

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

Pat McCrory Governor Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

> Drexdal Pratt Division Director

June 10, 2013

Charles E. Trefzger, Jr. WP-Greensboro Health Holdings, LLC PO Box 2568 Hickory, NC 28603-2568

Exempt from Review - Acquisition of Facility

Facility:

Greensboro Living Center

Acquisition by:

NC4 Greensboro, LLC

County:

Guilford

FID#:

920871

Dear Mr. Trefzger:

In response to your letter of May 31, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, NC4 Greensboro, LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Adult Care Licensure 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,

cc:

Celia C. Inman

Project Analyst

Celia C. Annan

Adult Care Licensure Section, DHSR

Certificate of Need Section

www.ncdhhs.gov
Telephone: 919-855-3873 • Fax: 919-733-8139
Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603
Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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WP-Greensboro Health Holdings, LLC

Post Office Box 2568 Hickory, North Carolina 28603-2568

W.

May 31, 2013

Mr. Craig Smith, Chief Certificate of Need Section Division of Health Service Regulation Department of Health and Human Services Dorothea Dix Hospital Campus 809 Ruggles Drive Raleigh, NC 27603



Re: Exemption Notice for Greensboro Living Center (Adult Care Home in Guilford County)

Dear Mr. Smith:

NC4 Greensboro, LLC ("NC4 Greensboro") is planning to acquire an adult care home in Guilford County, currently known as Greensboro Living Center (hereafter "the Facility"). The Facility is located at 3004 Dexter Avenue in Greensboro, North Carolina. The Facility is listed in the "Inventory of Adult Care Home Beds" in the 2013 State Medical Facilities Plan as having 114 adult care home beds (see Exhibit A).

NC4 Greensboro is seeking to purchase the Facility through a purchase and sale agreement. The purpose of this letter is to provide prior notice of this acquisition, which is exempt from Certificate of Need ("CON") review, to the North Carolina Department of Health and Human Services, Division of Health Service Regulation, Certificate of Need Section (the "Agency"). NC4 Greensboro seeks confirmation that it is permitted to acquire the Facility as described herein without CON Review, thus acquiring the Facility's existing CON rights to own that existing health service facility (as defined in the CON statute) with 114 adult care beds.

I. THE PROPOSAL

As of this date, Greensboro Holdings, LLC owns the property and building comprising the Facility, which is an existing "health service facility," as that term is defined in N.C. Gen. Stat. § 131E-176(9)(b), and Greensboro Health Holdings, LLC is the Licensee. NC4 Greensboro will purchase the Facility, and the Licensee will be WP-Greensboro Health Holdings, LLC. The Facility will still be known as Greensboro Living Center.

II. EXEMPTION NOTICE

Mr. Craig Smith, Chief Certificate of Need Section May 31, 2013 Page Two

Under North Carolina law, a Certificate of Need ("CON") is required only prior to offering or developing a "new institutional health service." "New institutional health service" includes a variety of services and activities, including a capital expenditure exceeding \$2 million. N.C. Gen. Stat. § 131E-176(16)(b).

The North Carolina General Assembly saw fit to exempt certain types of services or proposals from CON review, pursuant to N.C. Gen. Stat. § 131E-184. One such exempt service or proposal includes the acquisition of an existing health service facility, "including equipment owned by the health service facility at the time of acquisition." N.C. Gen. Stat. § 131E-184(a)(8).

This project involves only the acquisition of an existing adult care home, which falls within the purview of the statutory definition of "health service facility." After acquisition, the Licensee, WP-Greensboro Health Holdings, LLC, will operate the Facility as an adult care home. Furthermore, NC4 Greensboro's acquisition of the Facility does not entail the purchase 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 acquisition does not include the offering of any *per se* reviewable services. N.C. Gen. Stat. § 131E-176(16)(f). Thus, given that the transaction involves only the acquisition of an existing health services facility, it is exempt from CON review.

III. CONCLUSION

Based on the foregoing information, we hereby request the Agency's confirmation that the proposal described above is exempt from CON review, pursuant to N.C. Gen. Stat. § 131E-184(a)(8), and thus NC4 Greensboro may acquire the Facility with all its existing CON rights without a CON.

In addition, we respectfully request that this request be considered on an <u>expedited basis</u> because the parties wish to proceed with this transaction as soon as possible. If you require additional information to consider this request, please contact us at (828) 261-7312 as soon as possible. We thank you for your consideration of this request.

Sincerely,

Charles E. Trefzger, Jr.

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Enclosure

Table 11A: Inventory of Adult Care Homes (Assisted Living) Beds

	Table II	A. HIVCHI	01.7 UL 73	ממזר כמז כ	ALVARAU (T T T T T T T T T T T T T T T T T T T		10 mar	2				
	,	Ticoncod Rade	Licensed	Licensed Reds		VON -	pproved	CON Approved/License Pending	nding				Total
		in Nursing	Beds in	in Adult Care	70				CON Bed	Available in	Total	Sum of	Planning
County	Facility Name	Homes	Hospitals	Facilities		CON	Exempt	Pipeline	Transfer	SMFP	Available	Exclusions	Inventory
Guilford	Abbotswood at Irving Park Assisted Living	0	0	28	28	0	0	5 0	5 0		78	5 0	87
Guilford	Adams Farm Living & Rehabilitation	20	0	0	07	5	5	5	0	0			3 8
Guilford	Arbor Care Assisted Living	0	0	92	92	5	5	5 0	0	٥		0	92
Guilford	Bell House	0	0	22	ZI S	18	5	5 6	5 6			0	04 05
Guilford	Blumenthal Jewish Nursing & Rehab Center	20	0	0	707	5 0	5	5	0	0	07 5	5 0	07
Guilford	Brighton Gardens of Greensboro	0	0	125	125	5	0	5 0	5	0	123		125
Guilford	Carriage House Senior Living Community	0	0	108	108	5	5 6	3 0	5 0			0	100
Guilford	Clapp's Assisted Living	0	0	30	30	5	5	5	3	0		0	200
Guilford	Clare Bridge at High Point Place	0	0	65	65	0	0	9	٥	0		٥	50
Guilford	Countryside Manor	16	0	0	16	0	0	0	0	0		0	16
Guilford	Elm Villa	0	0	44	44	0	0	0	0	Q		0	4
Guilford	Emeritus at Greensboro	0	0	70	70	0	0	0	0	0		0	70
Guilford	Friends Home at Guilford	09	0	0	09	0	0	0	0	0		0	09
Guilford	Friends Home West	40	0	0	40	0	0	0	0	0		0	40
Chilford	Greenshoro Living Center	0	0	114	114	0	0	0	0	0		0	114
Guilford	Greenshorn Manor	o	0	81	81	0	0	0	0	0		0	81
Guilford	Greenshoro Place on Lawndale	0	0	118	118	0	0	0	0	0	118	0	118
Guilford	Greenshorn Retirement Center	0	0	64	29	0	0	0	0	0		0	49
Guilford	Headland I iving and Rehab @ Moses Cone Hosnital	37	0	0	37	0	0	0	0	0	37	0	37
Guilford	High Point Manor on Harrley	0	0	82	82	0	0	0	0	0	82	0	82
Guilford	High Point Place	0	0	102	102	0	0	0	0	0	102	0	102
200	I andmort Estates (Southland Homes) - Ostview Assisted												
	Tinna fled transfer to Davidson County - Landmark												
Gwilford	Denlocement Facility	C	0	10	10	0	0	0	-10	0		0	0
Guilford	I awson's Adult Enrichment Center	0	0	18	18	0	0	0	0	0		0	18
Guilford	I ong't Best Home for Aged	C	0	12	12	0	0	0	0	0		0	12
Guilford	Manle Grove Health and Rehabilitation Center	40	0	0	40	0	0	0	0	0		0	40
Guilford	Marrifeld Nineing Home	36	0	0	36	0	0	0	0	0		13	23
Guilford	Mominarian of Irring Dark	0	0	105	105	-	0	0	0	0		0	105
Culterd	Oct Uil Doct Home Denlocement	0		0	0	0	0	0	98	0		0	09
Guillord	Oak mill nest notice - Neptacement	5 6	0	09	09	0	0	0	9-	0		0	0
Cullford	Disdeast Objection Home			93	93	0	0	0	0	0		0	93
Guilford	Diver I andian at Sandy Bidge	95	0	0	55	0	6	0	0	0		0	99
Guilford	Committee Come Dear Home			29	29	0	0	0	0	0		0	29
Guilfed	Short Club Mange	0	0	79	79	0	0	0	0	0		0	79
Guilford	Sheet Citto Mation	0	0	1001	100	0	0	0	0	0		0	100
Guilford	St. Gales Estates	0	0	09	09	0	0	0	0	0	09	0	09
Guilford	The Arboretum at Heritage Greens	0	0	48	48	0	0	0	0	0		0	48
Guilford	The Presbyterian Home of High Point	10	0	0	10	0	0	0	0	0		0	10
Guilford	Verra Springs at Heritage Greens	0	0	45	45	0	0	0	0	0		0	45
Guilford	Well-Spring	72	0	0	72	0	0	0	0	0		0	72
	Westchester Harbor/Wesleyan Arms Retirement	- 6		9			<	c	0,9				
Guilford	Community	٥	5	60	60	1			ρ̈́	5			
:	Westchester Harbor/Wesleyan Arms Retirement	Č	-		-	21	_		99	C	06	- c	-06
Cuiltord	Virt.: Community - Replacement (+ COIN approved beds)	2			12	100	0		10	0	12	0	12
Guiltord	Whitestone: A Masonic and Eastern Stat Community	1		2	30	,	-		0		96	10	96
Guilford	Woodland Place - Greensboro	0.77	0	000	7388	30	0	0.000	-10	0	2.417	13	2.404
Tralifas	Carolina Dart Lome	0	0	40	40	0	0	0	0	0	40	0	40
Halifay	Tiherty Commons Nursing & Behab Center	25	0	0	25	0	0	0	0	0	25	0	25
Halifax	Our Community Hospital	0	20	0	20	0	0	0	0	0	20	0	20
Halifax	Woodhaven Rest Home #1	0	0	09	09	0	0	0	09-	0	0	0	0
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