



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

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March 13, 2014

S. Todd Hemphill  
P.O. Box 6338  
Raleigh, NC 27628

**Exempt from Review – Acquisition of Facility**

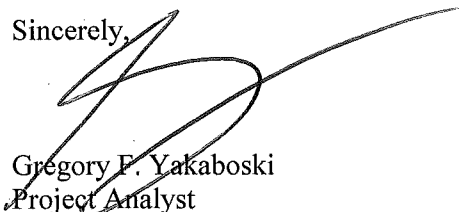
Facility: Hannah P. McKoy Center (Adult Care Home)  
Acquisition by: Vincent Properties, Inc.  
County: Sampson  
FID #: 920619


Dear Mr. Hemphill

In response to your letter of March 5, 2014, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Vincent Properties, Inc. 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 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,

  
Gregory F. Yakaboski  
Project Analyst

  
Martha J. Frisone, Interim Chief  
Certificate of Need Section

cc: Construction Section, DHSR  
Adult Care Licensure Section, DHSR



Certificate of Need Section  
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March 5, 2014

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Ms. Martha J. Frisone, Interim Chief,  
Mr. Greg Yakaboski, Project Analyst  
Certificate of Need Section  
N.C. Department of Health and Human Services  
Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh, NC 27604

**VIA HAND DELIVERY**

Re: Request for Exemption Pursuant to N.C. Gen. Stat. 131E-184(a)(8) / Acquisition of an Existing Adult Care Home Facility, Sampson County

Dear Ms. Frisone and Mr. Yakaboski:

This letter is submitted on behalf of our client, Vincent Properties, Inc. ("Vincent"), for a determination of exemption from Certificate of Need ("CON") review in accordance with N.C. Gen. Stat. 131E-184(a)(8). Vincent is planning to acquire Hannah P. McCoy Center, LLC ("McCoy Center"), an existing adult care facility with nineteen (19) adult care home beds located at 153 Springs Lane, Ivanhoe, Sampson County, North Carolina. As delineated in an asset purchase agreement, Vincent will acquire all McCoy Center's right, title and interest to operate those beds.

Vincent owns the land and building located at 700 Mount Olive Drive, Newton Grove, Sampson County, North Carolina. Pursuant to a lease, DePaul Adult Care Communities, Inc. ("DePaul") operates Rolling Ridge Assisted Living ("Rolling Ridge") on Vincent's property. On or about March 17, 2014, Vincent and DePaul intend to file a CON application to relocate the nineteen (19) adult care home beds from the McCoy Center to Rolling Ridge.

The North Carolina General Assembly has exempted certain types of services from CON review pursuant to N.C. Gen. Stat. 131E-184 and one such exempt service 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).

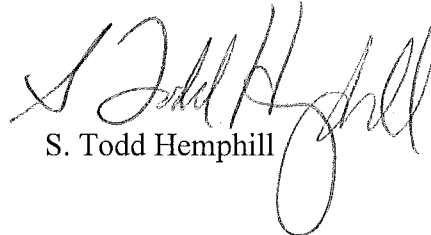
This acquisition involves only the acquisition of an adult care home facility, which falls within the purview of the statutory definition of "health service facility" in N.C. Gen. Stat. 131E-176(9b). In addition, the acquisition does not entail the purchase of any major medical equipment nor does the acquisition involve the offering of any reviewable services. Therefore, given that the transaction involves only the acquisition of an existing health service facility, it is exempt from CON review.

Based on the information presented, we request the Agency's confirmation that the proposal described is exempt from CON Review pursuant to N.C. Gen. Stat. 131E-184(a)(8) and Vincent may acquire the nineteen (19) adult care home beds from McCoy Center with all of the CON rights without a CON.

Thank you for your consideration of this Request. Please feel free to contact us if you have any questions.

Very truly yours,

BODE HEMPHILL, LLP

  
S. Todd Hemphill

STH:jc

cc: Mark Fuller (via e-mail only)  
Paul Preston (via e-mail only)  
Gerald J. Boyle (via e-mail only)