



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

September 6, 2012

Richard P. Church, Esq.
K & L Gates
Post Office Box 14210
Research Triangle Park, NC 27709-4210


RE: Exempt from Review / Acquisition of Surry County Home Health Agency by United Home Care, Inc., d/b/a UniHealth Home Health, Inc. / Surry County
FID #: 954146

Dear Mr. Church:

In response to your letter of August 27, 2012, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, United Home Care, Inc., d/b/a UniHealth Home Health, Inc. may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. 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 determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,


Kimberly Randolph
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section

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

Kim



K&L Gates LLP
Post Office Box 14210
Research Triangle Park, NC 27709-4210

430 Davis Drive, Suite 400
Morrisville, NC 27560

T 919.466.1190 www.klgates.com

August 27, 2012

Richard P. Church
D 919.466.1187
F 919.516.2077
richard.church@klgates.com

Via Facsimile/Original via First Class Mail

Mr. Craig R. Smith
Chief, Certificate of Need Section
Division of Health Service Regulation
North Carolina Department of Health & Human Services
2704 Mail Service Center
Raleigh, North Carolina 27699-2704
Fax No. 919-733-9389

Re: Surry County Home Health Agency- Exemption Notice
Home Health Agency: License No. HC0296

Dear Mr. Smith:

The purpose of this letter is to provide notice to the North Carolina Department of Health and Human Services, Division of Health Service Regulation (“DHSR”), Certificate of Need Section (the “CON Section”) that United Home Care, Inc., a Georgia corporation d/b/a UniHealth Home Health, Inc. (“UniHealth”) will be purchasing substantially all of the tangible and intangible assets of The County of Surry, a North Carolina political subdivision (“Surry County”) owned and used in connection with the operation of Surry County Home Health Agency, a licensed and certified home health agency (License No. HC0296) (the “Home Health Agency”), which transaction is exempt from certificate of need (“CON”) review under N.C. Gen. Stat. § 131E-184(a)(8).

I. THE PROPOSAL

Effective on or about October 1, 2012, (1) UniHealth will be acquiring substantially all of the assets of the County with respect to the Home Health Agency. The real property associated with the Home Health Agency is currently owned by Surry County and will be leased to UniHealth effective as of the closing of the transaction pursuant to a separate lease agreement. UniHealth will also be submitting a change of ownership application to DHSR to effectuate the transfer of the Home Health Agency license.

II. EXEMPTION NOTICE

Under North Carolina law, a CON is required prior to offering or developing a “new institutional health service.” A “new institutional health service” includes a variety of equipment, services and activities, including the establishment of a hospital or a home health agency office. However, the North Carolina General Assembly has exempted certain types of proposals from CON review under N.C. Gen.

Mr. Craig R. Smith
August 27, 2012
Page 2

Stat. § 131E-184, including the acquisition of an existing health service facility, including equipment owned at the time of acquisition.¹

In this transaction, UniHealth will be acquiring an existing “health service facility,” including all equipment owned at the time of acquisition. After the transaction, UniHealth will continue to operate this health service facility as a home health agency at its current location. 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.² Thus, given that the transaction involves only the sale of an existing health service facility, it is exempt from CON review.

III. CONCLUSION

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

Surry County, represented by Erin Jochum Roberts, Esq. of Smith Moore Leatherwood LLP, has also authorized the submission of this letter.

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

Sincerely,



Richard P. Church

cc: Erin Jochum Roberts, Esq. (via email)
Robert S. Strang, Esq. (via email)

¹ See N.C. Gen. Stat. § 131E-184(a)(8).

² See *id.* §131E-176(16)(f).