



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

September 27, 2017

Bert Beard  
566 Ruin Creek Road  
Henderson, NC 27536

**Exempt from Review – Legacy Medical Care Facility**

**Record #:** 2399  
**Facility Name:** Franklin Medical Center  
**FID #:** 943173  
**Business Name:** DLP Maria Parham Medical Center, LLC  
**Business #:** 1178  
**Project Description:** Notice of intent to acquire and reopen the hospital within 36 months of September 19, 2017  
**County:** Franklin

Dear Mr. Beard:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of September 19, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(h). Therefore, you may proceed to reopen the hospital within 36 months of September 19, 2017 without first obtaining a certificate of need.

However, you need to contact the Agency’s Construction and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for reopening the hospital.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made 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 the Agency.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Bernetta Thorne-Williams  
Project Analyst

Martha J. Frisone, Chief  
Healthcare Planning and  
Certificate of Need Section

cc: Construction Section, DHSR  
Acute and Home Care Licensure and Certification Section, DHSR  
Sharetta Blackwell, Program Assistant, Healthcare Planning, DHSR

**HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION**  
WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

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



Record # 2399  
Bus # 1178

MARIA PARHAM  
HEALTH

Duke LifePoint Healthcare

566 Ruin Creek Road Henderson, NC 27536  
September 19, 2017



VIA ELECTRONIC MAIL AND  
OVERNIGHT COURIER

Martha Frisone  
Chief, Healthcare Planning and Certificate of Need  
Division of Health Service Regulation  
Healthcare Planning and Certificate of Need Section  
North Carolina Department of Health and Human Services  
809 Ruggles Drive  
2704 Mail Service Center  
Raleigh, North Carolina 27699-2704

Re: DLP Maria Parham Medical Center, LLC - Notice of Intent to Acquire/Re-Open Legacy  
Medical Care Facility (Former Franklin Medical Center, Louisburg, Franklin County,  
North Carolina)

Ms. Frisone:

In accordance with the requirements of N.C. Gen. Stat. § 131E-184(h), DLP Maria Parham Medical Center, LLC ("Maria Parham"), hereby provides notice of its intent to acquire the former Franklin Medical Center located at 100 Hospital Drive, Louisburg, Franklin County, North Carolina 27549 ("Franklin Medical Center"). The acquisition will be accomplished through a lease agreement (the "Lease Agreement") that will be entered into between Maria Parham and the County of Franklin, North Carolina (the "County") and that gives Maria Parham the option to purchase, in the future, the assets used in connection with the operation of Franklin Medical Center from the County.

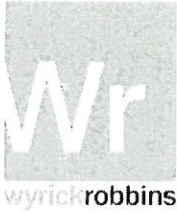
Maria Parham intends to reopen and have Franklin Medical Center operational within thirty-six (36) months of the date of this notice. Once re-opened, Franklin Medical Center will be operated under the hospital license and as an additional campus of Maria Parham Health, a general acute care hospital located at 566 Ruin Creek Road, Henderson, North Carolina 27536.

It is Maria Parham's understanding that since Franklin Medical Center (i) is not presently operating, (ii) has not continuously operated for at least the past six (6) months, and (iii) within the past twenty-four (24) months, was operated by a person holding a license under N.C. Gen. Stat. § 131E-77 and was primarily engaged in providing to inpatients, by or under supervision of physicians, diagnostic services and therapeutic services for medical diagnosis, treatment, and care of injured, disabled or sick persons, Franklin Medical Center qualifies as a Legacy Medical Care Facility as such term is defined in N.C. Gen. Stat. § 131E-175(14f). It is Maria Parham's further understanding that since Franklin Medical Center qualifies as a Legacy Medical Care Facility, Maria Parham's acquisition and re-opening of Franklin Medical Center is exempt from certificate of need review under N.C. Gen. Stat. § 131E-184(h).

I thank you in advance for your assistance. If you have any questions or need any additional information or if any of Maria Parham's understandings about Franklin Medical Center are incorrect, please feel free to let me know.

Sincerely,

Bert Beard  
Chief Executive Officer



Frank Kirschbaum  
fkirschbaum@wyrick.com

Wyrick Robbins Yates & Ponton LLP  
ATTORNEYS AT LAW

4101 Lake Boone Trail, Suite 300, Raleigh, NC 27607

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September 20, 2017

**Via Electronic Mail**

Martha Frisone  
Assistant Chief, Certificate of Need Section  
NC DHHS, Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh, North Carolina 27699  
Martha.frisone@dhhs.nc.gov



Re: CON Exemption for Leasing and Reopening Legacy Medical Care Facility  
(Former Franklin Medical Center)

Dear Martha:

As you are aware, we represent Franklin County, the current owner of the hospital facility formerly operated as Franklin Medical Center ("FMC") located in Louisburg, North Carolina. The purpose of this letter is to give the Certificate of Need Section prior written notice of Franklin County's intent to enter into a lease agreement to lease FMC to DLP Maria Parham Medical Center, LLC ("Maria Parham"), a licensed acute care hospital located in neighboring Vance County.

It is our understanding and belief that FMC qualifies as a "Legacy Medical Care Facility" as that term is defined in N.C. Gen. Stat. § 131E-176(14f) because:

- FMC is not presently operating
- FMC has not continuously operated for at least the past six (6) months, and
- Within the last 24 months, FMC was operated by a person licensed under N.C. Gen. Stat. § 131E-77 and was primarily engaged in providing to inpatients, by or under supervision of physicians, (i) diagnostic services and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons or (ii) rehabilitation services for the rehabilitation of injured, disabled, or sick persons.

Based on the terms of the lease agreement Franklin County intends to enter with Maria Parham and based on correspondence from Maria Parham to your Agency, Franklin County understands and believes that Maria Parham intends to acquire and reopen FMC, making it operational within thirty-six (36) months. As such, Franklin County believes that the acquisition by lease and reopening of FMC by Maria Parham is

Martha Frisone  
September 20, 2017  
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exempt from certificate of need review pursuant to N.C. Gen. Stat. § 131E-184(h). Please feel free to contact me should you have any questions or concerns.

Sincerely,

WYRICK ROBBINS YATES & PONTON LLP



Frank Kirschbaum