



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

July 24, 2018

Robert A. Leandro
PO Box 389
Raleigh, NC 27602

Exempt from Review – Acquisition of Facility

Record #: 2661
Facility Name: ManorCare Health Services-Pinehurst
Type of Facility: Nursing Facility
FID #: 923320
Acquisition by: Pinehurst OpCo, LLC
Business #: 2878
County: Moore

Dear Mr. Leandro:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of June 7, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Pinehurst OpCo, 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. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

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

cc: Becky Wertz, Chief, Nursing Home Licensure and Certification Section, DHSR
Melinda Boyette, Administrative Specialist, Healthcare Planning, DHSR

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/dhsr/ • TEL: 919-855-3750 • FAX: 919-733-2757

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MASTER FACILITY FILE



Master Search | List | Facility / Save | Admin | D.O.N | Mgmt | Owner | Parent | Med Director

ID: 923320 Name: Manor Care Health Services-Pinehurst

Owner Name: Manor Care of Pinehurst NC LLC Owner Date: 12/20/2007 Record Dated: 09/26/1977 Percent Status: 0 Current

Manor Care of Pinehurst NC LLC | 12/20/2007 | 09/26/1977 | 0 | Current

Company: Manor Care of Pinehurst NC LLC

Individual?

Address: 333 North Summit Street

City: Toledo

Phone: (419)252-5500

Fax: (877)385-9446

Sr Officer: Joylin Nation

Non-Profit

State of Origin:

Leases Building

Bldg Owner: HCP Properties LP

More Owners 1

Manor Care of Pinehurst NC, LLC 100%

More Owners 2

More Owners 3

Current Previous

Own Date: 12/20/2007

Percent Owned: 0

Zip: 43604

Type: LLC

Frisone, Martha

From: Leandro, Robert A. <robbleandro@parkerpoe.com>
Sent: Monday, July 23, 2018 4:10 PM
To: Frisone, Martha
Subject: FW: [External] RE: ManorCare Health Services Pinehurst No Review Request
Attachments: Letter to M. Frisone Re_ ManorCare Health Services-Pinehurst No Review R....pdf

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Martha,

Here is the original letter as well as the questions that Tonya had for me, which are answered in Red below. If you have any questions please reach out to me directly. I appreciate you taking a look at this since Tonya is out.

Robb

Robert Leandro

Partner

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PNC Plaza | 301 Fayetteville Street | Suite 1400 | Raleigh, NC 27601
Office: 919.835.4636 | Fax: 919.834.4564 | [vcard](#) | [map](#)

From: Rupp, Tanya [<mailto:tanya.rupp@dhhs.nc.gov>]
Sent: Wednesday, June 13, 2018 12:04 PM
To: Leandro, Robert A.
Subject: ManorCare Health Services Pinehurst No Review Request

Caution: External email

Good morning, Mr. Leandro,

The request for a No Review determination submitted via email on June 7, 2018 and via US Postal Service on June 12, 2018 has been assigned to me for processing. I left a voice mail message at your office yesterday, but conclude that you must be busy.

You indicated in your letter that you represent Pinehurst OpCo, LLC, "which is acquiring certain assets and operational rights, including the Certificate of Need rights,..." of Manor Care of Pinehurst. Later in the letter you indicate that "the bricks and mortar of the facility, which are currently owned by HCP Properties, LP, are being purchased by Pinehurst Realty, LLC."

I have several questions regarding your letter:

1. In our data base, a company called HCR Manor Care is listed as the current owner of Manor Care Health Services-Pinehurst, at the address you provide in your letter. Is HCP Properties, LP affiliated with HCR Manor Care? **We are using the corporate name as listed in the SNF license issued by DHSR here.**
2. Do you represent Pinehurst Realty, LLC? This is the entity that would be granted an exemption pursuant to N.C. Gen. Stat. §131E-184(a)(8), rather than Pinehurst OpCo, LLC, who would simply be the licensee rather than the CON holder. **I represent Pinehurst OpCo, LLC (who will be the new licensee) as well as Pinehurst Realty, LLC. They are related entities and have the same owners**
3. Alternatively, are Pinehurst OpCo, LLC and Pinehurst Realty, LLC related such that you represent both entities? **Same as above.**

Thank you in advance; as soon as I receive the answers I will be able to process the request for an exemption from CON law pursuant to N.C. Gen. Stat. §131E-184(a)(8).

If you wish, you may call – my direct line is 919-855-3886.

Tanya S. Rupp, J.D.

Project Analyst

[Division of Health Service Regulation](#), Certificate of Need
[NC Department of Health and Human Services](#)

Office: 919-855-3873

Tanya.rupp@dhhs.nc.gov

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Rupp, Tanya

From: Leandro, Robert A. <robbleandro@parkerpoe.com>
Sent: Wednesday, June 20, 2018 12:18 AM
To: Rupp, Tanya
Subject: [External] RE: ManorCare Health Services Pinehurst No Review Request

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Ms. Rupp,

I was out of the office all of last week and am now just catching up with all my emails. I am happy to give you a call this week to discuss. I am currently reaching out to the seller because I believe in the agreement it lists HCP Properties as the bricks and mortar owner but since I do not represent the seller I will need to figure out with their counsel why the Agency would have HCR Manor Care listed as the current owner. As for Questions 2 and 3. Yes, I represent both. They are related entities. Pinehurst Realty will own the bricks and mortar and Pinehurst OpCo, LLC will hold the license. However, we need to include both in the No Review Letter so it will be clear to the Licensing agency that both entities are involved in this transition.

I will be in touch as soon as I hear from the seller and we can figure out the difference in the names. Thank you for reaching out.

Robb

Robert Leandro
Partner

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Tanya S. Rupp, J.D.

Project Analyst

Division of Health Service Regulation, Certificate of Need
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Rupp, Tanya

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Subject: ManorCare Health Services Pinehurst No Review Request

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Tanya S. Rupp, J.D.

Project Analyst

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Partner
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Columbia, SC
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Spartanburg, SC

June 7, 2018

VIA U.S. AND ELECTRONIC MAIL (martha.frisone@dhhs.nc.gov)

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

FID 923320

Re: ManorCare Health Services-Pinehurst No Review Request

Dear Ms. Frisone:

We represent Pinehurst OpCo, LLC which is acquiring certain assets and operational rights, including the Certificate of Need rights, of a skilled nursing facility known as Manor Care of Pinehurst NC, LLC d/b/a ManorCare Health Services-Pinehurst ("Manor Care"). Manor Care is located at 205 Rattlesnake Trail, Pinehurst, North Carolina 28374. Manor Care is a 120-bed skilled nursing facility. The bricks and mortar of the facility, which are currently owned by HCP Properties, LP, are being purchased by Pinehurst Realty, LLC.

Upon the closing of the transaction which is expected to be on or around July 12, 2018, Pinehurst OpCo, LLC will become the licensee of the facility and Pinehurst Realty, LLC will own the bricks and mortar. 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,

Robert A. Leandro

cc: Jacob Stern (via electronic mail)