments and documents as are reasonably necessary, expedient or proper in order to complete the transfer of the Assets to Buyer free and clear of any and all Encumbrances, provide for the assumption by Buyer of the Assumed Contracts and otherwise consummate the transactions contemplated by this Agreement.

k) Buyer shall furnish a Certificate of Good Standing issued to Buyer by the State of Alabama, dated not more than 10 days prior to the Closing;

l) Buyer shall furnish evidence of all board or member approvals authorizing the execution and performance of this Agreement and all actions taken by Buyer in furtherance of this Agreement;

m) Buyer shall execute and deliver all such further instruments and documents as are reasonably necessary, expedient or proper in order to complete the transfer of the Assets to Buyer free and clear of any and all Encumbrances, provide for the assumption by Buyer of the Assumed Contracts and otherwise consummate the transaction contemplated by this Agreement.

7. Costs. Each party will bear its own costs and expenses in connection with the transactions contemplated by this agreement.

8. Conditions to Obligations of Buyer. The obligations of the Buyer under this Agreement are subject to satisfaction or written waiver by Buyer of each of the following conditions on or before the Closing Date.

a) Buyer review of all liabilities to be assumed by Buyer listed in Exhibit. Buyer may terminate the Agreement if Buyer finds, in Buyer's sole discretion, that the liabilities to be assumed are too great.

b) The Seller shall have performed or complied with all of the terms and conditions of this Agreement to be performed or complied with on its part and all the representations and warranties of Seller contained in this Agreement shall be true and correct.

9. Seller's Representations and Warranties. Seller represents and warrants to Buyer as follows, and such representations and warranties shall survive the closing.

a) At the closing Seller shall convey good valid marketable title to the Assets free and clear of all liens, mortgages, charges, security interests, and encumbrances whatsoever, except for liabilities listed in Exhibit "A.

b) There are no actions, suits, or proceedings pending or threatened against Seller which might prevent the performance the transaction contemplated by this agreement or materially affect the operation of the hospice and Seller is not a party to or subject to any judgment, decree, or any other order entered any suit or proceeding brought by any governmental agency affecting the operation of the hospice. To the best of the Seller's knowledge, the Seller is not in violation of any governmental status, ordinance, rule or regulation.

c) Seller has paid all taxes, interest, and penalties due to local, state or federal governments, with the exception of the Medicare liabilities.

10. Covenants of Seller.

a) From and after the date of this agreement and up to closing, Seller agrees to carry on its hospice business in all material respects in the same manner as conducted to date to make no purchase or sale or enter any contract or introduce any method or management or operation in respect to the hospice except in the normal or ordinary course of business.

b) Maintain all of the assets to be conveyed to Buyer in good operating condition, reasonable and wear and tear in ordinary uses excepted.

c) Cooperate with Buyer in obtaining transfer of all contracts and licenses necessary to continue operation of the hospice.

11. Conditions to Obligations of Seller. The obligations of Seller under this Agreement are subject to satisfaction or written waiver by Seller of each of the following conditions on or before Closing Date.

(a) The Buyer shall pay the Purchase Price as set forth herein.

(b) The Buyer shall have performed or complied with all of the terms and conditions of this Agreement to be performed or complied with on its part.

12. Indemnity. Seller covenants to indemnify and hold harmless the Buyer from any and all liens, claim, rights, demands, liabilities, causes of action, losses and damages, including but not limited to attorney's fees, court costs and litigation expenses, arising out of or in connection with operation of the Seller's hospice operations prior to Closing, with the exception of claims arising from liabilities expressly assumed by Buyer. The Buyer covenants to indemnify and hold harmless Seller from any and all liens, claims, rights, demands, liabilities, causes of action, losses and damages including but not limited to

attorney's fees, court costs and litigation expenses, arising out of or in connection with operation of the hospice operations after Closing. The party seeking indemnification will promptly give the other party notice of any claim and give them the opportunity to settle or defend such claim.

13. Absence of Broker. All negotiations relative to this Agreement and the transactions contemplated by this Agreement have been carried on in such manner as to not give rise to any valid claim against any of the parties for a brokerage commission, finder's fee or similar payment, and each party agrees to indemnify and hold the other party harmless against such brokerage claims arising as a result of any action or course of action on its respective part.

14. Restrictive Covenants.

a) Confidentiality. Each Party shall keep this Agreement and its contents confidential and not disclose this Agreement or its contents to any other Person except to the attorneys, accountants and other advisors of the Parties and except to those Persons whose knowledge of such information is required by this Agreement (but only to such extent as reasonably necessary in order for each Party to carry out its obligations under this Agreement), unless required by any Governmental Requirement or with the prior written consent of the other Party. Any public announcements with respect to the existence of this Agreement or the transactions contemplated hereby may only be made at such time and in such manner as Buyer and Seller shall mutually agree; provided however, that nothing herein shall prevent any Party from making such public announcements as such Party may consider necessary to satisfy such Party's legal or contractual obligations (after consulting with legal counsel) and only if the Party intending to make such disclosure shall provide the other Parties advance notice of and a copy of such disclosure. This confidentiality obligation shall survive after the Closing. Seller recognizes and acknowledges that each Party has and will have access to certain confidential information of Seller that is included in the Assets (including, but not limited to, lists of patients and costs and financial information) that after the consummation of the transactions contemplated hereby shall be valuable, special and unique property of Buyer. Seller shall not disclose, and each shall use its best efforts to prevent disclosure by any other Person of, any such confidential information to any Person for any purpose or reason whatsoever, except to authorized representatives of Buyer.

b) Covenant Not to Compete. In consideration of the purchase by Buyer of the Assets pursuant to the terms and conditions of this Agreement, and for other good and valuable consideration, commencing on the Closing Date and continuing for a period of five years thereafter, Seller shall not, directly or indirectly, engage in any business that provides hospice or palliative care services within 50 miles of Tuscaloosa, AL (the "Territory") (hereafter the "Seller Covenant Not to Compete.").

Without limiting the generality of the provisions of Section 12.3.1 the Seller Covenant Not to Compete shall be construed so that Seller shall also be in breach of this Agreement if it is an owner, investor, trustee, agent, principal or partner or a consultant or advisor to or for, or a subcontractor or manager for, a Person that is engaged in any of the activities prohibited by the Seller Covenant Not to Compete within the Territory, or if

any of them receives any compensation or remuneration from or owns, directly or indirectly, any outstanding stock or equity or has a beneficial or other financial interest in the equity or assets of any such individual or person that is engaged in such prohibited activities within the Territory. Notwithstanding anything to the contrary contained in this Section 12.3. Seller shall not be deemed to be in breach of this Seller Covenant Not to Compete solely by reason of owning an interest of less than 3% of the shares of any company traded on a national securities exchange or in the over the counter market that is engaged in any of the activities prohibited by this Seller Covenant Not to Compete.

It shall be a breach of this Seller Covenant Not to Compete for Seller or anyone acting on behalf of Seller to assist in any way any other Person, including without limitation any Affiliate of Seller that is not a party to this Agreement, to engage in any activity which Seller is prohibited from engaging in by the Seller Covenant Not to Compete.

15. Arbitration. All controversies under this Agreement shall be submitted to binding arbitration pursuant to the Georgia Arbitration Act. Arbitration shall be conducted in Fulton County, Georgia, unless the parties mutually agree otherwise. There shall be one arbitrator unless the parties mutually agree otherwise. In the event a party initiates a demand for arbitration, the demand shall include a list of at least five (5) proposed arbitrators, and the party in receipt of demand for arbitration shall within five (5) business days respond by either accepting one of the proposed arbitrators or proposing a list of five (5) alternate arbitrators. In such event the other party shall have five (5) business days to respond by either agreeing to the selection of the proposed arbitrators, or proposing a new set of at least five (5) proposed arbitrators from whom at least one must be selected. This process of proposing arbitrators on five business day cycles shall continue until a single arbitrator is selected by mutual agreement of the parties; provided, if no arbitrator is selected within thirty-five (35) days of the initial demand for arbitration, either party may apply to the Superior Court of Fulton County for appointment of a single arbitrator. The parties shall have all discovery available under the Georgia Civil Practice Act. The prevailing party in arbitration may be awarded reasonable attorney's fees and costs of prosecuting its claim and the cost of the arbitrator. Prior to an award by the arbitrator, the parties shall share equally in the cost of arbitrator. If either party fails or refuses to participate in arbitration, then the arbitrator shall award the party participating in arbitration the full scope of the claims asserted by the party participating in the arbitration. In the event that it is necessary to enforce the arbitrator's decision by an action at law, then the party enforcing his rights under the arbitrator's decision shall be entitled to recover all reasonable attorney's fees and expenses of litigation. The arbitrator may award injunctive relief, which award shall be enforceable by the Superior Court of Fulton County, Georgia.

16. Miscellaneous Provisions.

(a) Cooperation. Each of the parties will execute, deliver and acknowledge or supply such further documents, instruments and assurances as shall be reasonably necessary or appropriate to carry out the full content and purposes of this Agreement and each party shall cooperate and deal in good faith with the other party.

(b) Survival of Representations. All statements contained herein or in any certificate or other instrument delivered by or on behalf of any of the parties pursuant hereto or in connection with the transactions contemplated hereby shall be deemed representations.

warranties, covenants and agreements made by the respective parties to this Agreement shall survive the consummations of the transactions contemplated herein.

(c) Notices. All notices, requests, demands, tenders and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered or if mailed, certified or registered mail, postage prepaid:

(i) to Seller: 141 Village Parkway, NE
Bldg. 5A
Marietta, GA 30067

(ii) To Buyer: Journey Hospice of Alabama, LLC
Attn: Richard Rice, CEO
4128 Crosshaven Road
Birmingham, AL 35243
Ria.Rice@Ricecent.com

(d) Time. Time is of the essence of this Agreement.

(e) Entire Agreement. This Agreement and the instruments, agreements and other documents contemplated hereby supersede all prior discussions and agreements between the parties with respect to the matters contained herein, and this Agreement and the instruments, agreements and other documents contemplated hereby contain the sole and entire Agreement between the parties hereto with respect to the transactions contemplated herein.

(f) Amendments. This Agreement may be amended only in writing signed by all of the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed on the date set forth beside the signature. The date of this Agreement shall be the date of the last signature in time. This Agreement shall be void if not accepted by Buyer within five days of the date signed by Seller.

3-24-14
DATE

JOURNEY HOSPICE OF ALABAMA, LLC
By: Richard M. Rice
MANAGER

3-27-14
DATE

CARING HANDS HOSPICE, INC.
By: Iran Ash
RAMIN BADII, CEO
IRAN ASH, CEO

SELLER:

Palliative Care Partners, a Ga. LLC consents to this Agreement and agrees to extend the Management Agreement with Seller to June 1, 2014, or the date of closing this Agreement, whichever occurs first.

3-24-14
DATE

Palliative Care Partners, LLC
By: Richard J. Reie

EXHIBIT A

Accounts Payable as of March 5th, 2014:

Vendor	Amount Due
A.B.C. FIRE EQUIPMENT, INC.	41.50
Capstone Health Services Foundation	2,679.75
COLONIAL HAVEN CARE & REHAB	625.00
DATA MANAGEMENT BUSINESS RECORDS	140.00
DC- Scientific Pest Control Inc.	70.00
DCH REGIONAL MEDICAL CENTER	204.48
GULF SOUTH MEDICAL SUPPLY	862.52
HOBSON PLACE LLC	1,833.34
HOSPISCRIP	5,693.17
IRON MOUNTAIN	200.00
LABCORP	112.15
MOBILEX USA	1,771.83
NATIONAL HME-AL-BIRMINGHAM	5,965.50
NORTHSTAR EMS, INC. TUSCALOOSA	460.48
PERFECT SHINE, INC.	360.00
Salem Nursing Home & Rehab	2,759.31
SHRED IT BIRMGHAM	128.59
Southern Medical Equipment Corp.	3,075.00
SOUTHEAST PHYSICIAN NETWORK, PC	168.90
Southern Medical Equipment	4,600.00
Staples Advantage	313.63
THE RADIOLOGY CLINIC LLC	198.39
TOTAL	32,263.54

Seller's Medicare Liability. _____.

Seller's obligation under its Lease of 4930 Rice Mine Road arising after closing.