



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

January 17, 2018

Susan M. Fradenburg
Smith Moore Leatherwood
300 N. Greene Street
Greensboro, NC 27401

Exempt from Review – Acquisition of Facility

Record #: 2470
Facility Name: Preston House
Type of Facility: Adult Care Home
FID #: 970707
Acquisition by: Preston House of Charlotte, LLC
Business #: 2756
County: Mecklenburg

Dear Ms. Fradenburg:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of January 5, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Preston House of Charlotte, 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 Adult Care Licensure 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. 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

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



Ms. Susan M. Fradenburg
January 17, 2018
Page 2

Sincerely,



Gloria C. Hale
Project Analyst



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

cc: Construction Section, DHSR
Adult Care Licensure Section, DHSR
Sharetta Blackwell, Program Assistant, Healthcare Planning, DHSR

January 5, 2018



Via Email and Federal Express

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

Re: Revised Notice of Exempt Acquisition of Preston House Assisted Living by Preston House of Charlotte, LLC, an affiliate of Ridge Care, Inc, Mecklenburg County

Dear Martha:

We represent Ridge Care, Inc. and Preston House of Charlotte, LLC. Pursuant to our letter of August 10, 2017, we provided notice that Ridge Care, Inc, planned to acquire Preston House I, LLC (“Preston House”), the existing, licensed adult care home located at 4910 Harris Woods Blvd., Charlotte, Mecklenburg County, North Carolina, HAL-060-031. We also stated in our letter of August 10, 2017 that Preston House of Charlotte, LLC, an affiliate of Ridge Care, Inc, would hold the license for the forty (40) bed adult care home and operate the facility after the acquisition. *See* Exhibit 1. You provided us with an Exempt from Review decision based on this request on August 14, 2017. *See* Exhibit 2. We have now determined that Preston House of Charlotte, LLC, rather than Ridge Care, Inc., will be the legal entity that acquires Preston House as well as operating the facility after the acquisition. Preston House of Charlotte, LLC, is a N.C. Limited Liability Company. The parties plan on a Closing occurring related to this acquisition within the next forty-five days.

The acquisition of “an existing health service facility” is exempt from certificate of need review. N.C. Gen. Stat. § 131E-184(a)(8). As you know, “health service facility” is defined to include an “adult care home.” N.C. Gen. Stat. § 131E-176(9b).

Please confirm that Preston House of Charlotte LLC’s acquisition of the adult care home known as Preston House is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). We look forward to receiving your confirmation as soon as possible. Please let us know if you have any questions or need additional information.

Martha Frisone, Chief
January 5, 2018
Page 2

With kindest regards, I am

Very truly yours,

SMITH MOORE LEATHERWOOD LLP

Susan M. Fradenburg

Susan M. Fradenburg

cc: Jeff Dickerson (*via email*)
Marc Maready (*via email*)

Exhibit 1



300 N. Greene Street
Suite 1400
Greensboro, NC 27401

August 10, 2017

Via Email and Federal Express

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

Re: Notice of Exempt Acquisition of Preston House Assisted Living by Ridge Care, Inc, Mecklenburg County

Dear Martha:

We represent Ridge Care, Inc., Preston House of Charlotte, LLC and Arbor Ridge at Huntersville, LLC (collectively "Ridge Care"). This letter provides prior written notice that Ridge Care plans to acquire from Preston House I, LLC ("Preston House"), the existing, licensed adult care home located at 4910 Harris Woods Blvd., Charlotte, Mecklenburg County, North Carolina, HAL-060-031. Ridge Care is acquiring the 40 bed, special care unit Alzheimer/dementia adult care home facility from Preston House, and Ridge Care plans to operate the facility through Preston House of Charlotte, LLC an affiliate of Ridge Care. Following the Closing of this acquisition it is anticipated the license for this facility will be issued to Preston House of Charlotte LLC but the facility will continue to do business as Preston House. Ridge Care is a NC Corporation and Preston House of Charlotte is a N.C. Limited Liability Corporation.

The acquisition of "an existing health service facility" is exempt from certificate of need review. N.C. Gen. Stat. § 131E-184(a)(8). As you know, "health service facility" is defined to include an "adult care home." N.C. Gen. Stat. § 131E-176(9b).

Please confirm that Ridge Care's acquisition of the adult care home known as Preston House is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). We look forward to receiving your confirmation as soon as possible. Please let us know if you have any questions or need additional information.

Direct: 336.378.5482 | Fax: 336.433.7435 | susan.fradenburg@smithmoorelaw.com | www.smithmoorelaw.com

ATLANTA | CHARLESTON | CHARLOTTE | GREENSBORO | GREENVILLE | RALEIGH | WILMINGTON

Martha Frisone, Chief
August 10, 2017
Page 2

With kindest regards, I am

Very truly yours,

SMITH MOORE LEATHERWOOD LLP



Susan M. Fradenburg

cc: Jeff Dickerson

Exhibit 2



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

August 14, 2017

Susan M. Fradenburg
Smith Moore Leatherwood LLP
300 N. Greene Street
Greensboro, NC 27401

Exempt from Review – Acquisition of Facility

Record #: 2359
Facility Name: Preston House
Type of Facility: Adult Care Home SCU Alzheimer
FID #: 970707
Acquisition by: Ridge Care, Inc.
Business #: 2699
County: Mecklenburg

Dear Ms. Fradenburg:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of August 10, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Ridge Care, Inc. 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 Adult Care Licensure 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

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AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER



Ms. Fradenburg
August 14, 2017
Page 2

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

Sincerely,



Celia C. Inman
Project Analyst



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

cc: Construction Section, DHSR
Adult Care Licensure Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR