



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

February 22, 2018

Robb A. Leandro  
301 Fayetteville Street, Suite 1400  
Raleigh, NC 27601

**Exempt from Review – Acquisition of Facility**

**Record #:** 2521  
**Facility Name:** Willow Ridge of NC  
**Type of Facility:** Nursing Facility  
**FID #:** 923507  
**Acquisition by:** Willow Ridge Propco, LLC  
**Business #:** 2799  
**County:** Rutherford

Dear Mr. Leandro:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of February 12, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Willow Ridge 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 Agency's Nursing Home Licensure and Certification Section to obtain instructions for changing ownership of the existing facility. 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."*

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.

**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



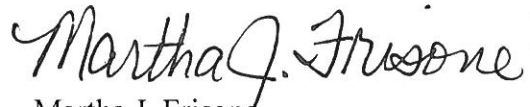
Robb A. Leandro  
February 22, 2018  
Page 2

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

Sincerely,



Julie M. Faenza  
Project Analyst



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

cc: Nursing Home Licensure and Certification Section, DHSR  
Sharetta Blackwell, Program Assistant Healthcare Planning, DHSR



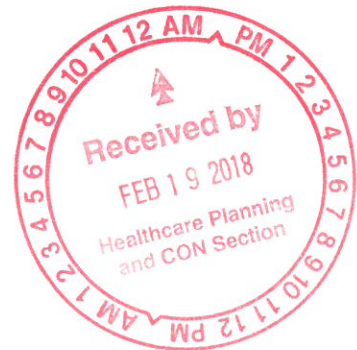
**Robert A. Leandro**  
*Partner*  
Telephone: 919.835.4636  
Direct Fax: 919.835.4614  
robbleandro@parkerpoe.com

Atlanta, GA  
Charleston, SC  
Charlotte, NC  
Columbia, SC  
Greenville, SC  
Raleigh, NC  
Spartanburg, SC

February 12, 2018

***Via E-Mail and U.S. Mail***

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



**Re: Amended Willow Ridge of NC Exemption Request**

Dear Ms. Frisone:

We represent Willow Ridge Healthcare LLC (“Willow Ridge”) and Willow Ridge Propco, LLC (“Willow Ridge Propco”), which are related entities. In 2016, Willow Ridge acquired certain assets and operational rights of a skilled nursing facility known as Willow Ridge of North Carolina (“Willow Ridge of NC”). Willow Ridge of NC is a 150 bed facility located in Rutherfordton, Rutherford County, North Carolina.

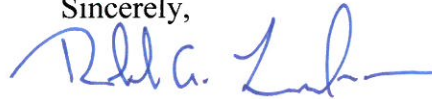
In May of 2016, Willow Ridge sought and received a No Review Determination from your Agency. *See* Attachment A. As stated in the attached May 12, 2016 letter, the bricks and mortar of Willow Ridge of NC is owned by LW, LLC. Willow Ridge is currently the licensee and leasee of the facility.

On February 5, 2018, Willow Ridge provided notice to the Agency that it would be acquiring the bricks and mortar of Willow Ridge of NC and requested that the Agency confirm that this transaction is exempt from CON review. *See* Attachment B. Willow Ridge would like to amend its request to reflect that the bricks and mortar of Willow Ridge of NC will be acquired by Willow Ridge Propco. Upon the closing of the transaction, which is expected to take place in the coming months, Willow Ridge will continue to be the licensee and Willow Ridge Propco will be the owner of the bricks and mortar of Willow Ridge of NC. Please confirm that the acquisition described above is exempt from Certificate of Need review under N.C. Gen. Stat. § 131E-184(a)(8).

Martha Frisone  
February 12, 2018  
Page 2

Thank you for your attention to this matter. Please let me know if you have any questions.

Sincerely,



Robb A. Leandro

RAL:clr

cc: Jacob Stern  
Willow Ridge Healthcare

**ATTACHMENT A**



Renee J. Montgomery  
Partner  
Telephone: 919.890.4162  
Direct Fax: 919.835.4554  
reneemontgomery@parkerpoe.com

Atlanta, GA  
Charleston, SC  
Charlotte, NC  
Columbia, SC  
Greenville, SC  
Raleigh, NC  
Spartanburg, SC

May 12, 2016

*Via E-Mail and U.S. Mail*

Ms. Martha Frisone  
Assistant Chief, Certificate of Need  
Healthcare Planning and Certificate of Need Section  
Division of Health Service Regulation  
North Carolina Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, North Carolina 27699

Re: *Willow Ridge of NC*

Dear Ms. Frisone:

We represent Willow Ridge Healthcare LLC which is acquiring certain assets and operational rights, including the Certificate of Need rights, of a skilled nursing facility known as Willow Ridge of NC located in Rutherfordton, Rutherford County, North Carolina. Willow Ridge of NC is a 150 bed facility. The bricks and mortar of the facility have been and will continue to be owned by LW, LLC. Willow Ridge Healthcare LLC will enter into a long term lease of the facility with LW, LLC.

Upon the closing of the transaction which is expected to be on or around June 1, 2016, Willow Ridge Healthcare LLC will become the licensee of the facility. Please confirm that the acquisition described above by Willow Ridge Healthcare LLC is exempt from Certificate of Need review under N.C. Gen. Stat. § 131E-184(a)(8).

Thank you for your attention to this matter. Please let me know if you have any questions.

Sincerely,

Renee J. Montgomery

RJM:klb

cc: Jacob Stern  
Willow Ridge Healthcare LLC

Parker Poe Adams & Bernstein LLP Attorneys and Counselors at Law PNC Plaza 301 Fayetteville Street Suite 1400 Raleigh, NC 27601 PO Box 389 Raleigh, NC 27602-0389  
PPAB 3239849v1 (919.828.0564 (919.834.4564 www.parkerpoe.com



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 1, 2016

Renee Montgomery  
301 Fayetteville Street, Suite 1400  
Raleigh, NC 27601

**Exempt from Review – Acquisition of Facility**

Record #: 1946  
Facility Name: Willow Ridge of NC  
Type of Facility: Nursing Home  
FID #: 923507  
Acquisition by: Willow Ridge Healthcare LLC  
Business #: 2400  
County: Rutherford

Dear Ms. Montgomery:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of May 12, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Willow Ridge Healthcare LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Nursing Home Licensure and Certification Section 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.



**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

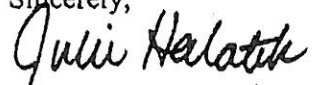
Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704


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Renee Montgomery  
June 1, 2016  
Page 2

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

Sincerely,

  
Julie Halatek  
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



**ATTACHMENT B**



**Robert A. Leandro**  
*Partner*  
Telephone: 919.835.4636  
Direct Fax: 919.835.4614  
robbleandro@parkerpoe.com

Atlanta, GA  
Charleston, SC  
Charlotte, NC  
Columbia, SC  
Greenville, SC  
Raleigh, NC  
Spartanburg, SC

February 5, 2018

*Via E-Mail and U.S. Mail*

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

Re: *Willow Ridge of NC*

Dear Ms. Frisone:

We represent Willow Ridge Healthcare LLC ("Willow Ridge"). In 2016, Willow Ridge acquired certain assets and operational rights of a skilled nursing facility known as Willow Ridge of North Carolina ("Willow Ridge of NC"). Willow Ridge of NC is a 150 bed facility located in Rutherfordton, Rutherford County, North Carolina.

In May of 2016, Willow Ridge sought and received a No Review Determination from your Agency. See Attachment A. As stated in the attached May 12, 2016 letter, the bricks and mortar of Willow Ridge of NC is owned by LW, LLC. Willow Ridge is in the process of exercising its option to purchase the bricks and mortar of Willow Ridge of NC from LW, LLC. Upon the closing of the transaction, this is expected to take place in the coming months. Willow Ridge will be both the licensee and the owner of the bricks and mortar of Willow Ridge of NC. Please confirm that the acquisition described above is exempt from Certificate of Need review under N.C. Gen. Stat. § 131E-184(a)(8).

Thank you for your attention to this matter. Please let me know if you have any questions.

Sincerely,

Robb A. Leandro

RAL:clr

cc: Jacob Stern

Willow Ridge Healthcare LLC