



North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section

2704 Mail Service Center • Raleigh, North Carolina 27699-2704
<http://www.ncdhhs.gov/dhsr/>

Drexdal Pratt, Director

Beverly Eaves Perdue, Governor
Albert A. Delia, Acting Secretary

Craig R. Smith, Section Chief
Phone: (919) 855-3873
Fax: (919) 733-8139

December 18, 2012

Ms. Erin Jochum Roberts
Smith Moore Leatherwood, LLP
2800 Two Hanover Square
Raleigh, NC 27601

Exempt from Review – Acquisition of Facility

Facility: Roanoke Home Care & Hospice
Acquisition by: Amedisys, L.L.C
County: Martin, Tyrrell and Washington
FID #s: 924104; 954102; and 954103

Dear Ms. Roberts:

In response to your letter of November 19, 2012, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, Amedisys, L.L.C may proceed to acquire just the hospice services currently provided by Roanoke Home Care & Hospice out of the three facilities identified below without first obtaining a certificate of need. Amedisys, L.L.C must license the facilities as freestanding hospice facilities:

- Roanoke Home Care & Hospice, License Number HC0523, Plymouth;
- Roanoke Home Care & Hospice, License Number HC0524, Columbia; and
- Roanoke Home Care & Hospice, License Number HC0525, Williamston

However, you need to contact the Acute and Home Care Licensure and Certification Section of the Division of Health Service Regulation to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C.G.S. §131E-181(b): *“A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need.”*

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate



Roanoke Home Care & Hospice

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determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Bernetta Thorne-Williams
Project Analyst



Craig R. Smith, Chief
Certificate of Need Section

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Medical Planning Section, DHSR



SMITH MOORE LEATHERWOOD

Bev...
FID#
954102

November 19, 2012



VIA HAND DELIVERY

Mr. Craig Smith
Chief, Certificate of Need Section
Division of Health Service Regulation
North Carolina Department of Health and Human Services
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: Notice of Exemption: Acquisition of Existing Certified Hospice Agency operated by the Martin-Tyrrell-Washington District Health Department, d/b/a Roanoke Home Care & Hospice, by Amedisys Hospice, L.L.C.

Dear Mr. Smith:

This letter constitutes prior written notice that Amedisys Hospice, L.L.C, a Louisiana limited liability company ("Amedisys"), will be purchasing substantially all of the tangible and intangible assets of the Martin-Tyrrell-Washington District Health Department, a North Carolina public authority ("MTW") used exclusively in connection with its Medicare-certified hospice agency (the "Hospice Agency"), which transaction is exempt from certificate of need ("CON") review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). MTW operates the Hospice Agency under the doing business as name "Roanoke Home Care & Hospice." While MTW also operates a Medicare-certified home health agency, the home health agency is not part of this transaction.

Factual Background

The Hospice Agency is operated through the following three (3) approved offices, each of which is licensed by the Licensure and Certification Section: (1) in Martin County under license number HC0525; (2) in Tyrrell County under license number HC0524; and (3) in Washington County under license number HC0523. See Exhibit A.

Under current North Carolina law, an entity that is designated as a "hospice," as defined in N.C. Gen. Stat. § 131E-176(13a), must submit a CON application and receive CON approval prior to providing services. Pursuant to government approval, MTW has been engaged in the provision of hospice services since the late 1970s, prior to the passage of the CON Act, and therefore is a "grandfathered" hospice agency, with all of the rights and privileges of a CON as if granted pursuant to the CON Act.

Analysis

Under North Carolina law, a CON must be obtained before offering or developing a new institutional health service. N.C. Gen. Stat. § 131E-178(a). A "new institutional health service" is expressly defined in N.C. Gen. Stat. § 131E-176(16) to include:

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November 19, 2012

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the purchase, lease, or acquisition of any health service facility, or portion thereof, or controlling interest in the health service facility or portion thereof, if the health service facility was developed under a certificate of need pursuant to G.S. 131E-180.

“Health service facility” includes hospice office. N.C. Gen. Stat. § 131E-176(9b).

The CON Act enumerates certain situations, however, in which an applicant is exempt from CON review. Amedisys’ acquisition of the Hospice Agency fits squarely within N.C. Gen. Stat. § 131E-184(a)(8)’s exemption for the acquisition of “an existing health service facility, including equipment owned by the health service facility at the time of acquisition.” Pursuant to the terms of the agreement between MTW and Amedisys, Amedisys will purchase MTW’s assets used exclusively in the operation of the Hospice Agency, and will thereby assume ownership and operation of the Hospice Agency; except however, Amedisys will not acquire the Hospice Agency’s Medicare provide number or agreement, but will enroll in Medicare upon the closing of the transaction. Amedisys also will apply to the Licensure and Certification Section for a new license to operate the Hospice Agency in its name. Furthermore, the proposed transaction does not entail the acquisition of any major medical equipment or any per se reviewable equipment as defined in N.C. Gen. Stat. §§ 131E-176(14)(o) and (16)(f1). Likewise, the transaction does not include the offering of any per se reviewable services except those already offered by the existing health service facility.¹ Thus, given that the transaction involves only the sale of an existing health service facility, it is exempt from CON review.

Conclusion

Based on the foregoing information, we hereby request the CON Section’s confirmation that the transaction described herein is exempt from CON review, under N.C. Gen. Stat. §131E-184(a)(8).

If you require additional information, please contact us at the above number. Thank you in advance for your review of this notice.

With kindest personal regards, I am

Very truly yours,

SMITH MOORE LEATHERWOOD LLP



Erin Jochum Roberts

RALEIGH 444806.1

¹ See *id* § 131E-176(16)(f).

EXHIBIT A

State of North Carolina
Department of Health and Human Services
Division of Health Service Regulation

*Effective January 01, 2012, this license is issued to
Martin-Tyrrell-Washington Dist, Health Dept.*

*to operate an agency known as
Roanoke Home Care & Hospice*

*located at 106 S. Watts Street
City of Williamston, North Carolina.*

*This license is issued subject to the statutes of the
State of North Carolina, is not transferable and shall expire
midnight December 31, 2012.*

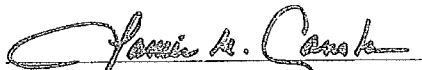
Facility ID: 954102

License Number: HC0525

*Home Care Services: Nursing Care , Infusion Nursing , In-home Aide , Medical Social Services, Physical Therapy,
Occupational Therapy, Speech Therapy, Clinical Respiratory, Hospice Services, Companion,
Sitter, Respite*

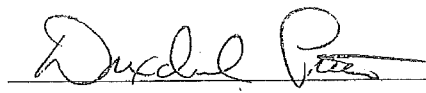
This agency is authorized to provide Medicare-certified home health services.

Authorized by:



Secretary, N.C. Department of Health and
Human Services





Director, Division of Health Service Regulation

State of North Carolina
Department of Health and Human Services
Division of Health Service Regulation

*Effective January 01, 2012, this license is issued to
Martin-Tyrrell-Washington Dist. Health Dept.*

*to operate an agency known as
Roanoke Home Care & Hospice*

*located at 408 Bridge Street
City of Columbia, North Carolina.*

*This license is issued subject to the statutes of the
State of North Carolina, is not transferable and shall expire
midnight December 31, 2012.*

Facility ID: 954103

License Number: HC0524

*Home Care Services: Nursing Care, Infusion Nursing, In-home Aide, Medical Social Services, Physical Therapy,
Occupational Therapy, Clinical Respiratory, Hospice Services, Companion, Sitter, Respite*

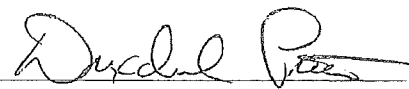
This agency is authorized to provide Medicare-certified home health services.

Authorized by:



Secretary, N.C. Department of Health and
Human Services





Director, Division of Health Service Regulation

State of North Carolina
Department of Health and Human Services
Division of Health Service Regulation

*Effective January 01, 2012, this license is issued to
Martin/Tyrrell/Washington District Health Department*

*to operate an agency known as
Roanoke Home Care & Hospice*

*located at 198 NC Hwy. 45 North
City of Plymouth, North Carolina.*

*This license is issued subject to the statutes of the
State of North Carolina, is not transferable and shall expire
midnight December 31, 2012.*

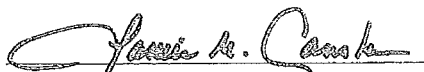
Facility ID: 924104

License Number: HC0523

*Home Care Services: Nursing Care , Infusion Nursing , In-home Aide , Medical Social Services, Physical Therapy,
Occupational Therapy, Speech Therapy, Clinical Respiratory, Hospice Services, Companion,
Sitter, Respite*

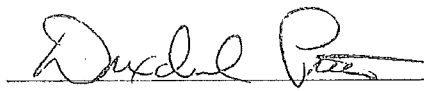
This agency is authorized to provide Medicare-certified home health services.

Authorized by:



Secretary, N.C. Department of Health and
Human Services





Director, Division of Health Service Regulation

Certification

Agency File: 024104 Roanoke Home Care & Hospice Type: HC Lvl: LWR
 Site: 1188 NC Hwy. 45 North PLYMOUTH Washington Active: 11/09/2011 Cancel
 State: 1188 NC Hwy. 45 North PLYMOUTH NC 27962 Inactive: JJ

Program Type: 00 Facility Type: HHA APWA: 11/1/00 Condition:
 Federal: 947008 Effective Date: 08/19/1966 Facility ID:
 To: N/A From: N/A Director: (order number) Case: A/000 Ref:
 Name: ROANOKE HOME CARE HOSPICE

License Month/Year: License # / Agency ID: Control No. of Beds:

Inspection History: Filter: See More

Inspected by: SURVEYED BY - RESURVEY
 4/10/02 - DH - 4/83
 4/21/03 - MS - 4/94 (FU 7/03)
 10/04 - NC - 10/05 (11/04)

