

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

VIA EMAIL ONLY

March 4, 2022

Iain Stauffer istauffer@bakerdonelson.com

Exempt from Review – Acquisition of Facility

Record #:	3827, 3828
Date of Request:	February 24, 2022
Facility Name:	AssistedCare Home Health, Assisted Care of the Carolinas
Type of Facility:	Home Health Agency
FID #:	970422, 943777
Acquisition by:	Amedisys North Carolina, L.L.C.
Business #:	64
County:	Brunswick, Greene

Dear Mr. Stauffer:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that the project described above is exempt from certificate of need (CON) review in accordance with G.S. 131E-184(a)(8). Therefore, the above referenced business may proceed to acquire the health service facilities identified above without first obtaining a CON. The Agency's determination is limited to the question of whether the above referenced business would have to obtain a CON if the current owners of the health service facility do in fact sell it to the business listed above. 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."

If the business listed above does acquire the facility, you should contact the Agency's Acute and Home Care Licensure and Certification Section to obtain instructions for changing ownership of the existing facility.

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 regarding whether a certificate of need would be required.

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 Iain Stauffer March 4, 2022 Page 2

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

Sincerely,

Danze MSapout

Tanya M. Saporito Project Analyst

Micheala Mitchell

Micheala Mitchell Chief

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



2530 MERIDIAN PARKWAY SUITE 300 DURHAM, NORTH CAROLINA 27713

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IAIN M. STAUFFER Direct Dial: 919.294.0803 E-Mail Address: istauffer@bakerdonelson.com

February 23, 2022

VIA E-MAIL

Micheala Mitchell, Chief Lisa Pittman, Assistant Chief N.C. Department of Health and Human Services N.C. Division of Health Service Regulation Certificate of Need Section 809 Ruggles Drive, Raleigh, NC 27603 Via email to: <u>Michaela.Mitchell@dhhs.nc.gov</u> Lisa.Pittman@dhhs.nc.gov

Re: Notice of Exempt Acquisition of Existing Health Service Facilities

Dear Micheala and Lisa:

I am writing on behalf of our client, Amedisys North Carolina, L.L.C. ("Amedisys") to provide the North Carolina Department of Health and Human Services, Division of Health Service Regulation, Certificate of Need Section ("the CON Section" or "the Agency") with prior written notice of Amedisys' intent to acquire two existing licensed home health agencies as further detailed below ("the Project"). We believe the Project is exempt from further CON Section review and does not require a certificate of need ("CON") pursuant to N.C. Gen. Stat. § 131E-184(a)(8).

Background and Project Description

Amedisys has entered into a purchase agreement pursuant to which Amedisys will acquire the assets of the following two licensed home health agencies:

- 1. AssistedCare Home Health, Inc. d/b/a AssistedCare Home Health, located at 1003 Olde Waterford Way, Suite 2-D, Leland, North Carolina, 28451, FID # 970422; and
- 2. RH Homecare Services, LLC d/b/a AssistedCare of the Carolinas, located at 369 Highway 13 South, Unit C, Snow Hill, North Carolina, 28580, FID # 943777.

The transaction is scheduled to close on or about April 1, 2022.

Michaela Mitchell, Chief February 23, 2022 Page 2

Applicable Legal Authorities

The CON Law includes a specific exemption for health-related capital expenditures where the purpose of the expenditure is "to acquire an existing health service facility, including any equipment owned by the health service facility at the time of the acquisition." N.C. Gen. Stat. § 131E-184(a)(8). Home health agency offices are included in the definition of "health service facilities" at N.C. Gen. Stat. § 131E-176(9b). As such, the acquisition of an existing home health agency does not require a CON and is not subject to further CON Section review where the CON Section review advance written notice of the acquisition. N.C. Gen. Stat. § 131E-184(a)(8).

Because Amedisys is acquiring existing home health agency offices and thus "existing health service facilities," the acquisition of these home health agencies is exempt from further CON Section review and Amedisys is not required to obtain a CON to proceed with the Project. Amedisys will coordinate with the Acute and Home Care Licensure Section to complete the required change of ownership licensure process for both agencies.

Conclusion

For the reasons recited herein, the Project qualifies under the exemption from CON Section review set forth at N.C. Gen. Stat. § 131E-184(a)(8). Please allow this letter to serve as the advance written notice required by N.C. Gen. Stat. § 131E-184(a)(8). We would appreciate the CON Section acknowledging at its earliest opportunity that the proposed Project, as described herein, is not subject to CON Section Review and that Amedisys may proceed with the Project without first obtaining a CON.

Thank you in advance for your prompt consideration of this Notice of Exempt Acquisition. Please let me know if you have any questions or need additional information.

Very truly yours,

Jain Stauffer

Iain M. Stauffer Of Counsel

cc: Alex Dupuis, Esq. (via email) Russell Herring, CEO, AssistedCare Management Group, Inc. (via email)

From:	<u>Mitchell, Micheala L</u>
То:	<u>Waller, Martha K</u>
Cc:	<u>Pittman, Lisa</u>
Subject:	FW: [External] Notice of Exempt Acquisition of Existing Health Service Facilities
Date:	Wednesday, February 23, 2022 3:17:46 PM
Attachments:	Notice of Exempt Acquisition Feb 23 2022 4886-4863-2587 v.4.pdf

Martha,

Would you mind logging this as an exemption request? Thanks!

Micheala Mitchell, JD <u>NC Department of Health and Human Services</u> <u>Division of Health Service Regulation</u> Section Chief, Healthcare Planning and CON Section 809 Ruggles Drive, Edgerton Building 2704 Mail Service Center Raleigh, NC 27699-2704 Office: 919 855 3879 <u>Micheala.Mitchell@dhhs.nc.gov</u>

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From: Stauffer, Iain <istauffer@bakerdonelson.com>

Sent: Wednesday, February 23, 2022 3:13 PM

To: Mitchell, Micheala L < Micheala. Mitchell@dhhs.nc.gov>; Pittman, Lisa

sa.pittman@dhhs.nc.gov>

Cc: Alexandra Dupuis <alexandra.howard@amedisys.com>; russell.herring@assistedcare.net **Subject:** [External] Notice of Exempt Acquisition of Existing Health Service Facilities

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Good afternoon Micheala and Lisa,

Attached please find a Notice of Exempt Acquisition of Existing Health Service Facilities on behalf of our client, Amedisys North Carolina, L.L.C., regarding the acquisition of two existing North Carolina home health agencies. The acquisition is currently scheduled to close on April 1.

If you have any questions, please do not hesitate to let me know. Thank you.

Iain Stauffer

Of Counsel

Baker, Donelson, Bearman, Caldwell & Berkowitz, PC 2530 Meridian Parkway, Ste. 300 Durham, NC 27713

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