



**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

September 12, 2016

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

**Exempt from Review – Acquisition of Facility --- CORRECTION**

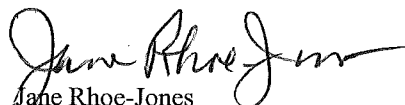
**Record #:** 1956  
**Facility Name:** Down East Health & Rehabilitation Center  
**Type of Facility:** Nursing Home  
**FID #:** 923158  
**Acquisition by:** Ultra Care at Down East Propco, LLC  
**Business #:** 2405  
**County:** Gates


Dear Mr. Rokach:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letters of September 7, 2016 and May 27, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Ultra Care Down East Propco, 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.

Sincerely,

  
Jane Rhoe-Jones  
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



**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

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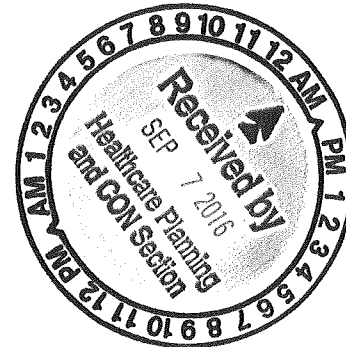


# GUTNICKI LLP

September 7, 2016

Via e-mail to [Stephanie.evans@dhhs.nc.gov](mailto: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: **June 3, 2016**  
**Exemption from Review determination**  
**Record #1956; FID #923158**

Dear Ms. Frisone:

On June 3, 2016 your office issued a determination of "Exempt from Review – Acquisition of Facility" for Down East Health & Rehabilitation Center based on the information provided in a letter from our offices dated May 27, 2016. Both our May 27<sup>th</sup> letter and your June 3<sup>rd</sup> response are attached hereto for reference.

The transaction will deviate very slightly from what was reported in our May 27<sup>th</sup> letter but, the reason for exemption should not have changed. This letter is merely to ensure that we have provided you with all the accurate and current information.

The real property upon which the facility is situated, will not be purchased by Gatesville Property Holdings, LLC as was originally reported, but rather will be purchased by an entity named **Ultra Care at Down East Propco LLC**.

Should you have any questions, do not hesitate to contact me at 847-933-9280 ext. 106.

Sincerely,

  
Aaron Rokach



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**

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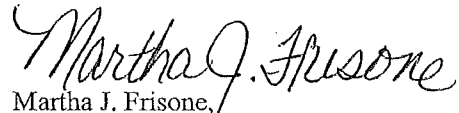
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Aaron Rokach  
June 3, 2016  
Page 2 of 2

Sincerely,

  
Jane Rhoe-Jones  
Project Analyst

  
Martha J. Frisone,  
Assistant Chief, Certificate of Need

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

# GUTNICKI LLP



May 27, 2016

Via e-mail to [stephanie.evans@dhhs.nc.gov](mailto: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