



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

Pat McCrory  
Governor

Richard O. Brajer  
Secretary DHHS

Mark Payne, Director  
Health Service Regulation

December 21, 2016

Christopher Sprenger  
229 Airport Road  
Suite 7-104  
Arden, NC 28704

**No Review**

**Record #: 2118**

Facility Name: Carolina Care Center

FID #: 923063

Business Name: Carolina Care Health and Rehabilitation, LLC

Business #:2535

Project Description: Lease of Carolina Care Center

County: Gaston

Dear Mr. Sprenger:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of December 16, 2016 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

However, you need to contact the Agency's Nursing Home Licensure and Certification Section to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented in your correspondence. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office. Changes in a project include, but are not limited



**Healthcare Planning and Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704


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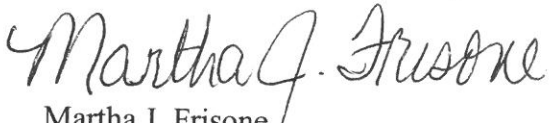
to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Gregory F. Yakaboski  
Project Analyst



Martha J. Frisone  
Assistant Chief, Certificate of Need

cc: Nursing Home Licensure and Certification Section, DHSR  
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR

**CAROLINA CARE HEALTH AND REHABILITATION, LLC**  
**229 AIRPORT RD.**  
**SUITE 7-104**  
**ARDEN, NC 28704**  
**919-608-9123**



December 16, 2016

Martha Frisone, Chief  
Certificate of Need Section  
N.C. Department of Health and Human Services  
Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh, North Carolina 27603

**RE: *Notice of Exempt Acquisition by Lease of North Carolina Skilled Nursing Facility Pursuant to N.C. Gen. Stat. §§ 131E-184(a)(1) and (8)***

Dear Martha:

I am writing pursuant to N.C. Gen. Stat. §§ 131E-184(a)(1) and (8), to provide notice to the N.C. Department of Health and Human Services, Division of Health Service Regulation, Certificate of Need Section ("the Agency") of our intent to acquire via a lease arrangement the skilled nursing facility currently known as Carolina Care Center, located at 111 Harrilson Rd. Cherryville, NC 28021 ("the Facility"), which is currently licensed to Carolina Care Center of Cherryville, Inc. (License number NH0287; Facility I.D. No. 923063). The Facility is licensed for sixty (107) skilled nursing facility beds and (12) ACH beds. Pursuant to N.C. Gen. Stat. § 131E-176(9b), the Facility is a "health service facility."

Carolina Care Health and Rehabilitation, LLC is a North Carolina limited liability company. Carolina Care Health and Rehabilitation, LLC intends to lease the Facility from Carolina Care Center of Cherryville, Inc. with an anticipated effective date of January 1, 2017.

N.C. Gen. Stat. § 131E-176(16)(l) provides that the purchase, lease, or acquisition of any health service facility, or portion thereof, which was developed pursuant to a certificate of need qualifies as a "new institutional health service." N.C. Gen. Stat. § 131E-178(b) provides that "[n]o person shall make an acquisition by donation, lease, transfer or comparable arrangement without first obtaining a certificate of need from the Department, if the acquisition would have been a new institutional health service if it had been made by purchase." N.C. Gen. Stat. §§ 131E-184(a)(1) and (8) provide that the acquisition of an existing health service facility, including equipment owned by the health service facility at the time of acquisition, is exempt from CON review upon prior written notice to the Agency of the proposed acquisition.

The acquisition of the Facility via the lease arrangements I have described herein will not involve the development of any new health service facility or otherwise qualify as a "new institutional health service" which would be subject to Agency review under applicable Certificate of Need statutes or

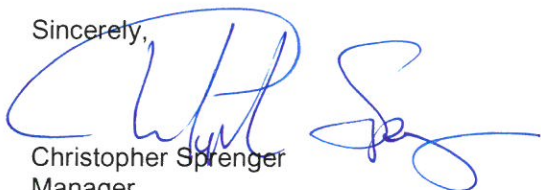
Martha Frisone, Chief  
December 16, 2016  
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regulations. Rather, the transaction I have described herein qualifies as an "exempt transaction" within the meaning of N.C. Gen. Stat. § 131E-184(a)(8). This correspondence is intended to serve as the prior written notice to the Agency required by N.C. Gen. Stat. §§ 131E-184(a)(1) and (8).

Please provide me with written confirmation that this transaction is exempt from CON review pursuant to N.C. Gen. Stat. §§ 131E-184(a)(1) and (8).

I appreciate your attention to this matter. Please let me know if there are any questions regarding this notice or if the Agency needs further information.

Sincerely,



Christopher Sprenger  
Manager  
Carolina Care Health and Rehabilitation, LLC