



North Carolina Department of Health and Human Services  
Division of Health Service Regulation

Pat McCrory  
Governor

Aldona Z. Wos, M.D.  
Ambassador (Ret.)  
Secretary DHHS

Drexdal Pratt  
Division Director

May 11, 2015

Suzanne S. Hurley  
Mainstay Financial Services, LLC  
5578 Commercial Blvd.  
Winter Haven, FL 33880

**Exempt from Review – Acquisition of Facility**

Facility: Forsyth Village  
Type of Facility: Adult Care Home  
Acquisition by: Mainstay Financial Services, LLC  
County: Forsyth  
FID #: 920396

Dear Ms. Hurley:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of May 4, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Mainstay Financial Services, 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 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.”

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,

*Celia C. Inman*  
Celia C. Inman  
Project Analyst

*Martha J. Frisone*  
Martha J. Frisone,  
Assistant Chief, Certificate of Need

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





May 4, 2015

VIA EMAIL

Ms. Kim Randolph  
Certificate of Need Section  
Division of Health Services Regulation  
North Carolina Department of Health and Human Services  
2704 Mail Service Center (27699-2704)  
809 Ruggles Drive  
Raleigh, NC 27603  
E-mail: [kimberly.randolph@dhhs.nc.gov](mailto:kimberly.randolph@dhhs.nc.gov)

*Re: Request for Exemption Pursuant to N.C.G.S. § 131E-184(a)(8) - Acquisition of Existing Health Service Facility (Forsyth Village - Facility I.D. No. 920396)*

Dear Ms. Randolph:

I represent Mainstay Financial Services, LLC, a Florida limited liability company in Lakeland, Florida (the "Buyer")<sup>1</sup>, which has entered into an Agreement for Purchase and Sale dated February 27, 2015, with J & F Partners, LLC d/b/a Forsyth Village, LLC, a North Carolina limited liability company, and Raintree Healthcare of Winston Salem, LLC, a North Carolina limited liability company, pursuant to which the Buyer will acquire, among other things, the land, buildings and fixed assets (excluding vehicles and leased equipment) (the "Real Estate") relating to an existing health service facility: a 60-bed adult care home known as "Forsyth Village" (License No. HAL-034-084) which is located at 5100 Lansing Drive in Winston Salem, North Carolina. The closing of this acquisition is expected to occur on or before Friday, May 22, 2015.

Raintree Healthcare of Winston Salem, LLC ("Raintree") is the licensed operator of the adult care home which Raintree operates pursuant to a sublease of the Real Estate from Forsyth Village, LLC (the "Existing Landlord"). Upon the closing of the acquisition, the Existing Landlord will convey the Real Estate to the Buyer, the Buyer's lease of the Real Estate to Raintree shall expire.

At that juncture, Raintree Healthcare of Winston Salem, LLC, the current licensee of the facility known as Forsyth Village, will be relinquishing its license and *Mainstay*

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<sup>1</sup> The Agreement for Purchase and Sale expressly provides that *Mainstay Financial Services, LLC*, may be replaced by a separate limited liability company formed and designated pursuant to Florida law for the purpose of this purchase.

*Healthcare Services of Winston Salem, LLC*, a North Carolina limited liability company, will be the licensed operator of the adult care home.

The adult care home is a "health care facility" as defined in N.C.Gen.Stat. § 131E-176(9b). N.C.Gen.Stat. § 131E-184(1)(8) provides that, upon receiving prior written notice, the Certificate of Need Section shall exempt from certificate of need review the acquisition of "an existing health service facility, including equipment owned by the health service facility at the time of acquisition."

The purpose of this letter is:

- 1) to provide the prior written notice of the acquisition of the Forsyth Village adult care home as required under N.C.G.S. § 131E-184(a)(8). Therefore, we request that you issue a letter confirming that the acquisition of this existing health service facility by the Buyer is exempt from certificate of need review pursuant to N.C.G.S. § 131E-184(a)(8); and
- 2) to provide prior notice of the change of licensure which does not fall under the purview of certificate of need ("CON") review. Although N.C. Gen. Stat. § 131E-184 does not explicitly exempt a change of licensee from review, it has been the opinion of the Certificate of Need Section ("the Agency") that such changes are not subject to review, garnering a "no review" status.

Based on the foregoing information, we hereby request the Agency's confirmation that the proposal described above does not require CON review. If you require additional information to consider this request, please contact us at the number below as soon as possible. As indicated above, the parties intend to close the acquisition on May 22, 2015, so we hope to receive your response before that date - at your earliest convenience.

Thank you.

Sincerely,



Suzanne S. Hurley, Esq., R.N., L.H.R.M.  
Corporate Consultant/ Compliance Officer for  
Mainstay Financial Services, LLC  
(863) 226-0358, Ext. 313.