



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

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne
Assistant Secretary for Audit and
Health Service Regulation

June 3, 2016

Aaron Rokach
Gutnicki, LLP
4711 Golf Road, Suite 200
Skokie, Illinois 60076

Exempt from Review – Acquisition of Facility

Record #: 1956
Facility Name: Down East Health & Rehabilitation Center
Type of Facility: Nursing Home
FID #: 923158
Acquisition by: Gatesville Property Holdings, LLC
Business #: 2405
County: Gates

Dear Mr. Rokach:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of May 27, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Gatesville Property Holdings, LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Nursing Home Licensure and Certification Section, DHSR 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.



Healthcare Planning and Certificate of Need Section

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

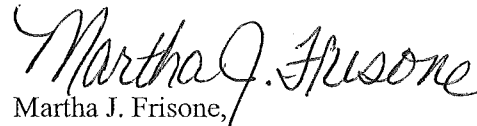
An Equal Opportunity/ Affirmative Action Employer



Aaron Rokach
June 3, 2016
Page 2 of 2

Sincerely,


Jane Rhoe-Jones
Project Analyst


Martha J. Frisone,
Assistant Chief, Certificate of Need

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

GUTNICKI LLP



May 27, 2016

Via e-mail to stephanie.evans@dhhs.nc.gov

Ms. Martha Frisone, Assistant Chief
Certificate of Need
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Center
Raleigh, NC 27699-2704

Re: **Exemption from Review Request**

Dear Ms. Frisone:

Through a series of transactions the following is intended no sooner than July 1, 2016 with respect to the facility currently known as Down East Health & Rehabilitation Center, 38 Carters Rd in Gatesville (the "Facility"):

27938

- a) The acquisition by Gatesville Property Holdings, LLC ("Buyer") of the real property associated with the Facility from *Bravo NE, LLC*;
- b) The transfer of operations at the facility to Down East Living & Rehab Center, LLC ("New Operator") by *Down East Healthcare LLC*;

In accordance with G.S. 131E-184(a)(8), we request written confirmation that this transaction is not subject to certificate of need review since the Buyer is simply acquiring an existing health service facility and New Operator is taking over its operations.

Thank you in advance for your prompt attention to this matter. Should you have any questions, do not hesitate to contact Aaron Rokach at 847-933-9280 ext. 106.

Sincerely,

GUTNICKI LLP