

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

October 19, 2018

Alison T. Shaw 975 East Third Sheet Chattanooga, TN 37403

No Review

Record #:

2740

Facility Name:

Good Shepherd Home Health and Hospice Agency

FID #:

953771

Business Name:

Murphy Post-Acute and Wellness, LLC

Business #:

2332

Project Description:

Obtain separate licenses for the home health and hospice services

County:

Clay

Dear Ms. Shaw:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request,** the proposal described in that correspondence is not governed by, and therefore, does not currently require a certificate of need. If the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

You may need to contact the Agency's Acute and Home Care and Certification Section to determine if they have any requirements for development of the proposed project.

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

Please do not hesitate to contact this office if you have any questions.

Sincerely,

Ena Lightbourne

Project Analyst

Martha J. Frisone, Chief

Healthcare Planning and Certificate of Need Section

cc:

Acute and Home Care Licensure and Certification Section, DHSR

Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

Lightbourne, Ena

From:

Erin Roberts <erin.roberts@nelsonmullins.com>

Sent:

Monday, October 15, 2018 2:42 PM

To:

Lightbourne, Ena

Subject:

[External] RE: Material Compliance _ Good Shepherd Home Health and Hospice Agency

CAUTION: External email. Do not click links or open attachments unless verified. Send all suspicious email as an attachment to Report Sparn.

Ena,

As we discussed, the Buyer will operate the hospice agency post-closing with an office location in Cherokee County, NC. Please let me know if you need any additional information at this time. Thanks! Erin



Right-click here to download pictures. To help protect your privacy, Outloo prevented automatic download of this picture from the Internet.

ERIN J. ROBERTS PARTNER
erin.roberts@nelsonmullins.com

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4140 PARKLAKE AVENUE | RALEIGH, NC 27612

T 919.329.3830 F 919.329.3799

NELSONMULLINS.COM VCARD VIEW BIO

From: Lightbourne, Ena [mailto:ena.lightbourne@dhhs.nc.gov]

Sent: Monday, October 15, 2018 2:35 PM

To: Erin Roberts <erin.roberts@nelsonmullins.com>

Subject: RE: Material Compliance _ Good Shepherd Home Health and Hospice Agency

Erin,

Thanks again for responding to my inquiring. If possible, can you respond in writing so I can attach it to your request when I send it in for final approval.

Thanks,

Ena,

Ena Lightbourne

Certificate of Need, Project Analyst

<u>Division of Health Service Regulation</u>, Healthcare Planning and Certificate of Need Section

<u>NC Department of Health and Human Services</u>

Office: 919-855-4610

Ena.lightbourne@dhhs.nc.gov

809 Ruggles Drive, Edgerton Building

2704 Mail Service Center Raleigh, North Carolina 27699-2704

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From: Lightbourne, Ena

Sent: Thursday, October 11, 2018 10:53 AM

To: 'erin.roberts@nelsonmullins.com' < erin.roberts@nelsonmullins.com>

Subject: Material Compliance _ Good Shepherd Home Health and Hospice Agency

Good Morning Ms. Roberts,

My name is Ena Lightbourne and I work in the Certificate of Need Section with DHSR. I'm currently working on the material compliance determination request your company submitted regarding *Good Shepherd Home Health and Hospice Agency*. I just had a quick question with regards to the change in licensing of the Cherokee and Clay county office. With the change to the licensing, will the location of the facilities be changing as well?

Thanks,

Ena Lightbourne

Certificate of Need, Project Analyst

<u>Division of Health Service Regulation</u>, Healthcare Planning and Certificate of Need Section

<u>NC Department of Health and Human Services</u>

Office: 919-855-4610

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October 3, 2018

Hand Delivered

Martha J. Frisone, Chief North Carolina Department of Health and Human Services Division of Health Service Regulation Healthcare Planning and Certificate of Need Section 809 Ruggles Drive Raleigh, North Carolina 27603

Re: Material Compliance Determination Request Murphy Post-Acute and Wellness, LLC

d/b/a Good Shepherd Home Health and Hospice Agency

Health Service Area I

Dear Ms. Frisone:

I am writing on behalf of Murphy Post-Acute and Wellness, LLC, which operates an agency known as Good Shepherd Home Health and Hospice Agency under two (2) licenses, HC 0275 (Clay County) and HC 0318 (Cherokee County), with hospice and home health appearing on each license (the "Agency"). Murphy Post-Acute and Wellness, LLC, is affiliated with Chattanooga-Hamilton County Hospital Authority d/b/a Erlanger Health System ("Erlanger"), and Erlanger is exploring the sale of the Agency's home health and hospice operations to two different buyers. Potential Buyer 1 would acquire the home health operations (operating both the parent and branch offices post-closing), and Potential Buyer 2 would acquire the hospice operations.

In order to pursue these potential transactions, Erlanger would like to work with the Acute and Home Care Licensure & Certification Section to have the Agency's current licenses divided into three separate licenses -- two for home health (one for the parent office and the other for the branch office) and one for hospice. We would anticipate that each of the prospective buyers would provide the Certificate of Need Section with prior written notice of the exempt acquisition of the existing health service facilities pursuant to N.C. Gen. Stat. § 131E-184(a)(8).

It is our understanding that since Agency is already licensed to provide all of these services, and has been for many years, the issuance of these separate licenses by the Acute and Home Care Licensure & Certification Section would not require certificate of need review. We respectfully request that you confirm that no certificate of need review would be required prior to the Acute and Home Care Licensure & Certification Section issuing three separate licenses for these services as described above.



Martha J. Frisone October 3, 2018 Page 2

If you have any questions, or should you need additional information, please contact Erin Roberts, outside counsel who is assisting Erlanger with this matter. Ms. Roberts can be reached at erin.roberts@nelsonmullins.com or (919)329-3830. Thank you in advance for your prompt attention to this request.

Sincerely,

Alison T. Shaw

Associate General Counsel

Chattanooga-Hamilton County Hospital Authority d/b/a Erlanger Health System