



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
Ashton Health and Rehabilitation, LLC
229 Airport Rd. Suite 7-104
Arden, NC 28704

No Review

Record #: 2263
Facility Name: Ashton Place Health & Rehab
FID #: 061196
Business Name: Ashton Health and Rehabilitation, LLC
Business #: 2646
Project Description: Ashton Health and Rehabilitation, LLC intends to lease Ashton Place Health & Rehab, (License # NH0625) from Ashton Place Holdings, LLC
County: Guilford

Dear Mr. Sprenger:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of May 12, 2017 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 to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the

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



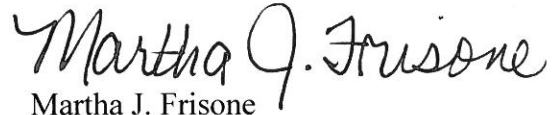
original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

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,



Celia C. Inman
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

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

Ashton Health and Rehabilitation, 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 Lease of North Carolina Skilled Nursing Facility Pursuant to N.C. Gen. Stat. 131E-184(a)(1) and (8): Ashton Place Health and Rehab, LLC; Ashton Health and Rehabilitation, LLC

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 Ashton Health and Rehabilitation, LLC intent to acquire via lease a facility in McLeansville, NC named Ashton Place Health and Rehab, LLC.

Ashton Place Health and Rehab, LLC is located at 5533 Burlington Rd. McLeansville, NC 27301-9622 (License number: NH0625). The facility is licensed for 134 nursing facility beds. Pursuant to N.C. Gen. Stat. 131E-176(9b), the Facility is a "health service facility".

Ashton Health and Rehabilitation, LLC is a North Carolina Limited Liability Company. Ashton Health and Rehabilitation intends to lease the Facility from Ashton Place Holdings, LLC. Ashton Place Holdings currently own the facility. The lease will take effect on June 1, 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,

A handwritten signature in blue ink, appearing to read "Chris Sprenger". The signature is fluid and cursive, with a large initial "C" and "S".

Christopher Sprenger

Owner

Ashton Health and Rehabilitation, LLC