



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

December 4, 2018

Todd W. Nunn  
Compass Healthcare and Rehab Rowan, LLC  
2206 W. Market Street  
Greensboro, NC 27403

**Exempt from Review – Acquisition of Facility**

**Record #:** 2794  
**Facility Name:** Magnolia Estates Skilled Nursing Care Facility  
**Type of Facility:** Nursing Home  
**FID #:** 953465  
**Acquisition by:** Compass Healthcare and Rehab Rowan, LLC  
**Business #:** 2970  
**County:** Rowan

Dear Mr. Nunn:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your representations, the above referenced proposal is exempt from certificate of need (CON) review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, the above referenced business may proceed to acquire the health service facility identified above without first obtaining a CON. The Agency's determination is limited to the question of whether or not the above referenced business would have to obtain a CON if the current owners of the health service facility do in fact sell it to the business listed above. Note that pursuant to N.C. Gen. Stat. §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.*"

In the event that the business listed above does acquire the facility, you should contact the Agency's Nursing Home Licensure and Certification Section to obtain instructions for changing ownership of the existing facility.

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 regarding whether or not a certificate of need would be required. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Gloria C. Hale  
Team Leader

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

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603  
MAILING ADDRESS: 2701 Mail Service Center, Raleigh, NC 27699-2701  
www.ncdhhs.gov/dhrs/ • TEL: 919-855-3750 • FAX: 919-733-2757

**From:** Todd Nunn [mailto:todd@compasshcr.com]  
**Sent:** Sunday, November 11, 2018 3:20 PM  
**To:** Frisone, Martha <martha.frisone@dhhs.nc.gov>  
**Cc:** Emily Nunn <emily.p.nunn@gmail.com>  
**Subject:** [External] Transfer of Nursing Home License and Asset Purchase

**CAUTION:** External email. Do not click links or open attachments unless verified. Send all suspicious email as an attachment to [Report Spam](#).

Martha

I am acquiring a nursing home and assisted living in Spencer, NC. The legal name of the company that owns the license and right to operate is T R C of Salisbury. The property is located at 1404 S Salisbury Ave, Spencer, NC 28159.

Working thru this with the licensure section and they said to notify the CON section to obtain exemption.

Please let me know what you require from us to approve the transfer?

Thanks,

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Todd W. Nunn  
President & CEO  
(919) 922-4084  
[todd@compasshcr.com](mailto:todd@compasshcr.com)



**COMPASS**  
HEALTHCARE & REHAB

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To: Greg Yakaboski, DHHS CON Section  
From: Todd W. Nunn, CEO  
Re: Acquisition of T R C of Salisbury DBA Magnolia Gardens Extended care and Veranda Residential.  
Date: November 30, 2018

Mr. Yakaboski,

I am writing you requesting exception from the CON review process as required by the Nursing Home and Assisted Living Licensure sections, for Compass Healthcare and Rehab, Rowan. There are two separate licenses that are owned by the same legal company and both are doing business as different names which are being acquired.

Magnolia Estates Skilled Care Facility  
License # NH0442  
Licensed Beds – 70

Veranda Residential Care  
ACH License – HAL-080-009  
Facility ID 921133  
Licensed Beds - 89

Compass Healthcare and Rehab Rowan, LLC Tax ID 83-2174019 is acquiring the property and associated licenses to operate effective December 17, 2018. All license applications have been filed with the appropriate licensing authority.

Please let me know if you need anything further.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd W. Nunn".

Todd W. Nunn, CEO