

March 3, 2022

VIA E-MAIL ([shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov))

Emily T. Marsal  
Executive Director  
State Health Planning & Development Agency  
100 North Union Street, Suite 870  
Montgomery, AL 36130

**Re: Children's Hospital of Alabama  
Request for Non-Reviewability Determination  
Emergency Department Expansion**

Dear Ms. Marsal:

On behalf of Children's Hospital of Alabama ("Children's Hospital" or "Children's") and pursuant to the Alabama Certificate of Need ("CON") Program Rules and Regulations ("CON Rules"), including CON Rules 410-1-7-.02 and 410-1-3-.09, attached hereto as **Exhibit A** is a request for the State Health Planning and Development Agency's ("SHPDA's") determination that Children's proposed expansion of its Emergency Department, including the addition of sixteen (16) Emergency Department exam rooms, does not require a CON in that the expansion does not involve, among other things, the addition of any new institutional health services, including, but not limited to, health care facility expenditures in excess of the current statutory thresholds requiring CON review (the "Request").

In accordance with CON Rule 410-1-3-.09, a pdf copy of this Request is being submitted electronically to SHPDA via [shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov). A fee of \$1,000.00 is being sent via the SHPDA online portal on March 3, 2022, by Christi Napper, Children's Director of Facilities Development and Institutional Planning.

Please give us a call if you have any questions.

Best regards,



Jordan Jackson  
Associate  
Dentons Sirote PC

Enclosures

cc: Christi Napper  
Suzanne Respress

**EXHIBIT A**

**BEFORE THE STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY OF THE STATE OF ALABAMA**

<b>IN THE MATTER OF:</b>	)	
	)	
<b>THE CHILDREN’S HOSPITAL OF</b>	)	<b>Request for Non-Reviewability</b>
<b>ALABAMA</b>	)	<b>Determination</b>
	)	<b>RV - _____</b>
	)	
	)	

**REQUEST FOR NON-REVIEWABILITY DETERMINATION**

On behalf of The Children’s Hospital of Alabama (“Children’s Hospital” or “Children’s”) and pursuant to the Alabama Certificate of Need (“CON”) Program Rules and Regulations (“CON Rules”) 410-1-7-.02 and 410-1-3-.09, and Alabama Code §§ 22-21-260 *et seq.*, this Request for Non-Reviewability Determination (“Request”) is hereby filed with the State Health Planning and Development Agency (“SHPDA”) to request a determination from SHPDA that Children’s proposal to construct and renovate existing soft space in its emergency department to add sixteen (16) emergency department exam rooms is not subject to CON review for the reasons stated below and no CON is required for this Children’s proposal (the “Proposal”).

The following factual and legal information is hereby included in this Request, and Children’s Hospital’s filing fee in the amount of \$1,000.00 is being filed via SHPDA’s online portal on March 3, 2022, by Christi Napper, Children’s Director of Facilities Development and Institutional Planning, in accordance with CON Rule 410-1-3-.09 and pursuant to CON Rule 410-1-7-.02.

## PROPOSAL

### 1. Facts

1.1 Children's Hospital is a not-for-profit Pediatric Specialty Hospital located in Birmingham, Alabama in Jefferson County. Since 1911, Children's Hospital has provided specialized medical care for ill and injured children, offering inpatient and outpatient services throughout Central Alabama. Ranked among the best pediatric medical centers by U.S. News and World Report, Children's provides care for children from every county in Alabama, other states, and foreign countries. Children's Hospital has more than 5,100 employees. With more than 2 million square feet, Children's Hospital is one of the largest pediatric medical facilities in the United States.

1.2 As part of its emergency services, Children's operates Alabama's **sole** Level I pediatric trauma center. Children's currently provides pediatric emergency care services in its emergency department with 53 existing exam rooms. The Children's emergency department was expanded as part of Project No. AL2009-042 (CON 2252-H) ("Expansion Facility"), **which included the addition of adjacent shelled space for future emergency department exam rooms as changing processes, needs, and demands arose.**

1.3 Following the opening of the Expansion Facility, Children's emergency department visits totaled more than 65,000 in 2012. **Prior to the COVID-19 pandemic, over 75,000 patients were treated in the emergency department at Children's in 2019, making it one of the busiest emergency departments in the State as well as the nation.**

1.4 The heavily utilized Children's emergency department serves as the access point for many pediatric patients receiving specialized services. Children's pediatric emergency department staff care for children and adolescents with a broad range of illnesses and injuries,

ranging from simple medical emergencies to complex trauma cases, such as motor vehicle crashes and concussions, and an increasing number of youths experiencing a behavioral or mental health crisis.

1.5 **Children’s has observed and continues to observe various factors leading to an increase in the utilization of its emergency department.** Children’s Proposal to add emergency department exam rooms in response to increased utilization is designed to address workflow issues, improve patient wait times and staffing efficiencies, and allow for the cohorting of patients and staff for a quality, safe environment which is necessary and important to our patients, families, visitors, and staff. **The following factors exhibit the past and continuing increase in Children’s emergency department utilization necessitating the proposed expansion:**

(a) As noted in its Request for Non-Reviewability Determination dated June 3, 2019 (“2019 Request”), attached hereto as **Attachment 1**, Children’s has encountered issues with overcrowding in its emergency department, due, in part, to an increase in pediatric psychiatric patients presenting to the emergency department.

(b) Pursuant to the 2019 Request and SHPDA’s letter determination that the proposal described in the 2019 Request was not subject to CON review, attached hereto as **Attachment 2**, Children’s established two additional levels of outpatient pediatric psychiatric care settings, an intensive outpatient program (“IOP”) and partial hospitalization program (“PHP”), in existing Children’s space. The addition of the IOP and PHP expanded the continuum of Children’s pediatric psychiatric care services to allow for the provision of pediatric psychiatric care in settings more intensive than traditional outpatient psychiatric settings but less intensive than Children’s highly structured inpatient setting.

(c) In addition, prior to the 2019 Request, Children's filed a Request for Non-Reviewability Determination on December 28, 2018 ("2018 Request"), attached hereto as **Attachment 3**, requesting SHDPA's determination that its expansion of its allocation of existing pediatric specialty beds for pediatric psychiatric services use and the related construction and renovation of existing soft space were not subject to CON review.<sup>1</sup> The 2018 Request arose from the growing volume of inpatient pediatric psychiatric patients, resulting in an occupancy rate of 90+% in Children's then-existing inpatient pediatric specialty beds used for inpatient pediatric psychiatric services.

(d) Pursuant to SHDPA's determination that the proposal outlined in the 2018 Request was not subject to CON Review, attached hereto as **Attachment 4**, a total of ten (10) additional patient rooms were constructed in existing soft space and ten (10) pediatric specialty beds were allocated to pediatric psychiatric services use, effective in May 2020.<sup>2</sup>

(e) Although the total number of Children's emergency department visits significantly decreased during the COVID-19 pandemic (from 75,137 visits in 2019 to 66,924 in 2021), **the number of visits returned to pre-pandemic levels by mid-2021. Additionally, the proportion of emergency department visits for behavioral and mental health conditions has continued to increase, with a 60% increase between 2017 and 2021.** For behavioral and mental health patients who need to be admitted or transferred to another facility, the increased demand

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<sup>1</sup> As discussed in further detail in the 2018 Request, Children's is not required to segregate its pediatric specialty beds by pediatric specialty service category for which such beds are used and properly reports all of its beds as pediatric specialty beds. Additionally, in accordance with State Health Plan Rule 410-2-4-.10, Children's may reallocate existing pediatric specialty beds among pediatric specialty services without any CON review requirement.

<sup>2</sup> The 2018 Request provided that Children's would staff and immediately operate six (6) of the ten additional patient rooms following construction and would reserve four (4) rooms, remaining unstaffed, for future operation. Ultimately, Children's opened and operated all ten (10) rooms in May 2020 after reallocating existing staff such that no new staffing costs were incurred for the operation of the four (4) rooms originally planned to be reserved for future use. Thus, no additional staffing, operating, or other costs were incurred beyond those reported in the 2018 Request.

has resulted in longer average emergency department visit times, **with the average length of stay increasing from approximately 10 hours in 2017 to 19 hours in 2021.**

(f) The increase in mental and behavioral health visits at Children’s was partially due to transfer limitations caused by adult hospitals’ repurposing of child/adolescent psychiatric licensed beds to beds used for the care of COVID-19 patients. Since the pandemic’s onset, however, Children’s and other children’s hospitals around the country have experienced a steady increase of children presenting to emergency departments for depression, anxiety, and suicide ideation. The National Alliance on Mental Illness (“NAMI”) has stated that “[m]ore than half of Americans report that COVID-19 has had a negative impact on their mental health” and, with regard to the youth population, stated, “1 in 6 U.S. youth aged 6-17 experience a mental health disorder each year.” NAMI, *Mental Health in Alabama – Fact Sheet*, <https://www.nami.org/NAMI/media/NAMI-Media/StateFactSheets/AlabamaStateFactSheet.pdf> (Feb. 2021). Despite the increase in pediatric mental and behavioral health visits, NAMI also reported in February 2021 that “61.8% of Alabamians age 12-17 who have depression did not receive any care in the last year,” signifying a greater need for mental and behavioral health care availability. *Id.*

(g) In addition to an increase in behavioral and mental health emergency department visits, **Children’s has also observed increases in the number of emergency department visits related to infectious diseases (108% increase), assaults (39% increase), and firearm injuries (24%) from 2020 to 2021.**

1.6 The above factors considered, in order to increase its emergency department and intake capacity in response to increasing pediatric patient visits, including, but not limited to, pediatric psychiatric patient visits, Children’s now proposes to construct and renovate existing soft

space in its emergency department to add sixteen (16) emergency department patient exam rooms. **The Proposal would allow Children's to address current workflow and patient wait time issues presented by its high emergency department utilization and improve efficiency. In addition, the Proposal would allow for the provision of care to patients with infectious diseases or mental or behavioral health issues in a setting allowing for cohorting of patients and a safer treatment environment for patients and staff during high volume episodes. Infectious diseases can be diagnosed and treated in a cohorted area, allowing staff to more effectively utilize protective equipment and protocols, while keeping other patients safe from potential spread. The Proposal would also provide for isolated settings for use in emotionally difficult situations, such as those involving families of a child injured by a firearm.**

1.7 **The additional proposed emergency department exam rooms will be multi-use to address the multiple factors contributing to Children's increased emergency department utilization and will be designed and equipped to serve general pediatric and pediatric psychiatric emergency department patients.** This Proposal does not involve the addition of any new beds.

1.8 The Proposal will involve the following costs, which are below the currently applicable statutory CON review thresholds:

(a) **Construction - \$2,240,464**, which includes the cost of building out sixteen (16) emergency department exam rooms, to be designed and equipped to serve all pediatric emergency department patients, including, but not limited to, pediatric psychiatric patients.

(b) **Equipment - \$268,856**, which includes furniture, fixtures, technology, and equipment for the sixteen (16) additional emergency department exam rooms.

(c) **First Year Annual Operating Costs – \$1,022,315**, including net new staffing costs associated with the sixteen (16) additional emergency department exam rooms.

## **2. Legal Analysis**

2.1 The Proposal does not involve a “new institutional health service” subject to CON review within the meaning of Ala. Code § 22-21-263 and CON Rule 410-1-4-.01, in that the Proposal does not include:

a. the construction, development, acquisition through lease or purchase or other establishment of a new health care facility or health maintenance organization;

b. any expenditure by or on behalf of a health care facility or health maintenance organization, the capital expenditure of which exceeds the CON statutory thresholds for major medical equipment, new annual operating costs, or any other capital expenditure by or on behalf of a health care facility;

c. the addition of any new health care facility beds or stations;

d. any health service which is proposed to be offered in or through Children’s Hospital which was not offered on a regular basis in or through Children’s Hospital within the preceding twelve (12) month period; or

e. any other reviewable event under the existing CON Laws, Rules, or Regulations of the State of Alabama.

## **3. Conclusion and Request**

3.1 This Proposal does not involve a new institutional health service subject to CON review pursuant to CON Rules 410-1-4-.01 *et seq.* and Ala. Code §§ 22-21-260 *et seq.* Rather, Children’s Proposal to construct and renovate existing soft space in its emergency department and the addition of sixteen (16) emergency department exam rooms will allow Children’s to meet the



demand of increased emergency department visits, including, but not limited to, increased pediatric psychiatric visits, improve triage and patient care, and reduce wait times in its emergency department. This expansion of emergency services provides more space to care for patients, enables convenient access to essential medical services, and includes state-of-the-art mental health treatment rooms.

3.2 The foregoing considered, this Proposal is due to be determined as non-reviewable in accordance with the Alabama CON Laws, Rules, and Regulations.

Respectfully submitted this the 3<sup>rd</sup> day of March, 2022,

/s/ Jordan Jackson

Jordan Jackson  
Attorney for The Children's Hospital of Alabama

**OF COUNSEL:**

Dentons Sirote PC  
2311 Highland Avenue South  
Birmingham, Alabama 35205  
205.930.5438

Affirmation of Requesting Party:

The undersigned, being first duly sworn, hereby make oath or affirm that he, Tom Shufflebarger, the President and CEO of The Children's Hospital of Alabama, has knowledge of the facts in this request, and to the best of his information, knowledge and belief, such facts are true and correct.



Tom Shufflebarger  
Tom Shufflebarger

SUBSCRIBED AND SWORN to before me this 25<sup>th</sup> day of February 2022.

Pamela Simmons

Notary Public

My commission expires: August 6, 2024

**Attachment 1**

**2019 Request**



Sirote & Permutt, PC  
2311 Highland Avenue South  
Birmingham, AL 35205-2972

PO Box 55727  
Birmingham, AL 35255-5727

Lenora W. Pate  
Attorney at Law  
lpate@sirote.com  
Tel: 205-930-5162  
Fax: 205-212-3801

June 3, 2019

**VIA E-MAIL ([shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov))**

Emily T. Marsal  
Executive Director  
State Health Planning & Development Agency ("SHPDA")  
100 North Union Street, Suite 870  
Montgomery, AL 36130

**Re: *Children's Hospital of Alabama  
Request for Non-Reviewability Determination  
Psychiatric Intensive Outpatient Program & Partial Hospitalization Program***

Dear Ms. Marsal:

On behalf of Children's Hospital of Alabama ("Children's Hospital" or "Children's") and pursuant to the Alabama Certificate of Need ("CON") Program Rules and Regulations ("CON Rules"), including CON Rules 410-1-7-.02 and 410-1-3-.09, attached hereto as **Exhibit A** is a request for your determination that Children's proposed psychiatric intensive outpatient program ("IOP") setting and partial hospitalization program ("PHP") setting, to be established and located in existing Children's space, are not subject to CON review under Alabama Code §§ 22-21-260 *et seq.* and the CON Rules, and do not require a CON in that, among other things, no new institutional health services, including, but not limited to, health care facility expenditures in excess of the current statutory thresholds requiring CON review, are involved (the "Request").

Children's currently provides pediatric psychiatric services in both an inpatient setting and an outpatient setting. Additional outpatient settings will enhance a continuum of pediatric psychiatric services with steps up and steps down in levels of intensity of care in relation to the amount and type of structure and treatment needed. The continuum of pediatric psychiatric services settings, with increasing levels of structure and intensiveness involved, include: (1) outpatient; (2) IOP; (3) PHP; and (4) inpatient psychiatric treatment settings, as detailed more fully in **Exhibit A**.

In accordance with CON Rule 410-1-3-.09, a pdf copy of this Request is being submitted electronically on the 3rd day of June, 2019, to [shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov); a paper original will be preserved in our files; and a fee of \$1,000.00 is being sent via the SHPDA online portal on June 3, 2019, by Christi Napper, Children's Director, Facilities Development and Institutional Planning, a copy of the receipt of which will be preserved in our files.

Please give me a call if you have any questions.



Emily T. Marsal  
June 3, 2019  
Page 2

Best regards,

  
Lenora W. Pate  
FOR THE FIRM

LWP/jj  
Enclosures

c: Christi Napper  
Mike McDevitt  
Suzanne Respass

**EXHIBIT A**

**BEFORE THE STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY OF THE STATE OF ALABAMA**

**IN THE MATTER OF:** )  
 )  
**CHILDREN’S HOSPITAL OF ALABAMA** ) **Request for Non-Reviewability**  
 ) **Determination**  
 ) **RV - \_\_\_\_\_**  
 )  
 )

**REQUEST FOR NON-REVIEWABILITY DETERMINATION**

On behalf of Children’s Hospital of Alabama (“Children’s Hospital” or “Children’s”) and pursuant to the Alabama Certificate of Need (“CON”) Program Rules and Regulations (“CON Rules”) 410-1-7-.02 and 410-1-3-.09, and Alabama Code §§ 22-21-260 *et seq.*, this Request for Non-Reviewability Determination (“Request”) is hereby filed with the State Health Planning and Development Agency (“SHPDA”) to request a determination from SHPDA that the Children’s proposal to establish a psychiatric intensive outpatient program (“IOP”) setting and partial hospitalization program (“PHP”) setting as a part of the continuum of medically necessary pediatric psychiatric services settings currently provided by Children’s in existing Children’s space is not subject to CON review for the reasons stated below, and hence, no CON is required for this Children’s proposal (“Proposal”).

The following factual and legal information is hereby included in this Request, and a Children’s Hospital filing fee in the amount of \$1,000.00 is being filed via SHPDA’s online portal on June 3, 2019, by Christi Napper, Children’s Director of Facilities Development and Institutional Planning, in accordance with CON Rule 410-1-3-.09, as required for this Request, and pursuant to CON Rule 410-1-7-.02.

**PROPOSAL**

**1. Facts**

1.1 Children’s Hospital is a not-for-profit **Pediatric Specialty Hospital** located in Birmingham, Alabama in Jefferson County. Since 1911, Children’s Hospital has provided specialized medical care for ill and injured children, offering inpatient and outpatient services throughout Central

Alabama. Ranked among the best pediatric medical centers by U.S. News and World Report, Children's provided care for children from every county in Alabama, 42 other States, and 7 foreign countries in 2018, representing more than 750,000 outpatient and Emergency Department visits, and nearly 16,000 inpatient discharges. Children's Hospital has more than 4,990 employees. With more than 2 million square feet, Children's Hospital is one of the largest pediatric medical facilities in the United States.

1.2 Children's currently provides pediatric psychiatric services in inpatient and limited outpatient settings. Children's, however, has encountered issues with **overcrowding in its emergency department**, including with pediatric psychiatric patients **who may not require the highly intensive structure of inpatient psychiatric care, but who may require more intensive care than that received in Children's current limited outpatient setting, which is in an individual setting without a highly structured intensive care program.**

1.3 Under the Proposal, in order to provide pediatric psychiatric patients with the level of care and structure needed in appropriate settings, **Children's proposes to establish two additional levels of outpatient pediatric psychiatric care settings, IOP and PHP, which are more intensive than Children's current limited outpatient service setting but less intensive than Children's highly structured inpatient services setting.** The IOP and PHP settings will be established in existing Children's space which will be renovated for IOP and PHP purposes.

1.4 In order of increasing levels of care and structure, after the completion of the renovations associated with the proposed IOP and PHP settings, Children's will provide the continuum of pediatric psychiatric services in the following settings: (1) outpatient; (2) IOP; (3) PHP; and (4) inpatient. Children's will **not** be providing **any new** psychiatric services; rather, **Children's will continue to provide pediatric psychiatric services, but will do so in settings appropriate for the level of care and structure uniquely required by individual patients as part of a *continuum of pediatric psychiatric care services.***

1.5 In terms of outpatient psychiatric care, hospitals may provide care "**ranging from a few individual services to comprehensive, full-day programs; from intensive treatment programs to those that [are] primarily supportive.**" Centers for Medicare and Medicaid Services, *Medicare Benefit Policy*

*Manual – Chapter 6 – § 70.3 – Partial Hospitalization Services*, <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c06.pdf> (Dec. 18, 2015) (emphasis added).

1.6 To further illustrate this continuum of services, a PHP is less intensive than inpatient psychiatric care but more concentrated than IOP psychiatric care and is defined as a program “structured to provide intensive psychiatric care through active treatment that . . . closely resembles that of a highly structured, short-term hospital inpatient program. **It is treatment at a level more intense than outpatient day treatment or psychosocial rehabilitation.**” *Id.* (emphasis added).

1.7 The Centers for Medicare and Medicaid Services (“CMS”) has published guidance related to PHP psychiatric treatment which states, “PHPs work best as part of a **continuum of mental health services** which range from the most restrictive inpatient hospital setting to less restrictive outpatient care and support.” *Id.* (emphasis added). “Patients in PHP may be discharged by either **stepping up** to an **inpatient level of care** which would be required for patients needing 24-hour supervision, or **stepping down** to a **less intensive level of outpatient care** when the patient’s clinical condition improves or stabilizes and he/she no longer requires structured, intensive, multimodal treatment.” *Id.* (emphasis added).

1.8 Like PHPs, IOPs are less intensive than inpatient psychiatric care. IOPs, however, are also less intensive than PHPs, but are more intensive than individual psychiatric outpatient treatment. Studies have found that patients benefit from both outpatient, including IOP, and inpatient levels of care, depending on a patient’s unique needs. The Substance Abuse and Mental Health Services Administration (“SAMHSA”) has stated that patients “benefit from *both* levels of care and that comparing inpatient with outpatient treatment is potentially counterproductive because the important question is not which level of care is better but, rather, **which level of care is more appropriate at a given time for each [patient]. Matching [patients] with enhanced services also improves [patient] outcomes.**” SAMHSA, *Substance Abuse: Clinical Issues in Intensive Outpatient Treatment: a Treatment Improvement Protocol*, at 8, [https://www.ncbi.nlm.nih.gov/books/NBK64093/pdf/Bookshelf\\_NBK64093.pdf](https://www.ncbi.nlm.nih.gov/books/NBK64093/pdf/Bookshelf_NBK64093.pdf) (2006) (emphasis in bold added, emphasis in italics in original).



1.9 **Offering a continuum of psychiatric care settings, which includes IOPs and PHPs, is consistent with hospital models nationwide, including with Pediatric Specialty Hospital models.** See e.g., UCLA Resnick Neuropsychiatric Hospital, *Child & Adolescent Services*, <https://www.uclahealth.org/resnick/child-and-adolescent-services> (offering various inpatient, PHP, and less intensive outpatient programs); Loma Linda University Health, *Youth Mental Health*, <https://lluh.org/behavioral-health/our-services/youth-mental-health> (offering inpatient, PHP, and IOP youth services); PEAK Behavioral Health Services, *Outpatient & Partial Programs: Adolescent Outpatient Program Services*, <http://peakbehavioral.com/outpatient-partial-programs/> (offering inpatient, PHP, and IOP adolescent services).

1.10 The provision of pediatric services in IOP and PHP settings, in addition to Children's current limited outpatient and inpatient settings, will allow for pediatric psychiatric patients to receive care in the appropriate pediatric psychiatric specialty setting for their unique situation. Children's has previously developed and implemented a **pediatric Psychiatric Intake Response Center ("PIRC")**, operated by trained staff, in order to place patients in the correct setting for psychiatric care, with consideration for the level of structure and intensiveness needed. The PIRC has already served to relieve overcrowding of Children's emergency department by allowing a determination of whether patients need inpatient or strictly outpatient care, without an inpatient hospital visit. The establishment of the IOP and PHP will further streamline the process of triage of pediatric psychiatric patients, making a determination of the intensiveness of the level of pediatric psychiatric services needed in the appropriate setting **more medically and economically efficient.**

1.11 In addition, the proposed Children's PHP will be the only PHP available for the child age group in the State of Alabama, making it even more imperative that Children's establish the proposed IOP and PHP as a part of its continuum of pediatric psychiatric services in existing Children's space.

1.12 Therefore, pursuant to the above information and accepted standards concerning the provision of existing pediatric psychiatric services as a continuum of care, Children's Proposal does not contemplate the addition and performance of any new health services. **Rather, the Proposal would better**

**allow Children’s to continue to provide pediatric psychiatric services in a broader range of settings, tailored to specific patient needs with regard to level of care and intensiveness, consistent with the established standard of care for pediatric psychiatric patients.**

1.13 This Proposal will involve the following costs, which are below the current applicable statutory CON review thresholds:

- a. Construction – \$279,300.00
- b. Equipment – \$55,860.00
- c. First Year Annual Operating Costs – \$577,521.00

## **2. Legal Analysis**

2.1 The Proposal does not involve a “new institutional health service” subject to CON review within the meaning of Alabama Code § 22-21-263 and CON Rule 410-1-4-.01, in that the Proposal does not include:

(a) the construction, development, acquisition through lease or purchase or other establishment of a new health care facility or health maintenance organization;

(b) any expenditure by or on behalf of a health care facility or health maintenance organization, the capital expenditure of which exceeds the CON statutory thresholds for major medical equipment, new annual operating costs, or any other capital expenditure by or on behalf of a health care facility;

(c) the addition of any new health care facility beds or stations;

(d) any health service which is proposed to be offered in or through Children’s Hospital which was not offered on a regular basis in or through Children’s Hospital within the preceding twelve (12) month period; or

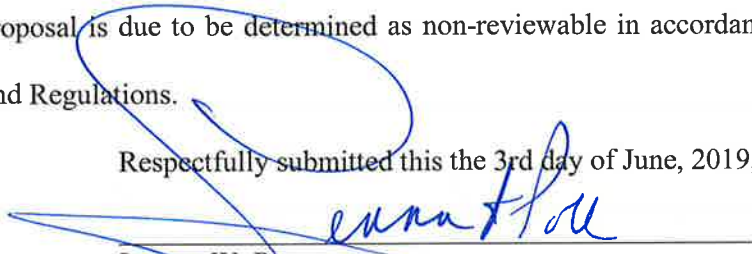
(e) any other reviewable event under the existing CON Laws, Rules, or Regulations of the State of Alabama.

**3. Conclusion and Request**

3.1 This Proposal does not involve a new institutional health service subject to CON review pursuant to CON Rules 410-1-4-.01 *et seq.* and Alabama Code §§ 22-21-260 *et seq.* Children’s is merely expanding the range of settings in which it provides existing pediatric psychiatric services in existing Children’s space, in accordance with accepted medical standards to benefit patient outcomes by providing pediatric psychiatric services in a setting tailored to the unique needs of each patient, with regard to level of care and intensiveness required, and to allow for more medically and economically efficient triage of pediatric psychiatric patients.

3.1 Hence, this Proposal is due to be determined as non-reviewable in accordance with the Alabama CON Laws, Rules, and Regulations.

Respectfully submitted this the 3rd day of June, 2019,



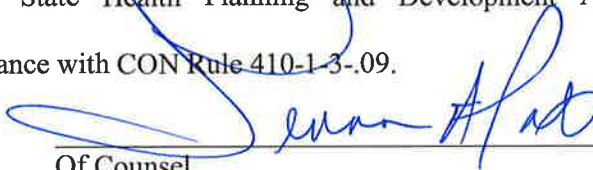
Lenora W. Pate  
Jordan Jackson  
Attorneys for Children’s Hospital of Alabama

**OF COUNSEL:**

Sirote & Permutt, P.C.  
2311 Highland Avenue South  
Birmingham, Alabama 35205  
205.930.5162

**CERTIFICATE OF SERVICE**

I hereby certify that a PDF copy of the above and foregoing Exhibit A was electronically filed this the 3rd day of June, 2019, with the State Health Planning and Development Agency via shpda.online@shpda.alabama.gov in accordance with CON Rule 410-1-3-.09.

  
\_\_\_\_\_  
Of Counsel

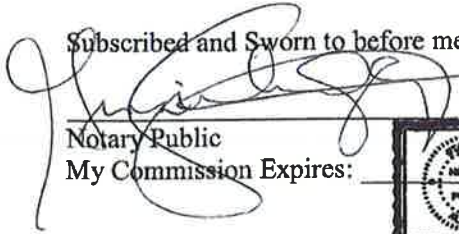
Affirmation of Requesting Party:

The Undersigned, being first duly sworn, hereby makes oath or affirms that she, Christi Napper, Children's Hospital of Alabama Director, Facilities Development and Institutional Planning, has knowledge of the facts in this Request, and to the best of her information, knowledge, and belief such facts are true and correct.

  
Christi Napper

Seal

Subscribed and Sworn to before me this the 3<sup>rd</sup> day of June, 2019.

  
Notary Public  
My Commission Expires:



**Attachment 2**

**SHPDA Determination –  
2019 Request**



## STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870  
MONTGOMERY, ALABAMA 36104

July 25, 2019

Lenora W. Pate, Esquire  
Sirote & Permutt, PC  
P.O. Box 55727  
Birmingham, Alabama 35255-5727

RE: RV2019-036  
Children's Hospital of Alabama  
SHPDA ID: 073-6530170

Dear Ms. Pate:

This is written in response to a request filed on June 4, 2019, regarding a letter of reviewability determination on behalf of the referenced provider to expand the existing pediatric services by establishing a psychiatric intensive outpatient program and partial hospitalization program settings as part of the continuum of medically necessary pediatric psychiatric services in Jefferson County.

Pursuant to ALA ADMIN. CODE r 410-1-4-.01, of the Alabama Certificate of Need Program Rules and Regulations, and according to the facts that have been provided, a Certificate of Need would not be required. This approval is made with clear understanding that this proposal will not result in the offering of any new health services or any capital expenditure in excess of the Certificate of Need capital expenditure thresholds, as they currently exist.

Further, in accordance with ALA. ADMIN. CODE r 410-1-7-.02 (2017), this opinion is for informational purposes only and is based on circumstances as they currently exist. This letter is also specifically conditioned upon the continuing accuracy of the representations contained in this request and is based on the assumption that all pertinent information relative to this request has been disclosed. Should there be any deviations from the facts and premises provided to this Agency, and should circumstances prove to be other than represented, this letter may be become null and void.

Sincerely,

A handwritten signature in black ink that reads "Emily T. Marsal".

Emily T. Marsal  
Executive Director

ETM/kfn

RECEIVED JUL 29 2019

**Attachment 3**

**2018 Request**





Sirote & Permutt, PC  
2311 Highland Avenue South  
Birmingham, AL 35205-2972

PO Box 55727  
Birmingham, AL 35255-5727

Lenora W. Pate  
Attorney at Law  
lpate@sirote.com  
Tel: 205-930-5162  
Fax: 205-212-3801

December 28, 2018

**VIA E-MAIL ([shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov))**

Alva M. Lambert  
Executive Director  
State Health Planning & Development Agency (“SHPDA”)  
100 North Union Street, Suite 870  
Montgomery, AL 36130

**Re: *Children’s Hospital of Alabama  
Request for Non-Reviewability Determination  
Reallocation of Pediatric Specialty Beds & Construction/Renovation of Space for Pediatric  
Psychiatric Services Use***

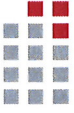
Dear Mr. Lambert:

On behalf of Children’s Hospital of Alabama (“Children’s Hospital” or “Children’s”) and pursuant to the Alabama Certificate of Need (“CON”) Program Rules and Regulations (“CON Rules”), including CON Rules 410-1-7-.02 and 410-1-3-.09, attached hereto as **Exhibit A** is a request for your determination that the proposed expanded allocation of the Children’s Hospital **existing pediatric specialty beds** for pediatric psychiatric specialty services use and the expansion and renovation of existing space for inpatient pediatric psychiatric services use in Birmingham, Alabama, is not subject to CON review under Alabama Code §§ 22-21-260 *et seq.* and the CON Rules, and does not require a CON in that, among other things, it does not involve a new institutional health service or any health care facility expenditures in excess of the current statutory thresholds requiring CON review (the “Request”).

As detailed further in **Exhibit A**, Children’s Hospital proposes: (1) to allocate additional beds from its existing pediatric specialty beds for pediatric psychiatric services use due to the high occupancy and demand for such services; and (2) to construct (in existing space contiguous to the current existing pediatric specialty beds used for inpatient pediatric psychiatric services) ten (10) additional patient rooms, six (6) of which will be staffed and operated immediately following completion of construction and four (4) of which will remain unstaffed and reserved for future use at a later date (the “Proposal”).

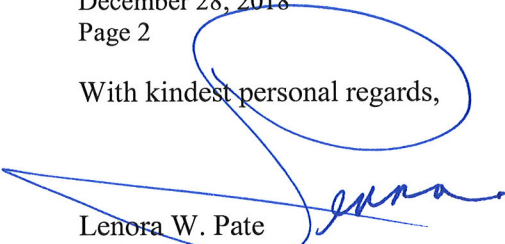
In accordance with CON Rule 410-1-3-.09, a pdf copy of this Request is being submitted electronically on the 28<sup>th</sup> day of December, 2018, to [shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov); a paper original will be preserved in our files; and a fee of \$1,000.00 is being sent via the SHPDA online portal on December 28, 2018, by Christi Napper, Director, Institutional Services of Children’s, a copy of the receipt of which will be preserved in our files.

Please give me a call if you have any questions.



Alva M. Lambert  
December 28, 2018  
Page 2

With kindest personal regards,

  
Lenora W. Pate  
FOR THE FIRM

LWP/jj  
Enclosures

c: Christi Napper  
Mike McDevitt  
Suzanne Respass

**EXHIBIT A**

**BEFORE THE STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY OF THE STATE OF ALABAMA**

IN THE MATTER OF: )  
 )  
CHILDREN’S HOSPITAL OF ALABAMA ) **Request for Non-Reviewability**  
 ) **Determination**  
 ) **RV - \_\_\_\_\_**  
 )  
 )  
 )

**REQUEST FOR NON-REVIEWABILITY DETERMINATION**

On behalf of Children’s Hospital of Alabama (“Children’s Hospital” or “Children’s”) and pursuant to the Alabama Certificate of Need (“CON”) Program Rules and Regulations (“CON Rules”) 410-1-7-.02 and 410-1-3-.09, and Alabama Code §§ 22-21-260 *et seq.*, this Request for Non-Reviewability Determination (“Request”) is hereby filed with the State Health Planning and Development Agency (“SHPDA”) to request a determination from SHPDA that the Children’s Hospital proposal: (1) to expand the allocation of its existing **pediatric specialty beds** for pediatric psychiatric specialty services use in Birmingham, Alabama; and (2) to construct and renovate the existing soft space contiguous to its existing pediatric specialty beds used for inpatient pediatric psychiatric services and to expand such services due to the high occupancy and demand for such services, more fully described below, is not subject to CON review for the reasons stated below, and, hence, no CON is required for this Children’s Hospital proposal (“Proposal”).

The following factual and legal information is hereby included in this Request, and a Children’s Hospital filing fee in the amount of \$1,000.00 is being filed via SHPDA’s online portal on December 28, 2018, by Christi Napper, Director, Institutional Services of Children’s, in accordance with CON Rule 410-1-3-.09, as required for this Request, pursuant to CON Rule 410-1-7-.02.

## PROPOSAL

### 1. Facts.

1.1 Children's Hospital is a not-for-profit Pediatric Specialty Hospital located in Birmingham, Alabama in Jefferson County. Since 1911, Children's Hospital has provided specialized medical care for ill and injured children, offering inpatient and outpatient services throughout Central Alabama. Ranked among the best pediatric medical centers by U.S. News and World Report, Children's provided care for children from every county in Alabama, 45 other States, and 6 foreign countries in 2017, representing more than 750,000 outpatient and Emergency Department visits, and nearly 16,000 inpatient discharges. Children's Hospital has more than 4,850 employees. With more than 2 million square feet, Children's Hospital is one of the largest pediatric medical facilities in the United States.

1.2 Children's Hospital provides pediatric specialty services as a 332-bed Pediatric Specialty Hospital, as defined at Alabama Department of Public Health ("ADPH") Rule 420-5-7-.03(4), and reports all of its existing 332 beds to SHPDA as **pediatric specialty beds**. Services currently provided by Children's Hospital include inpatient and outpatient pediatric psychiatric specialty services. Children's Hospital currently staffs 293 of its 332 licensed pediatric specialty beds, 34 of which are currently staffed for pediatric psychiatric specialty services.

1.3 In accordance with past confirmation by SHPDA in its February 12, 2008 response, attached hereto as **Attachment 1**, to Children's Hospital's letter of June 21, 2007, attached hereto as **Attachment 2**, indicating that Children's Hospital is **not** required to segregate its pediatric specialty beds by category, Children's Hospital, as a Pediatric Specialty Hospital, properly reports all of its beds as pediatric specialty beds regardless of the type of pediatric specialty service for which such beds are used and classified as, **including those used for pediatric psychiatric services**. Additionally, in accordance with **SHP Rule 41-2-4-.10**, Children's Hospital may reallocate existing pediatric specialty beds between and among all pediatric specialty services, including pediatric psychiatric services, **without any CON review requirement**.

1.4 Due to the growth in its volume of inpatient pediatric psychiatric patients, resulting in an occupancy rate of 90+% in its existing inpatient pediatric specialty beds used for inpatient pediatric psychiatric services, Children's Hospital is in need of a reallocation of its existing pediatric specialty beds to expand the number of its existing pediatric specialty beds in use for the provision of inpatient pediatric psychiatric services. This expansion and reallocation Proposal will not involve the addition of any new beds. Rather, the number of Children's existing pediatric specialty beds used for pediatric psychiatric specialty services will eventually be increased from **34** to **44** beds in accordance with Paragraph 1.5 below.

1.5 To accommodate the additional pediatric specialty beds allocated to inpatient pediatric psychiatric services, Children's Hospital proposes to construct, in existing soft space contiguous to the existing 34 pediatric specialty beds currently used for inpatient pediatric psychiatric services, **ten (10) additional patient rooms, six (6)** of which Children's will **staff and operate immediately** following construction and **four (4)** of which Children's will **reserve and which will remain unstaffed** until a to-be-determined future date.

1.6 The build out of existing soft space contiguous to Children's pediatric specialty beds currently used for inpatient pediatric psychiatric services will allow for a higher capacity for the provision of existing inpatient pediatric psychiatric services. Hence, the construction involved in its Proposal will not involve **any new institutional health services**.

1.7 Moreover, the Proposal will allow Children's Hospital to respond to anticipated future demand and growth in the need for pediatric psychiatric services and alleviate the current high occupancy of existing pediatric specialty beds used for such services.

1.8 This Proposal will involve the following costs, which are below the current applicable statutory CON review thresholds:

(a) **Construction - \$1,256,667.00**, which includes the cost of building out **ten (10)** patient rooms to be used for pediatric psychiatric services in space contiguous to the existing **thirty-four (34)** pediatric specialty beds currently used for pediatric psychiatric services. As discussed in Paragraph

1.5 above, only **six (6)** of the additional rooms will be staffed immediately following construction; **four (4)** rooms will **not** immediately be staffed.

(b) **Equipment – \$95,616.00**, which includes:

○ *Medical Equipment* – \$26,771.00, which is not based on number of patient rooms and would be the same amount regardless of whether six (6) or ten (10) patient rooms were staffed. The medical equipment costs associated with the Proposal are described in **Attachment 3**, enclosed and incorporated herein.

○ *Furniture* – \$38,844.00, including furniture installation in six (6) of the ten (10) patient rooms constructed pursuant to the Proposal. The breakdown of furniture costs is attached hereto and incorporated herein as **Attachment 4**.

○ *Technology* – \$30,000.00, including costs for the expanded inpatient pediatric psychiatric services which are the same for both the six (6) bed and ten (10) bed increase. Therefore, no additional technology costs are expected as a result of the future use of the four (4) additional inpatient pediatric psychiatric rooms.

(c) **First Year Annual Operating Costs – \$1,080,158.00**, including staffing of six (6) of the ten (10) patient rooms added to the pediatric specialty beds used for pediatric psychiatric services pursuant to the Proposal.

## 2. **Legal Analysis.**

2.1 The Proposal does not involve a “new institutional health service” subject to CON review within the meaning of Alabama Code § 22-21-263 and CON Rule 410-1-4-.01, in that the Proposal does not include:

(a) the construction, development, acquisition through lease or purchase or other establishment of a new health care facility or health maintenance organization;

(b) any expenditure by or on behalf of a health care facility or health maintenance organization, the capital expenditure of which exceeds the CON statutory thresholds for major medical

equipment, new annual operating costs, or any other capital expenditure by or on behalf of a health care facility;

(c) the addition of any new health care facility beds or stations;

(d) any health service which is proposed to be offered in or through Children's Hospital which was not offered on a regular basis in or through Children's Hospital within the preceding twelve (12) month period; or

(e) any other reviewable event under the existing CON Laws, Rules, or Regulations of the State of Alabama.

2.2 Additionally, Children's Hospital, as a Pediatric Specialty Hospital, is **expressly exempt** from the CON Review requirements of SHP Rule 410-2-4-.10 with respect to the categorization of inpatient psychiatric bed categories. SHP Rule 410-2-4-.10 provides, "The bed allocation by category reported on the third Hospital Annual Report following the passage of this amendment shall be considered final for operating beds. Thereafter, any permanent change to a different inpatient psychiatric bed category for an existing operating bed or beds will require the approval of a new CON. This requirement will not apply to licensed beds not currently in use; however once beds are put into use, the provider will have to declare the category(ies) of the beds."

2.3 There is an **exception to such CON review requirement**, however, for **Pediatric Specialty Hospitals** under **SHP Rule 410-2-4-.10(2)(b)**, which provides that the psychiatric bed methodology "**does not apply to pediatric specialty hospital providers, and is not intended: to preclude pediatric specialty hospital providers from using their pediatric specialty beds to provide pediatric psychiatric services, as necessary; to require such providers to report or declare via the SHPDA Hospital Annual Report their pediatric specialty beds used for pediatric psychiatric services as psychiatric beds, with related patient days, by inpatient category; or require such providers to obtain a CON for any new or additional use of their pediatric specialty beds for the provision of any pediatric specialty services, including pediatric psychiatric services.**"

2.4 Thus, in accordance with SHP Rule 410-2-4-.10(2)(b), any Children's Hospital proposed reallocation of its existing pediatric specialty beds among pediatric specialty services, including pediatric psychiatric services, **as in this Proposal, is not subject to CON review.**

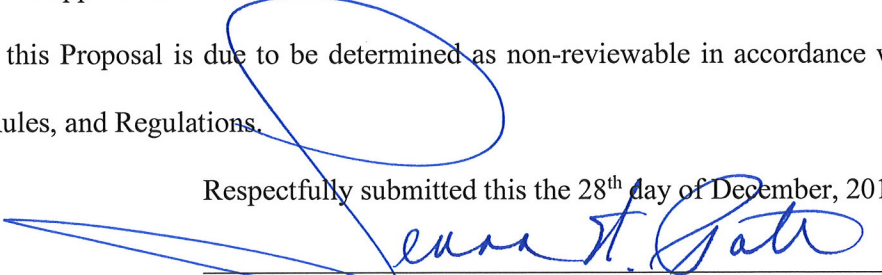
2.5 Considering that the Proposal involves **only** construction related to a build out of **existing soft space contiguous to the existing Children's Hospital inpatient pediatric specialty beds used for pediatric psychiatric services and reallocation of existing pediatric specialty beds and does not allow Children's Hospital to provide any new institutional health services** subject to CON review, does not add any new beds, does not exceed the CON statutory expenditure thresholds, and considering that the reallocation of pediatric specialty beds for pediatric psychiatric specialty beds is expressly removed from CON review requirements, the Proposal is **not subject to CON review under any existing laws, rules, or regulations of the State of Alabama.**

### 3. Conclusion and Request.

3.1 This Proposal does not involve a new institutional health service subject to CON review pursuant to CON Rules 410-1-4-.01 *et seq.* and Alabama Code §§ 22-21-260 *et seq.* Children's Hospital is merely reallocating its existing pediatric specialty beds to use for the provision of pediatric psychiatric services and constructing and renovating existing soft space to accommodate such reallocation of ten (10) existing pediatric specialty beds contiguous to the existing thirty-four (34) pediatric specialty beds currently used for inpatient pediatric psychiatric specialty services. Additionally, such expansion will not result in any expenditures above the applicable CON review thresholds.

3.2 Hence, this Proposal is due to be determined as non-reviewable in accordance with the Alabama CON Laws, Rules, and Regulations.

Respectfully submitted this the 28<sup>th</sup> day of December, 2018,

  
\_\_\_\_\_  
Lenora W. Pate  
Jordan Jackson  
Attorneys for Children's Hospital of Alabama



**OF COUNSEL:**

Sirote & Permutt, P.C.  
2311 Highland Avenue South  
Birmingham, Alabama 35205  
205.930.5162


**CERTIFICATE OF SERVICE**

I hereby certify that a PDF copy of the above and foregoing Exhibit A was electronically filed this the 28<sup>th</sup> day of December, 2018, with the State Health Planning and Development Agency via [shpda.online@shpda.alabama.gov](mailto:shpda.online@shpda.alabama.gov) in accordance with CON Rule § 410-1-3-.09.

  
\_\_\_\_\_  
Of Counsel

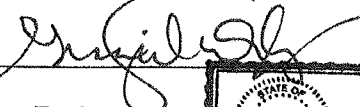
Affirmation of Requesting Party:

The Undersigned, being first duly sworn, hereby makes oath or affirms that she, Christi Napper, Children's Hospital of Alabama Director, Institutional Planning, has knowledge of the facts in this Request, and to the best of her information, knowledge, and belief such facts are true and correct.

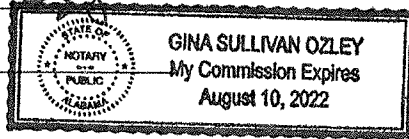
  
Christi Napper

Seal

Subscribed and Sworn to before me this the 28<sup>th</sup> day of December 2018

  
Notary Public

My Commission Expires:



**“ATTACHMENT 1”**

**SHPDA RESPONSE LETTER TO CHILDREN’S – FEBRUARY 12, 2008**



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870  
MONTGOMERY, ALABAMA 36104

February 12, 2008

Hon. Lenora W. Pate  
Sirote & Permutt  
Post Office Box 55727  
Birmingham, AL 35255-5727

RE: Children's Hospital of Alabama  
073-6530170  
Psychiatric Bed Inventory

Dear Ms. Pate:

In response to your communication of June 21, 2007, please be advised effective this date the 36 psychiatric beds previously identified in the *State Health Plan* as being operational by Children's Hospital of Alabama will be returned to inventory.

An updated inventory will be made available during the next psychiatric statistical update released by this office.

Sincerely,

A handwritten signature in cursive script that reads "Alva M. Lambert".

Alva M. Lambert  
Executive Director

AML/kwm

**“ATTACHMENT 2”**

**CHILDREN’S LETTER TO SHPDA – JUNE 21, 2007**

**LENORA W. PATE**

ATTORNEY AT LAW

(205) 930-5162

*lpate@sirote.com*

**S I R O T E**  
— & —  
**P E R M U T T**  
A PROFESSIONAL CORPORATION

June 21, 2007

**VIA FACSIMILE AND U.S. MAIL**

Jim Sanders

Deputy Director

State Health Planning Agency

PO Box 303025

Montgomery, AL 36130-3025

Re: Annual Reports for Children's Hospital of Alabama  
C/M No.: 002022-00067

Dear Jim:

This letter is to follow-up and confirm our discussions on June 12, 2007, regarding the Children's Hospital of Alabama ("Children's") SHPDA annual reporting form clarification.

Per our request, you reviewed the issue of how a Pediatric Specialty Hospital like Children's should report its psychiatric and burn services, considering that we have been unable to locate any specific CON authorized psychiatric or burn units for Children's. As we discussed, however, Children's was authorized in its 1982 CON to add Pediatric Psychiatric Services within its total bed license as a Pediatric Specialty Hospital.

You researched the status of Children's CON authorized beds, and confirmed with Guy Nevins at the Alabama Department of Public Health that Children's is an excluded Children's Hospital under the Prospective Payment System ("PPS"). As such, all of Children's licensed beds are excluded from PPS, and are assigned to Children's, as a Pediatric Specialty Hospital, for specialty pediatric use, without regard to a specific specialty designation and without regard to separate or distinct reimbursement by bed category.

Accordingly, you confirmed, as did Guy Nevins, that Children's could use any of its licensed beds for any pediatric service, and, therefore, should not segregate any of its beds and the related patient data on the SHDPA Annual Reports into the Psychiatric or Burn Unit categories on the SHPDA form. You instructed that all of Children's licensed beds, and the related patient data, should be reported in the General Hospital Pediatric Section of the 2006 SHPDA Report Form; however, the NICU, Level III, bassinets are not licensed beds, and, therefore, should not be counted in the General Hospital Pediatric bed section, but separately reported, with the related patient data, in Section II.D. on Page 5 of the 2006 SHPDA Report Form.

DOCSBHM\1493209\1

LAW OFFICES AND MEDIATION CENTERS  
2311 HIGHLAND AVENUE SOUTH BIRMINGHAM, ALABAMA 35205  
POST OFFICE BOX 55727 BIRMINGHAM, ALABAMA 35255-5727

TELEPHONE | 205.930.5100 FAX | 205.930.5101 URL | <http://www.sirote.com>

Birmingham | Huntsville | Mobile

Jim Sanders  
June 21, 2007  
Page 2

You also determined that the last two (2) State Health Plans had inadvertently listed Children's as having "32 psychiatric beds", presumably as a result of a 1990 Memo in which Children's stated that 32 beds, at that time in 1990, were assigned for Psychiatric Services. You concluded that the Children's 32 Psychiatric Bed reference would be deleted from the State Health Plan inventory, since it should never have been included. Hence, all of Children's licensed beds will remain listed in the General Hospital Pediatric category, as reflected in its previously issued CONs and Pediatric Specialty Hospital license.

Thank you for clarifying these issues, and for confirming how this information should be properly reflected on the revised SHPDA Reports. You should be receiving shortly the revised SHPDA Reports for years 2004 through 2006, with the 2004 and 2006 Reports submitted on the 2006 SHPDA Report Form, but with the 2005 Report on the 2005 SHPDA Form per your instructions.

If you have any questions regarding these issues, please give me a call immediately.

Very truly yours,



Lenora W. Pate  
FOR THE FIRM

LWP/cm

C: Mike McDevitt  
Christi Napper  
Suzanne Respass  
Paul May  
Karen McGuire

**“ATTACHMENT 3”**

**MEDICAL EQUIPMENT COSTS**





## Behavioral Health Medical Expenses

Name	Asset Desc	Model #	Quantity	Cost Per Item	Extended Cost	Room
Scale-Tronix Inc	Wheel Chair Scale	5002	1	\$2,673	\$2,673	exam
Exergen Corp.	Temporal Scanner Infrared Thermometer	TAT-5000	1	\$381	\$381	exam
Welch Allyn Inc	Manual Blood Pressure	CE0297	1	\$209	\$209	exam
Ohio Medical	Portable Suction	Care-e-Vac 3	1	\$599	\$599	exam
Welch Allyn Inc	Wall Transformer	76710	1	\$651	\$651	exam
MIDMARK	Exam Table	Ritter 104	1	\$2,000	\$2,000	exam
Physio-Control Inc	Defibrillator	LP20e	1	\$8,401	\$8,401	
GE Medical Systems	Dinamap	V100	2	\$3,096	\$6,191	
GE Medical Systems	Dinamap	V100	1	\$3,096	\$3,096	
CONAIR	Curling Iron		1	\$69	\$69	
CONAIR	Blow Dryer		1	\$69	\$69	
Contingency					\$2,433.77	
					<b>\$26,771.50</b>	

**“ATTACHMENT 4”**

**FURNITURE COSTS**

**Behavioral Health  
Furniture**

<b>Furniture Item</b>	<b>Quantity</b>	<b>Cost per item</b>	<b>Extended Cost</b>
Floor mounted bed, mattress and restraint rings	6	2329.8	13979
Floor mounted desk	6	647	3882
Armless chair, patient room	6	183	1098
Nurse station task chair	5	705.66	3528
Mobile BBF	3	254.33	763
Mobile FF	3	745.59	2237
Dining Table	4	1920	7680
Dining Table ADA	1	2146	2146
contingency			3531
			<b>\$ 38,844</b>

**Attachment 4**

**SHPDA Determination –  
2018 Request**



## STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870  
MONTGOMERY, ALABAMA 36104

February 21, 2019

Lenora W. Pate, Esquire  
Sirote & Permutt, PC  
2311 Highland Avenue South  
Birmingham, Alabama 35205-2972

RE: RV2019-013  
Children's Hospital of Alabama  
SHDA ID: 073-6530170

Dear Ms. Pate:

This is written in response to a request filed on December 28, 2018, regarding a request for reviewability determination on behalf of the referenced provider proposing to expand the allocation of its existing pediatric specialty beds for pediatric psychiatric services and to construct, in existing space contiguous to the current existing pediatric specialty beds used for inpatient pediatric psychiatric services, ten (10) additional patient rooms; six (6) of which will be staffed and operated immediately following completion of construction and four (4) of which will remain unstaffed and reserved for future use at a later date.

Pursuant ALA. ADMIN. CODE r 410-1-2-.05(3) of the *Alabama Certificate of Need Program Rules and Regulations* and according to the facts that have been provided, a Certificate of Need would not be required. This approval is made with clear understanding that this proposal will not result in the offering of any new inpatient health services or any capital expenditure in excess of the Certificate of Need capital expenditure thresholds, as they currently exist.

Further, in accordance with ALA. ADMIN. CODE r 410-1-7-.02(2017), this opinion is for informational purposes only and is based on circumstances as they currently exist. This letter is also specifically conditioned upon the continuing accuracy of the representations contained in this request and is based on the assumption that all pertinent information relative to this request has been disclosed. Should there be any deviations from the facts and premises provided to this Agency, and should circumstances prove to be other than represented, this letter may be become null and void.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradford L. Williams".

Bradford L. Williams  
Acting Executive Director

BLW/kfn

RECEIVED FEB 25 2019