

NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

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

VIA EMAIL ONLY

June 21, 2021

Ronald Lazas
Ronald.Lazas@Gentiva.com

No Review

Record #: 3593
Date of Request: June 11, 2021
Facility Name: Multiple Gentiva Health Services, Inc. facilities as listed on Attachments A, B and C
FID #: Multiple FID #s as listed on Attachments A, B and C
Business Name: Gentiva Health Services, Inc.
Business #: 3399
Project Description: Change in indirect ownership of parent company
County: Multiple counties as listed on Attachments A, B and C

Dear Mr. Lazas:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the project described above. Based on the CON law **in effect on the date of this response to your request**, the project as described 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.

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.

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

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

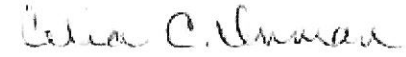
LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Mr. Lazas
June 21, 2021
Page 2

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

Sincerely,



Celia C. Inman
Project Analyst



for
Lisa Pittman
Assistant Chief, Certificate of Need

cc: Acute and Home Care Licensure and Certification Section, DHSR

Attachment A

Kindred at Home Licensed Home Health Agencies						
Legal Name	DBA	State Lic	County	FID #		
Capital Care Resources, LLC	Kindred at Home	HC0138	Mecklenburg	923657		
Capital Care Resources, LLC	Kindred at Home	HC0299	Wake	923741		
Capital Care Resources, LLC	Kindred at Home	HC0391	Lincoln	953969		
Capital Care Resources, LLC	Kindred at Home	HC0490	Catawba	943670		
Capital Care Resources, LLC	Kindred at Home	HC0517	Stokes	954141		
Capital Care Resources, LLC	Kindred at Home	HC1210	Forsyth	955208		
Capital Care Resources, LLC	Kindred at Home	HC1544	Watauga	970752		
Capital Care Resources, LLC	Kindred at Home	HC1699	Stokes	980843		
Capital Care Resources, LLC	Kindred at Home	HC2111	Durham	011257		
Capital Care Resources, LLC	Kindred at Home	HC2114	Buncombe	011260		
Carrolton Home Care, LLC	Community Home Care & Hospice	HC1331	Cumberland	955570		
Carrolton Home Care, LLC	Community Home Care & Hospice	HC1844	Sampson	000174		
Carrolton Home Care, LLC	Community Home Care & Hospice	HC2351	Moore	030387		
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HC2361	Wayne	030499		
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HC3436	Wilson	060904		
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HC4028	Columbus	100143		

Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HC4030	Sampson	100142
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HC4032	Harnett	100159
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HC3440	Johnston	060899
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HC3466	Vance	060905
Community Hospice, LLC	Community Home Care & Hospice	HC3439	Craven	060906
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0328	Pitt	924153
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0329	Beaufort	924157
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0497	Nash	924159
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0159	Iredell	924046
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0227	Catawba	924028
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0270	Rowan	924044
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0567	Forsyth	924027
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0787	Mecklenburg	924036
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0952	Guilford	924035
Gentiva Certified HealthCare Corp.	Kindred at Home	HC1131	Forsyth	944471
Home Health Care of Carteret County, LLC	Kindred at Home	HC0073	Carteret	924156
KAH Development 10, LLC	Kindred at Home	HC1185	Robeson	925074
KAH Development 12, LLC	Kindred at Home	HC0503	Harnett	943785
KAH Development 14, LLC	Kindred at Home	HC0492	Columbus	943686

Tar Heel Health Care Services, LLC	Kindred at Home	HC0428	Lenoir	924155
Tar Heel Health Care Services, LLC	Kindred at Home	HC0431	Jones	954154
Tar Heel Health Care Services, LLC	Kindred at Home	HC1299	Wayne	945265
Tar Heel Health Care Services, LLC	Kindred at Home	HC1565	Lenoir	971067
Total Care Home Health of Louisburg, LLC	Kindred at Home	HC0215	Franklin	923800
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0097	Mecklenburg	924171
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0221	Cleveland	954180
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0231	Forsyth	924125
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0252	Wilkes	924181
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0265	Rowan	924174
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0268	Gaston	954176
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0272	Catawba	924182
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC2057	Union	10743
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home	HC0409	Forsyth	953897
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home	HC0430	Wilkes	923849

Attachment B

Kindred at Home Licensed Hospice Agencies						
Legal Name	D/B/A	State Lic	County	FID #		
Capital Care Resources, LLC	Kindred Hospice	HOS4887	Edgecombe	170133		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS1945	Bladen	001673		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS2034	Lee	010528		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS2048	Harnett	060496		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS2060	Robeson	060498		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3007	Richmond	050347		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3010	Brunswick	050350		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3011	Columbus	050351		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3075	Randolph	050625		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3116	Union	050815		
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3199	Randolph	No Record		
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2241	Wilson	021189		
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2424	Nash	060494		
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2985	Edgecombe	050277		
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2996	Pitt	050326		

Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS3005	Franklin	050346
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS3009	Halifax	050349
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HOS4010	Pitt	100076
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HOS4029	Durham	100144
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2135	Johnston	020133
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2223	Wake	020986
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2561	Vance	040321
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2958	Durham	050106
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2997	Orange	050327
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS3063	Alamance	050578
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS3273	Iredell	051478
Community Hospice, LLC	Community Home Care & Hospice	HOS2302	Craven	030252
Community Hospice, LLC	Community Home Care & Hospice	HOS2516	Beaufort	040255
Community Hospice, LLC	Community Home Care & Hospice	HOS2984	Lenoir	050273
Community Hospice, LLC	Community Home Care & Hospice	HOS2998	Carteret	050352
Community Hospice, LLC	Community Home Care & Hospice	HOS3006	Onslow	050359
Community Hospice, LLC	Community Home Care & Hospice	HOS3008	Martin	050348
Community Hospice LLC	Community Home Care & Hospice	HOS3301	Douglas	

Community Hospice, LLC	Hospice	11000001	10000000	060033
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home Hospice-Wilkes	HOS0407	Wilkes	953893
Wiregrass Hospice of South Carolina, LLC	Kindred at Home	HOS4791	Granville	150330

Attachment C

Kindred at Home Nursing Pool Licenses					
Legal Name	D/B/A	State Lic	County	FID #	
Community Home Care of Vance County, LLC	Community Home Care & Hospice	NP2813	Johnston	040994	
Carrolton Home Care, LLC	Community Home Care & Hospice	NP3441	Cumberland	060901	



June 11, 2021

VIA EMAIL

VIA EMAIL (Lisa.Pittman@dhhs.nc.gov)
Ms. Lisa Pittman, Assistant Chief
Healthcare Planning and Certificate of Need Section
Division of Health Services Regulation
North Carolina Department of Health and Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704

Dear Ms. Pittman,

RE: Notification of Transaction and Request for “No Review” Determination

The purpose of this letter is to provide notice to the North Carolina Department of Health and Human Services Division, Division of Health Service Regulation (“DHSR”), Certificate of Need Section of the change of the indirect owner of multiple entities holding certificates of need (“CONs”) in North Carolina, and to request a “no review” determination. Please see **Attachments A, B and C** for a list of each of the entities holding CONs in North Carolina.

I. THE TRANSACTION

On April 27, 2021, Humana Inc. (“Humana”), an existing owner of Kentucky Homecare Parent Inc. (“Parent”), entered into a Stock Purchase Agreement (the “Agreement”) with Kentucky Homecare JV Holdings, LP (“Kentucky Holdings”), another existing owner of the Parent, to purchase all of the shares of Parent owned by Kentucky Holdings (the “Transaction”). The Transaction follows the original transaction in 2018, when Humana acquired a 40% indirect ownership in the Parent with Kentucky Holdings having the remaining 60% indirect ownership. DHSR determined for the 2018 transaction that no review was necessary. Please see related correspondence attached as **Attachment E**. Following the original transaction, certain employees of Kentucky Homecare Parent Inc. acquired a less than 2% interest in Kentucky Homecare Parent Inc. As part of the Transaction, Humana will also exercise a contractual right to acquire this interest from the employees such that Humana will own 100% of the Parent. The Transaction is anticipated to close in September 2021. Please refer to **Attachment D** for the pre- and post-closing organization charts.

II. FACILITIES INVOLVED IN TRANSACTION

Humana and Kentucky Holdings¹ are the ultimate parent companies of the entities holding CONs

¹ Kentucky Homecare JV Holdings, L.P. is a limited partnership, whose limited partners include investment fund entities of TPG Capital, Welsh, Carson, Anderson & Stowe, and other minority investors, shown on the before organizational chart on Attachment C hereto.

and licenses in your state. Following the Transaction, all of the North Carolina licensed entities will continue to conduct business under their respective CONs, state licenses, Medicare/Medicaid numbers and tax identification numbers. The Transaction will not result in a change in the licensed entities' day-to-day operations, service areas, or the services provided.

III. CERTIFICATE OF NEED REVIEW NOT TRIGGERED

Pursuant to N.C. Gen. Stat. § 131E-178(b), “[n]o person shall make an acquisition by donation, lease, transfer, or comparable arrangement without first obtaining a certificate of need from the Department, if the acquisition would have been a new institutional health service if it had been made by purchase.” However, given that this Transaction results in an indirect ownership change with no changes to the licensed entity, we do not believe that the transaction is subject to a CON review. Further, an acquisition of “an existing health service facility, including equipment owned by the health service facility at the time of acquisition,” is exempt from certificate of need review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). “Health service facility” is defined by N.C. Gen. Stat. § 131E-176(9b) to include home health and hospice agencies. Thus, even if this transaction does not qualify for a “no review” determination, we believe that the transaction is exempt from CON review because the transaction involves the acquisition of an existing health service facility. **Therefore, we respectfully request your confirmation that this Transaction results in a “no review” or, in the alternative, is exempt from CON review.**

If you have any questions or need any additional information, please let me know at your earliest convenience. Thanking you in advance for your prompt attention in this matter.

Best regards,



Ronald C. Lazas, Jr.
General Counsel and Corporate Secretary, Kindred at Home

Enclosures:

- Attachment A:** Kindred at Home Licensed Home Health Agencies
- Attachment B:** Kindred at Home Licensed Hospice Agencies
- Attachment C:** Kindred at Home Nursing Pool Licenses
- Attachment D:** Pre- and Post-Closing Organizational Charts
- Attachment E:** DHSR determination of no review

Attachment A

Kindred at Home Licensed Home Health Agencies			
Legal Name	D/B/A	State Lic	County
Capital Care Resources, LLC	Kindred at Home	HC0138	Mecklenburg
Capital Care Resources, LLC	Kindred at Home	HC0299	Wake
Capital Care Resources, LLC	Kindred at Home	HC0391	Lincoln
Capital Care Resources, LLC	Kindred at Home	HC0490	Catawba
Capital Care Resources, LLC	Kindred at Home	HC0517	Stokes
Capital Care Resources, LLC	Kindred at Home	HC1210	Forsyth
Capital Care Resources, LLC	Kindred at Home	HC1544	Watauga
Capital Care Resources, LLC	Kindred at Home	HC1699	Stokes
Capital Care Resources, LLC	Kindred at Home	HC2111	Durham
Capital Care Resources, LLC	Kindred at Home	HC2114	Buncombe
Carrolton Home Care, LLC	Community Home Care & Hospice	HC1331	Cumberland
Carrolton Home Care, LLC	Community Home Care & Hospice	HC1844	Sampson
Carrolton Home Care, LLC	Community Home Care & Hospice	HC2351	Moore
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HC2361	Wayne
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HC3436	Wilson
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HC4028	Columbus
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HC4030	Sampson
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HC4032	Harnett
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HC3440	Johnston
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HC3466	Vance
Community Hospice, LLC	Community Home Care & Hospice	HC3439	Craven
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0328	Pitt
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0329	Beaufort
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0497	Nash
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0159	Iredell
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0227	Catawba
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0270	Rowan
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0567	Forsyth
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0787	Mecklenburg
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0952	Guilford
Gentiva Certified HealthCare Corp.	Kindred at Home	HC1131	Forsyth
Home Health Care of Carteret County, LLC	Kindred at Home	HC0073	Carteret
KAH Development 10, LLC	Kindred at Home	HC1185	Robeson
KAH Development 12, LLC	Kindred at Home	HC0503	Harnett

Kindred at Home Licensed Home Health Agencies

Legal Name	D/B/A	State Lic	County
KAH Development 14, LLC	Kindred at Home	HC0492	Columbus
Tar Heel Health Care Services, LLC	Kindred at Home	HC0428	Lenoir
Tar Heel Health Care Services, LLC	Kindred at Home	HC0431	Jones
Tar Heel Health Care Services, LLC	Kindred at Home	HC1299	Wayne
Tar Heel Health Care Services, LLC	Kindred at Home	HC1565	Lenoir
Total Care Home Health of Louisburg, LLC	Kindred at Home	HC0215	Franklin
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0097	Mecklenburg
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0221	Cleveland
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0231	Forsyth
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0252	Wilkes
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0265	Rowan
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0268	Gaston
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0272	Catawba
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC2057	Union
Wake Forest Baptist Health Care at Home, LLC		HC0409	Forsyth
Wake Forest Baptist Health Care at Home, LLC		HC0430	Wilkes

Attachment B

Kindred at Home Licensed Hospice Agencies			
Legal Name	D/B/A	State Lic	County
Capital Care Resources, LLC	Kindred Hospice	HOS4887	Edgecombe
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS1945	Bladen
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS2034	Lee
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS2048	Harnett
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS2060	Robeson
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3007	Richmond
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3010	Brunswick
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3011	Columbus
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3075	Randolph
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3116	Union
Carrolton Home Care, LLC	Community Home Care & Hospice	HOS3199	Randolph
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2241	Wilson
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2424	Nash
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2985	Edgecombe
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS2996	Pitt
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS3005	Franklin
Community Home Care & Hospice, LLC	Community Home Care & Hospice	HOS3009	Halifax
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HOS4010	Pitt
Community Home Care of Robeson County, LLC	Community Home Care & Hospice	HOS4029	Durham
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2135	Johnston
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2223	Wake
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2561	Vance
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2958	Durham
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS2997	Orange

Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS3063	Alamance
Community Home Care of Vance County, LLC	Community Home Care & Hospice	HOS3273	Iredell
Community Hospice, LLC	Community Home Care & Hospice	HOS2302	Craven
Community Hospice, LLC	Community Home Care & Hospice	HOS2516	Beaufort
Community Hospice, LLC	Community Home Care & Hospice	HOS2984	Lenoir
Community Hospice, LLC	Community Home Care & Hospice	HOS2998	Carteret
Community Hospice, LLC	Community Home Care & Hospice	HOS3006	Onslow
Community Hospice, LLC	Community Home Care & Hospice	HOS3008	Martin
Community Hospice, LLC	Community Home Care & Hospice	HOS3301	Pasquotank
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home Hospice-Wilkes	HOS0407	Wilkes
Wiregrass Hospice of South Carolina, LLC	Kindred Hospice	HOS4791	Granville

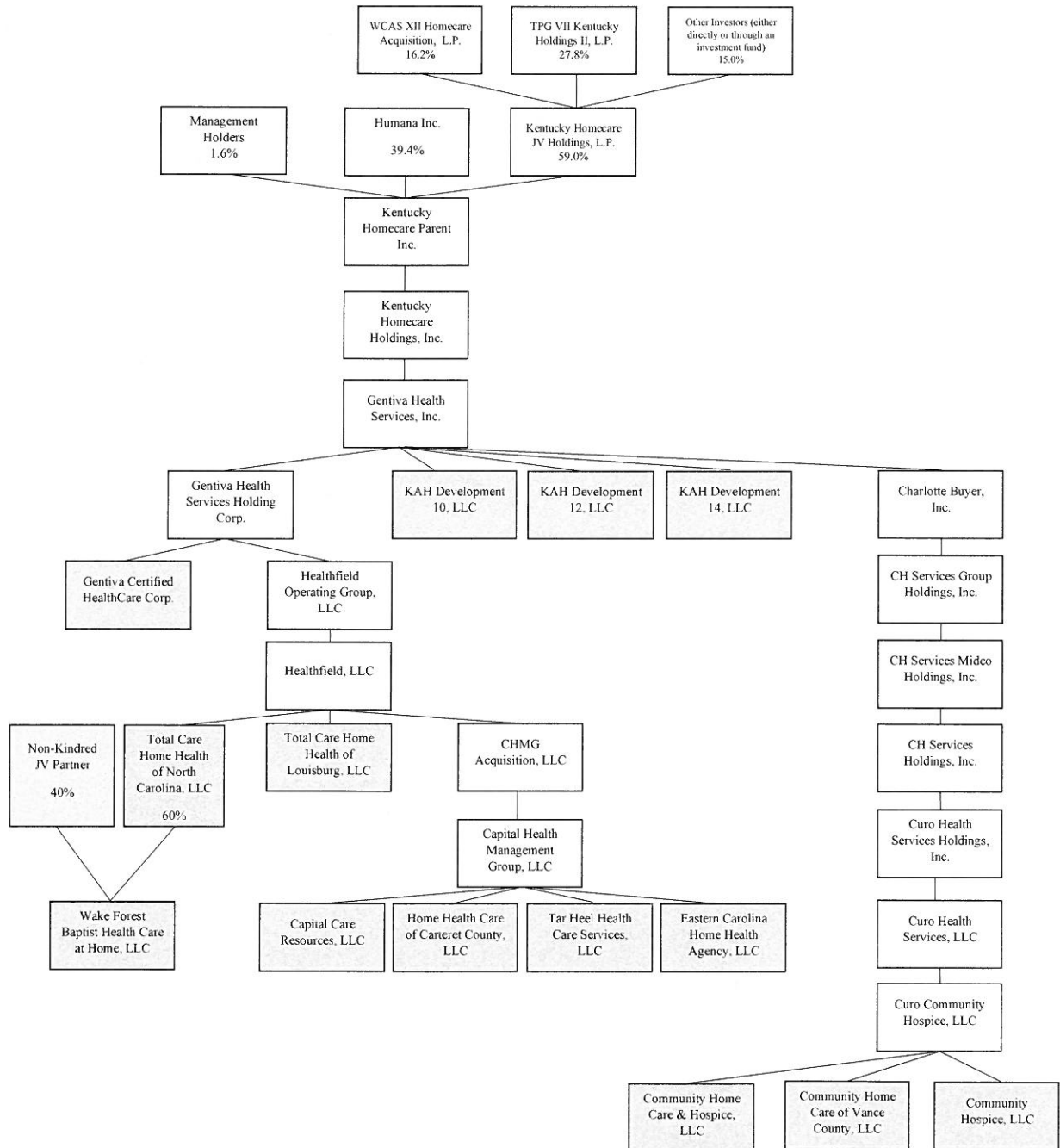
Attachment C

Kindred at Home Nursing Pool Licenses			
Legal Name	D/B/A	State Lic	County
Community Home Care of Vance County, LLC	Community Home Care & Hospice	NP2813	Johnston
Carrolton Home Care, LLC	Community Home Care & Hospice	NP3441	Cumberland

Attachment D

NORTH CAROLINA - KINDRED HOME HEALTH AGENCIES

(Pre-Closing Organizational Structure)

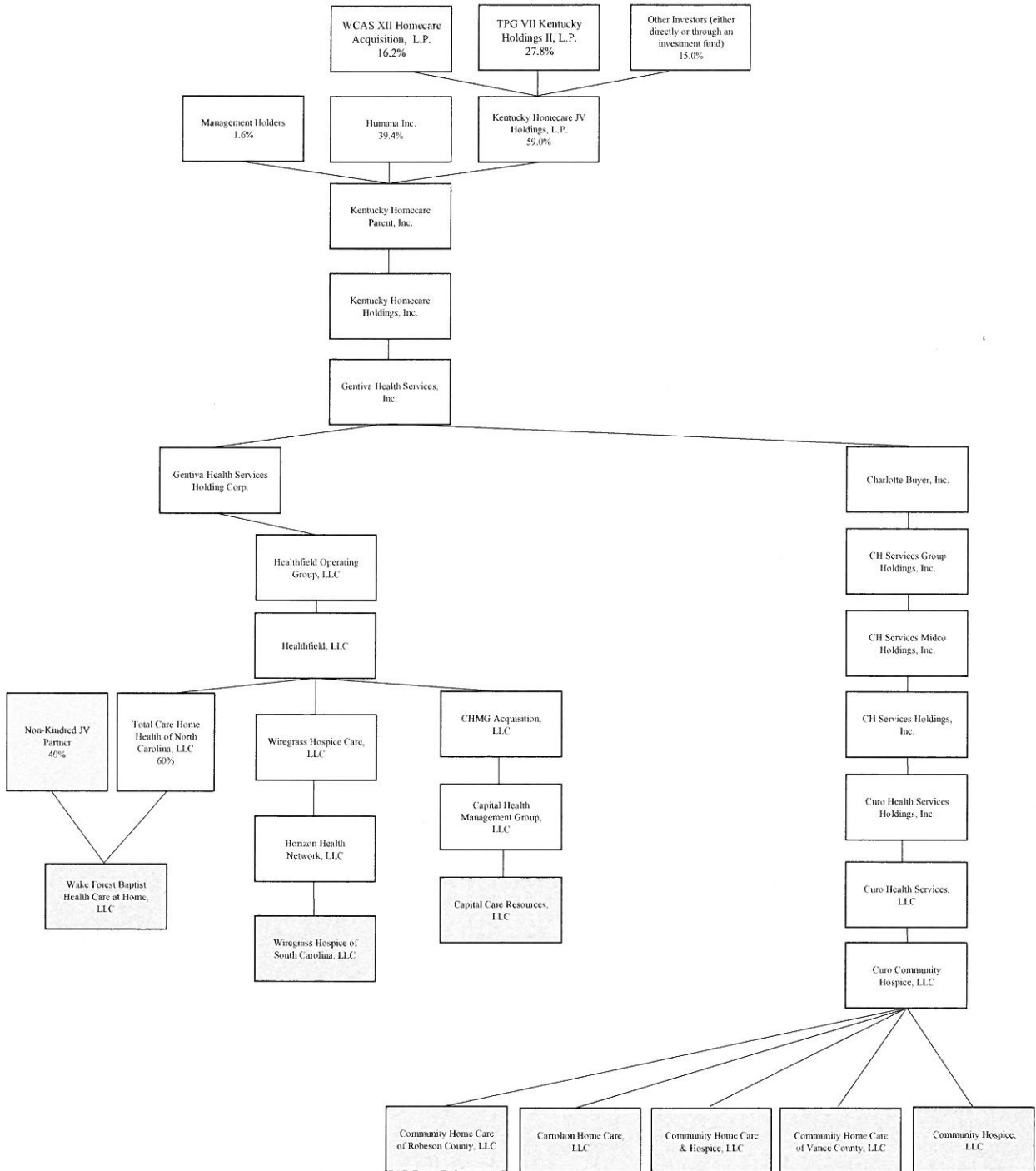


Denotes Licensed Entity

Attachment D

NORTH CAROLINA - KINDRED HOSPICE AGENCIES

(Pre-Closing Organizational Structure)

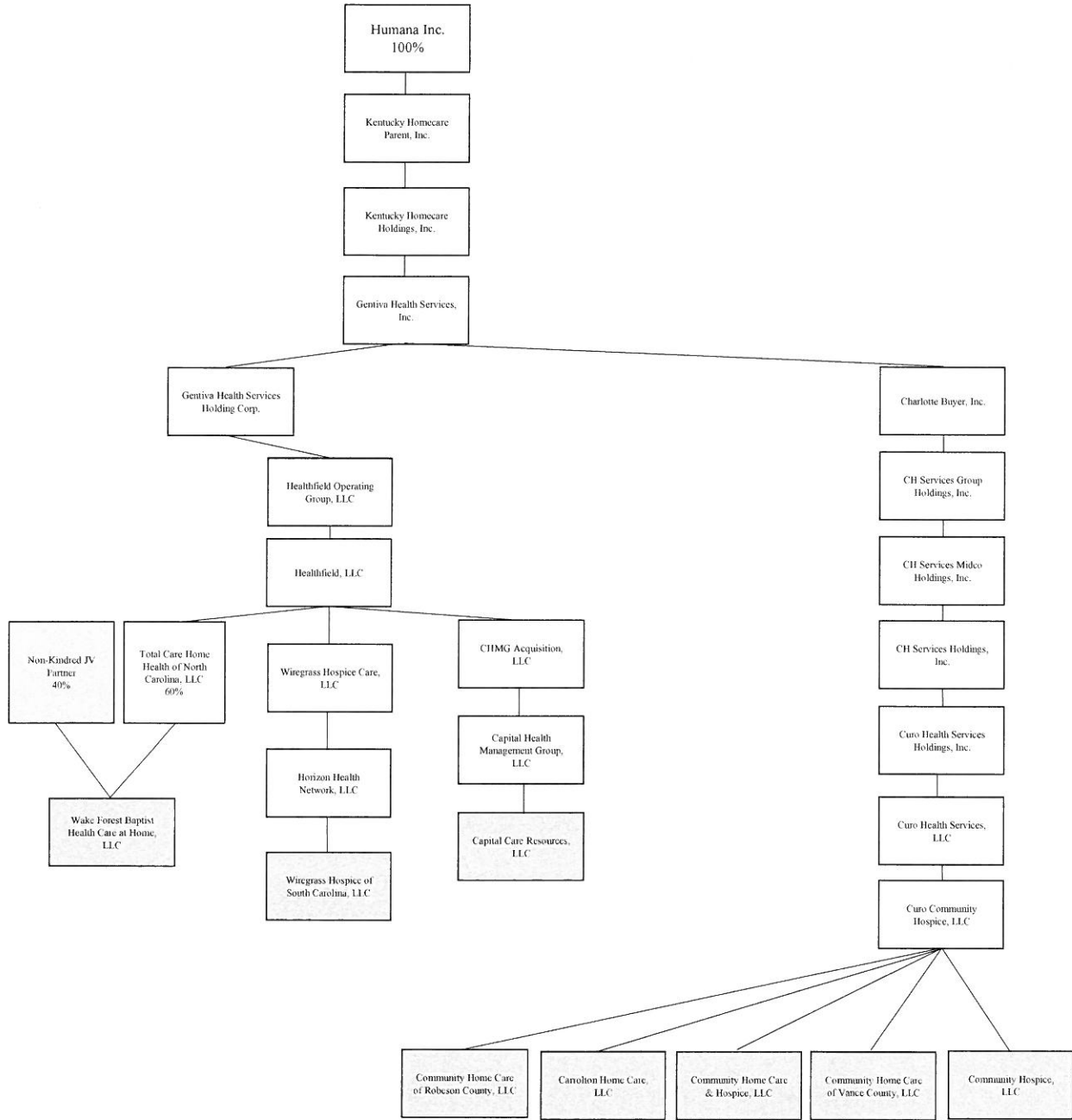


Denotes Licensed Entity

Attachment D

NORTH CAROLINA - KINDRED HOSPICE AGENCIES

(Post-Closing Organizational Structure)



Denotes Licensed Entity

Attachment E

Please see the attached.



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

VIA EMAIL ONLY

February 1, 2018

Ruth Schwartz

No Review

Record #: 2489
Facility Name: Multiple Kindred facilities as listed on attachment A
FID #: Multiple FID #s as listed on attachment A
Business Name: Multiple Business names as listed on attachment A
Business #: Multiple Business #s as listed on attachment A
Project Description: Change in indirect ownership of Parent Company Kindred Healthcare, Inc.
County: Multiple Counties as listed on attachment A

Dear Ms. Schwartz:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of January 29, 2018 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 your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that 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.

However, you need to contact the Agency's Acute and Home Care Licensure Section to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented in your correspondence. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

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. Schwartz
February 1, 2018
Page 2

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Celia C. Inman
Project Analyst



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

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

Attachment A

Kindred Healthcare, Inc. Entities and Facilities (Home Care and Hospice)

Business Name Licensee	Facility Name	License #	County	FID #
Capital Care Resources, LLC	Kindred at Home	HC0490	Catawba	943670
Capital Care Resources, LLC	Kindred at Home	HC1210	Forsyth	955208
Capital Care Resources, LLC	Kindred at Home	HC2111	Durham	011257
Capital Care Resources, LLC	Kindred at Home	HC0299	Wake	923741
Capital Care Resources, LLC	Kindred at Home	HC0138	Mecklenburg	923657
Capital Care Resources, LLC	Kindred at Home	HC1699	Stokes	980843
Capital Care Resources, LLC	Kindred at Home	HC0517	Stokes	954141
Capital Care Resources, LLC	Kindred at Home	HC2114	Buncombe	011260
Capital Care Resources, LLC	Kindred at Home	HC1544	Watauga	970752
Capital Care Resources, LLC	Kindred at Home	HC0391	Lincoln	953969
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0328	Pitt	924153
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0497	Nash	924159
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0329	Beaufort	924157
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0952	Guilford	924035
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0567	Forsyth	924027
Gentiva Certified HealthCare Corp.	Kindred at Home	HC1131	Forsyth	944471
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0787	Mecklenburg	924036
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0270	Rowan	924044
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0227	Catawba	924028
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0159	Iredell	924046
Home Health Care of Carteret County, LLC	Kindred at Home	HC0073	Carteret	924156
KAH Development 10, LLC	Kindred at Home	HC1185	Robeson	925074
KAH Development 12, LLC	Kindred at Home	HC0503	Harnett	943785
KAH Development 14, LLC	Kindred at Home	HC0492	Columbus	943686
Tar Heel Health Care Services, LLC	Kindred at Home	HC1299	Wayne	945265
Tar Heel Health Care Services, LLC	Kindred at Home	HC0428	Lenoir	924155
Tar Heel Health Care Services, LLC	Kindred at Home	HC1565	Lenoir	971067
Tar Heel Health Care Services, LLC	Kindred at Home	HC0431	Jones	954154
Total Care Home Health of Louisburg, LLC	Kindred at Home	HC0215	Franklin	923800
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0231	Forsyth	924125
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0265	Rowan	924174
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0252	Wilkes	924181
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0097	Mecklenburg	924171
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC2057	Union	010743
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0221	Cleveland	954180
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0268	Gaston	954176
Total Care Home Health of North Carolina, LLC	Kindred at Home	HC0272	Catawba	924182
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home	HC0409	Forsyth	953897
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home	HC0430	Wilkes	923849
RehabCare Group East, Inc.	RehabCare	HC4674	Buncombe	140283
Capital Care Resources, LLC	Kindred Hospice	HOS4887	Edgecombe	170133
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home Hospice-Wilkes	HOS0407	Wilkes	953893
Wiregrass Hospice of South Carolina, LLC	Kindred Hospice	HOS4791	Granville	150330



January 29, 2018

VIA EMAIL

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



Dear Ms. Frisone and Ms. Inman,

RE: Notification of Transaction and Request for "No Review" Determination

The purpose of this letter is to provide notice to the North Carolina Department of Health and Human Services Division, Division of Health Service Regulation ("DHSR"), Certificate of Need Section of the change of the indirect owner of multiple Kindred at Home entities holding certificates of need ("CONs") in North Carolina, and to request a "no review" determination.

I. THE TRANSACTION

Kindred Healthcare, Inc. ("Kindred"), the ultimate parent company of the Kindred at Home entities listed in Section II, has entered into an Agreement and Plan of Merger (the "Agreement") with a group of purchasers comprising of TPG Capital ("TPG"), Welsh, Carson, Anderson & Stowe ("WCAS"), Humana Inc. and certain other minority investors, pursuant to which this group of companies would purchase all of Kindred's outstanding and issued securities. The transaction is anticipated to close during the summer of 2018.

Effective as of the closing date:

- TPG, WCAS and certain other minority investors will separate Kindred at Home from the specialty hospital operating companies and form a joint venture with Humana to own Kindred at Home under a newly-formed entity ("Kentucky Homecare Parent Inc."), including home health, hospice and community care businesses; and
- TPG, WCAS and certain other minority investors will own 100% of Kindred's specialty hospital companies, including long term acute care hospital, inpatient rehabilitation facility, and contract rehabilitation service businesses, under a newly-formed entity ("Kentucky Hospital Holdings, LLC").

II. FACILITIES INVOLVED IN TRANSACTION

Kindred is the ultimate parent company of the following entities holding CONs and licenses in your state. Following the transaction, all of the North Carolina licensed entities will continue to conduct business under their respective CONs, state licenses, and Medicare/Medicaid numbers. The transaction simply entails a change at the ultimate parent company level resulting in two entities, Kentucky Homecare Parent Inc. and Kentucky Hospital Holdings, LLC. As such, with the exception of RehabCare Group East, Inc., the entities listed in this Section will become wholly owned subsidiaries of Kentucky Homecare Parent Inc. RehabCare Group East, Inc. will become a wholly owned subsidiary of Kentucky Hospital Holdings, LLC.^{1/} This change will not result in a change in the licensed entities' day-to-day operations, tax identification numbers, service areas, or the services provided. Please refer to Attachment A for the pre- and post-closing organization charts.

<u>Facility Legal Name</u>	<u>Facility D/B/A Name</u>	<u>License#</u>	<u>County</u>
<u>Home Health Entities</u>			
Capital Care Resources, LLC	Kindred at Home	HC0490	Catawba
Capital Care Resources, LLC	Kindred at Home	HC1210	Forsyth
Capital Care Resources, LLC	Kindred at Home	HC2111	Durham
Capital Care Resources, LLC	Kindred at Home	HC0299	Wake
Capital Care Resources, LLC	Kindred at Home	HC0138	Mecklenburg
Capital Care Resources, LLC	Kindred at Home (plus 1 licensed branch)	Parent-HC1699 Branch-HC0517	Parent: Stokes Branch: Stokes
Capital Care Resources, LLC	Kindred at Home	HC2114	Buncombe
Capital Care Resources, LLC	Kindred at Home	HC1544	Watauga
Capital Care Resources, LLC	Kindred at Home	HC0391	Lincoln
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0328	Pitt
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0497	Nash
Eastern Carolina Home Health Agency, LLC	Kindred at Home	HC0329	Beaufort
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0952	Guilford
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0567	Forsyth
Gentiva Certified HealthCare Corp.	Kindred at Home	HC1131	Forsyth
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0787	Mecklenburg
Gentiva Certified HealthCare Corp.	Kindred at Home	HC0270	Rowan
Gentiva Certified HealthCare Corp.	Kindred at Home (plus 1 licensed branch)	Parent-HC0227 Branch-HC0159	Parent: Catawba Branch: Iredell

^{1/} As part of this transaction, RehabCare Group East, Inc. will undergo a state law conversion and convert from a business corporation to a limited liability company.

<u>Facility Legal Name</u>	<u>Facility D/B/A Name</u>	<u>License#</u>	<u>County</u>
<u>Home Health Entities</u>			
Home Health Care of Carteret County, LLC	Kindred at Home	HC0073	Carteret
KAH Development 10, LLC	Kindred at Home	HC1185	Robeson
KAH Development 12, LLC	Kindred at Home	HC0503	Harnett
KAH Development 14, LLC	Kindred at Home	HC0492	Columbus
Tar Heel Health Care Services, LLC	Kindred at Home	HC1299	Wayne
Tar Heel Health Care Services, LLC	Kindred at Home	HC0428	Lenoir
Tar Heel Health Care Services, LLC	Kindred at Home	HC1565	Lenoir
Tar Heel Health Care Services, LLC	Kindred at Home	HC0431	Jones
Total Care Home Health of Louisburg, LLC	Kindred at Home	HC0215	Franklin
Total Care Home Health of North Carolina, LLC	Kindred at Home (plus 2 licensed branches)	Parent-HC0231 Branch-HC0265 Branch-HC0252	Parent: Forsyth HC0265 Branch: Rowan HC0252 Branch: Wilkes
Total Care Home Health of North Carolina, LLC	Kindred at Home (plus 1 licensed branch)	Parent-HC0097 Branch-HC2057	Parent: Mecklenburg Branch: Union
Total Care Home Health of North Carolina, LLC	Kindred at Home (plus 2 licensed branches)	Parent-HC0221 Branch-HC0268 Branch-HC0272	Parent: Cleveland HC0268 Branch: Gaston HC0272 Branch: Catawba
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home	HC0409	Forsyth
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home	HC0430	Wilkes
RehabCare Group East, Inc.	RehabCare	HC4674	Buncombe
<u>Hospice Entities</u>			
Capital Care Resources, LLC	Kindred Hospice	HOS4887	Edgecombe
Wake Forest Baptist Health Care at Home, LLC	Wake Forest Baptist Health Care at Home Hospice-Wilkes	HOS0407	Wilkes
Wiregrass Hospice of South Carolina, LLC	Kindred Hospice	HOS4791	Granville

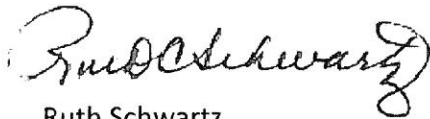
III. CERTIFICATE OF NEED REVIEW NOT TRIGGERED

Pursuant to N.C. Gen. Stat. § 131E-178(b), “[n]o person shall make an acquisition by donation, lease, transfer, or comparable arrangement without first obtaining a certificate of need from the Department, if the acquisition would have been a new institutional health service if it had been made by purchase.” However, given that this transaction results in an indirect ownership change with no changes to the licensed entity, we do not believe that the transaction is subject to a CON

review. Further, an acquisition of “an existing health service facility, including equipment owned by the health service facility at the time of acquisition,” is exempt from certificate of need review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). “Health service facility” is defined by N.C. Gen. Stat. § 131E-176(9b) to include home health and hospice agencies. Thus, even if this transaction does not qualify for a “no review” determination, we believe that the transaction is exempt from CON review because the transaction involves the acquisition of an existing health service facility. **Therefore, we respectfully request your confirmation that this transaction results in a “no review” or, in the alternative, is exempt from CON review.**

If you have any questions or need any additional information, please let me know at your earliest convenience. Thanking you in advance for your prompt attention in this matter.

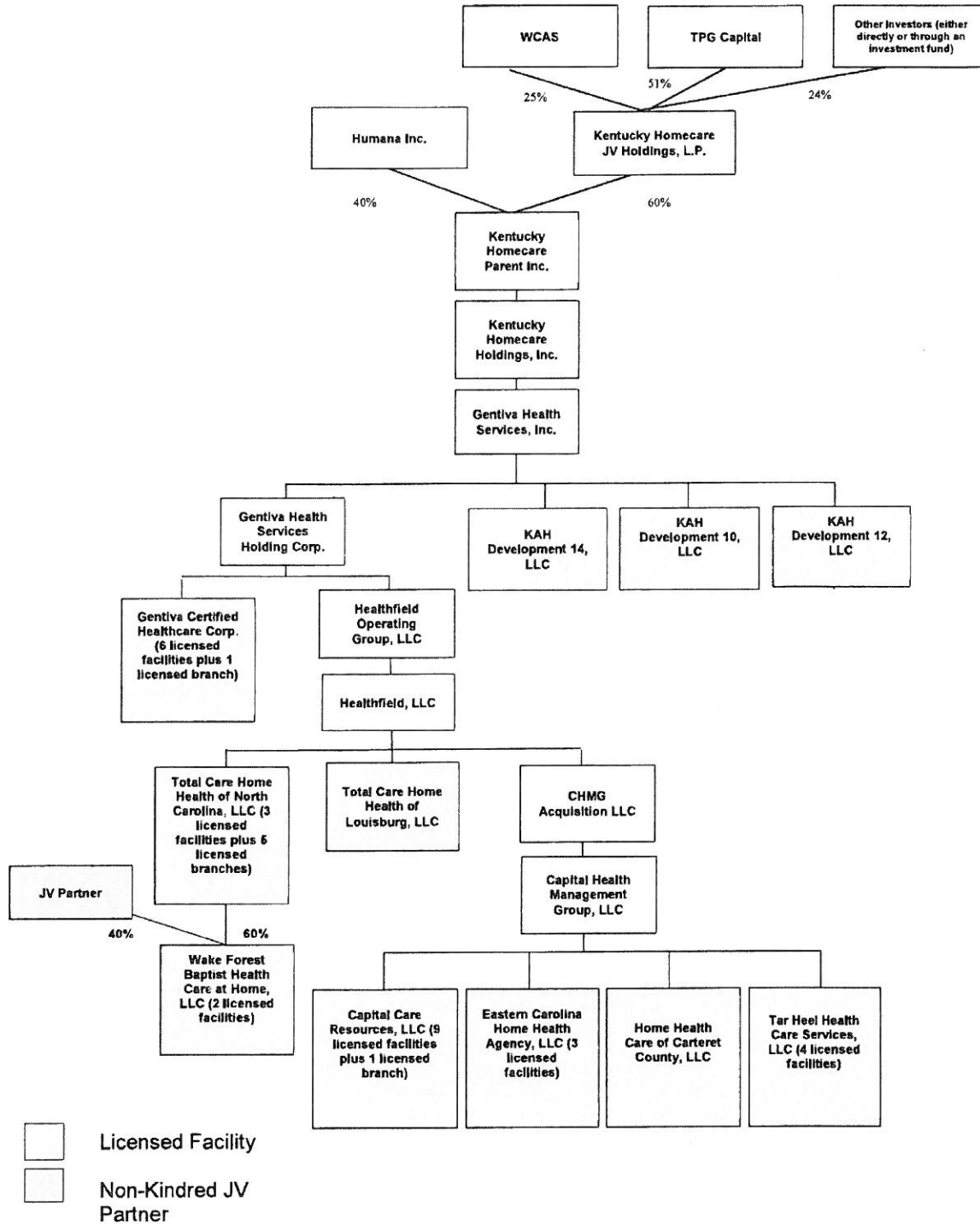
Best regards,

A handwritten signature in black ink, appearing to read "Ruth Schwartz". The signature is written in a cursive, flowing style with a large, decorative flourish at the end.

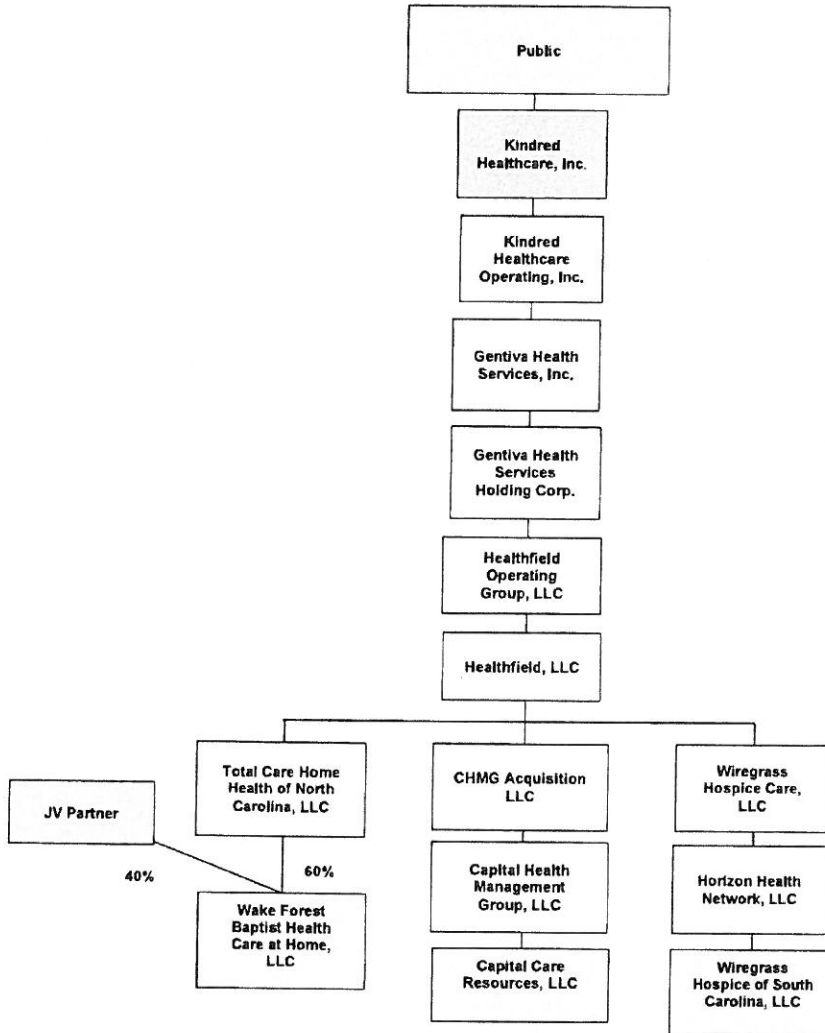
Ruth Schwartz

Enclosures: Attachment A - Pre- and Post-Transaction Organization Charts

NORTH CAROLINA - KINDRED HOME HEALTH AGENCIES (STRUCTURE FOLLOWING TRANSACTION)

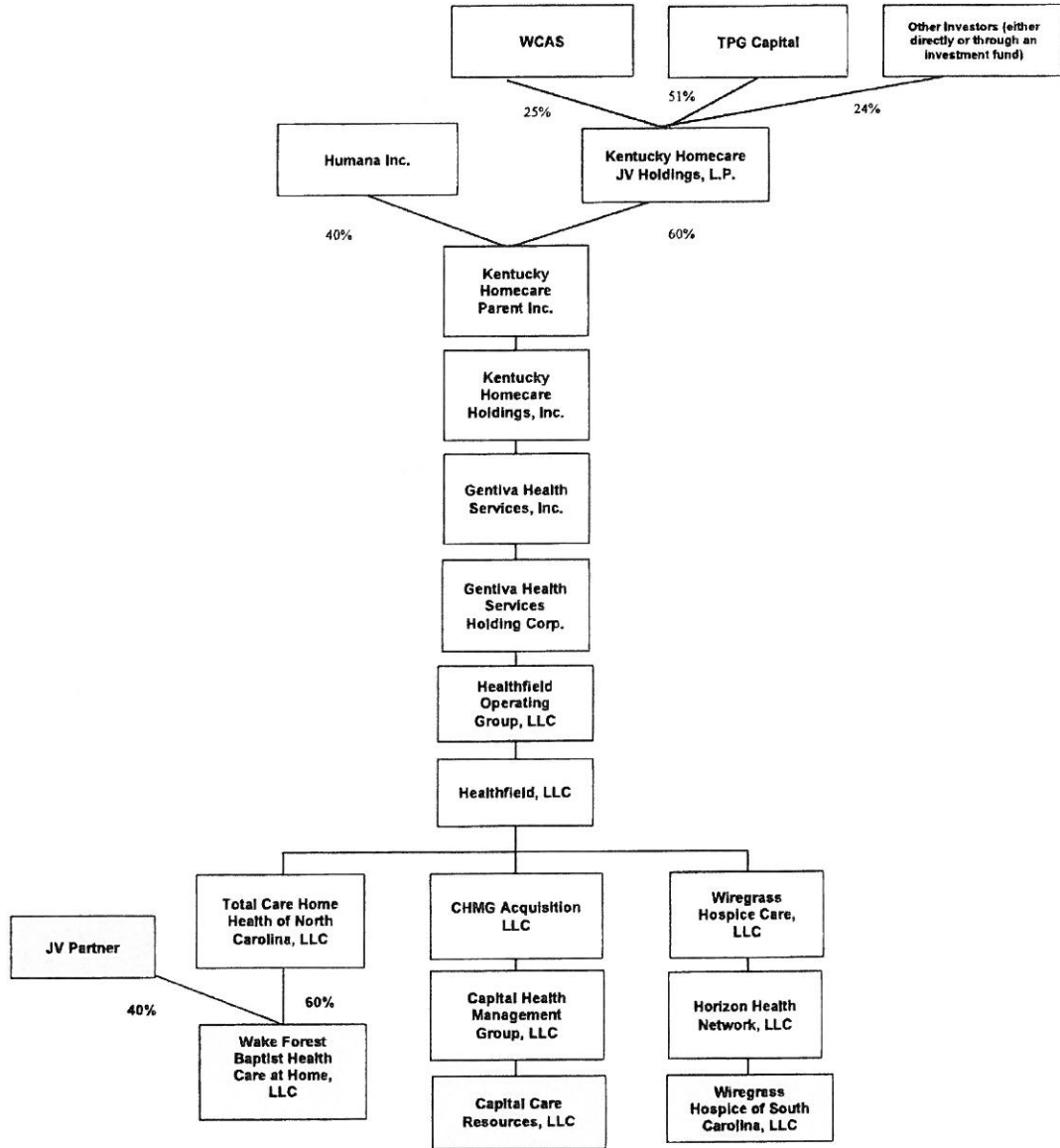


**NORTH CAROLINA - KINDRED HOSPICES
(STRUCTURE PRIOR TO TRANSACTION)**



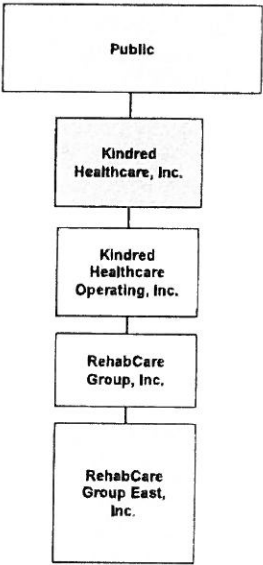
Licensed Facility
 Non-Kindred JV Partner

NORTH CAROLINA - KINDRED HOSPICES (STRUCTURE FOLLOWING TRANSACTION)



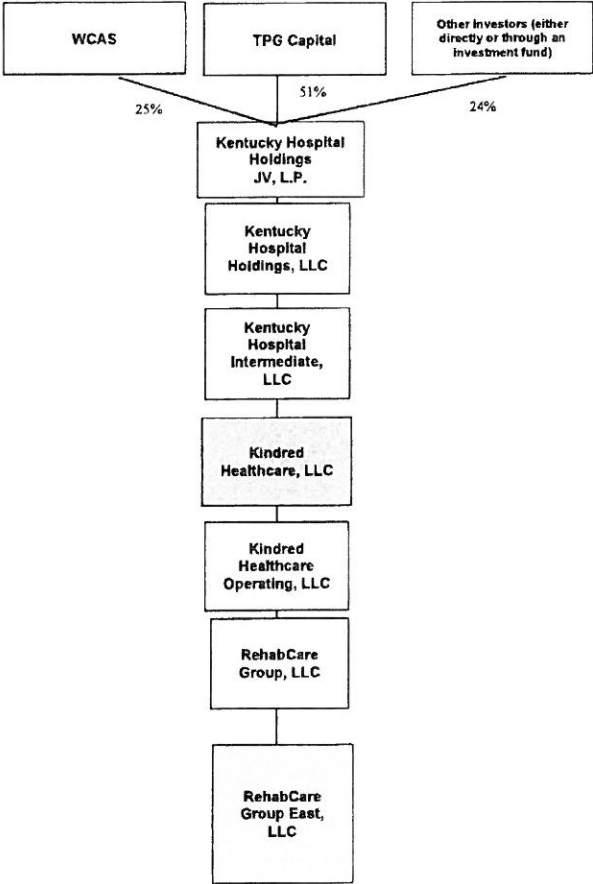
- Licensed Facility
- Non-Kindred JV Partner

**NORTH CAROLINA – KINDRED REHAB CENTERS
(STRUCTURE PRIOR TO THE TRANSACTION)**



Licensed Facility

**NORTH CAROLINA – KINDRED REHAB CENTERS
(STRUCTURE FOLLOWING THE TRANSACTION)**



 Licensed Facility