



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

May 18, 2017

Christopher Sprenger  
229 Airport Road  
Suite 7-104  
Arden, NC 28704

**Exempt from Review – Acquisition of Facility**

**Record #:** 2265  
**Facility Name:** Carolina Care Center  
**Type of Facility:** Nursing Facility  
**FID #:** 923063  
**Acquisition by:** Carolina Care Healthcare Properties, LLC  
**Business #:** 2643  
**County:** Gaston

Dear Mr. Sprenger:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of May 15, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Carolina Care Healthcare Properties, 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 and Adult Care Licensure 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

**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

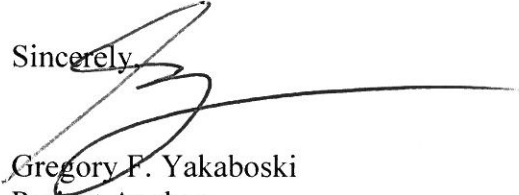
AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER



Christopher Sprenger  
May 18, 2017  
Page 2

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

Sincerely,

  
Gregory F. Yakaboski  
Project Analyst

  
Martha J. Frisone  
Assistant Chief, Certificate of Need

cc: Nursing Home Licensure and Certification Section, DHR  
Adult Care Licensure Section, DHR  
Paige Bennett, Assistant Chief, Healthcare Planning, DHR

64

**Carolina Care Health and Rehabilitation, LLC  
Carolina Care Healthcare Properties, LLC  
229 Airport Rd. Suite 7-104  
Arden, NC 28704**

May 12, 2017

Martha Frisone, Assistant Chief  
Certificate of Need Section  
N.C. Department of Health and Human Services  
Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh, NC 27603



**RE: Notice of Exempt Acquisition by Purchase of North Carolina Skilled Nursing Facility Pursuant to N.C. Gen. Stat. 131E-184(a)(1) and (8): Carolina Care Health and Rehabilitation, LLC operator; Carolina Care Healthcare Properties, LLC land and building owner; Carolina Care Center of Cherryville, Inc prior owner.**

Dear Ms. Frisone:

Pursuant to N.C. Gen. Stat. 131E-184(a)(1) and (8) to provide notice to the N.C. Department of Health and Human Services, Division of Health Service Regulation, Certificate of Need Section, I am writing regarding Carolina Care Healthcare Properties, LLC intent to acquire via a purchase a facility in Fayetteville, NC.

We wrote you late December 2016 regarding Carolina Care Health and Rehabilitation's desire to lease the center (Carolina Care Center of Cherryville, Inc.) You responded acknowledging this transaction. (Please see attached)

Carolina Care Healthcare Properties, LLC is now purchasing the facility's land and building.

Carolina Care Health and Rehabilitation is located at 111 Harrilson Rd. Cherryville, NC 28021-9541 (License number: NH0287). The facility is licensed for 107 skilled nursing facility beds and 12 ach beds. Pursuant to N.C. Gen. Stat. 131E-176(9b), the Facility is a "health service facility".

Carolina Care Health and Rehabilitation, LLC is a North Carolina Limited Liability Company. Carolina Care Health and Rehabilitation is currently leasing the Facility from Carolina Care Center of Cherryville, Inc. Carolina Care Healthcare Properties, LLC is also a North Carolina Limited Liability Company and will purchase the land and building on May 12<sup>st</sup>, 2017.

N.C. Gen. Stat. 131E-176(16)(l) provides that the purchase, lease, or acquisition of any health service facility, or portion thereof, which was developed pursuant to a certificate of need qualifies as a "new institutional health service". N.C. Gen. Stat. 131E-178(b) provides that "[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". N.C. Gen Stat. 131E-184(a)(1) and (8) provide that the acquisition of an existing health service facility, including equipment owned by the health service facility at the time of acquisition, is exempt from CON review upon prior written notice to the Agency of the proposed acquisition.

The acquisition of the Facility via the lease and purchase arrangement I have described herein will not involve the development of any new health service facility or otherwise qualify as a "new institutional health service" which would be subject to Agency review under applicable Certificate of Need statutes or regulations. Rather, the transaction I have described herein qualifies as an "exempt transaction, within the meaning of N.C. Gen Stat. 131E-184(a)(8). This correspondence is intended to serve as the prior written notice to the Agency required by N.C. Gen. Stat. 131E-184(a)(1) and (8).

Please provide me with written confirmation that this transaction is exempt from CON review pursuant to N.C. Gen. Stat. 131E-184(a)(1) and (8). We would be very appreciative if this reply could be expedited.

I appreciate your attention to this matter. Please contact me with any questions at 919-608-9123

Sincerely,



Christopher Sprenger  
Owner

Carolina Care Health and Rehabilitation, LLC  
Carolina Care Healthcare Properties, LLC



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

Pat McCrory  
Governor

Richard O. Brajer  
Secretary DHHS

Mark Payne, Director  
Health Service Regulation

December 21, 2016

Christopher Sprenger  
229 Airport Road  
Suite 7-104  
Arden, NC 28704

**No Review**

**Record #: 2118**

Facility Name: Carolina Care Center

FID #: 923063

Business Name: Carolina Care Health and Rehabilitation, LLC

Business #:2535

Project Description: Lease of Carolina Care Center

County: Gaston

Dear Mr. Sprenger:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of December 16, 2016 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 Nursing Home Licensure and Certification 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



**Healthcare Planning and Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

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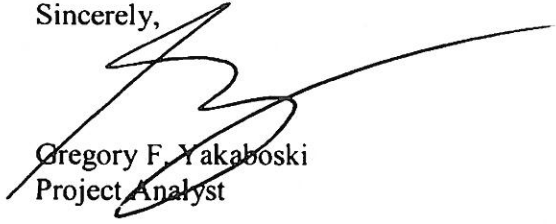


Christopher Sprenger  
December 21, 2016  
Page 2


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.

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,



Gregory F. Yakaboski  
Project Analyst



Martha J. Frisone  
Assistant Chief, Certificate of Need

cc: Nursing Home Licensure and Certification Section, DHSR  
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR