



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

September 20, 2019

Greg Gaylis
greg.gaylis@agg.com

No Review

Record #: See Attachment A
Facility Name: See Attachment A
FID #: See Attachment A
Business Name: See Attachment A
Business #: See Attachment A
Project Description: Change in indirect corporate ownership structure
County: See Attachment A

Dear Mr. Gaylis:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence 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 that correspondence 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.

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

Sincerely,

Julie M. Faenza
Julie M. Faenza
Project Analyst

Martha J. Frisone
Martha J. Frisone
Chief

cc: Adult Care Licensure Section, DHSR

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

ATTACHMENT A

Record #	County	Facility Name	FID #	Direct Owner	Business ID #
3046	Mecklenburg	Elmcroft of Little Avenue	971280	EC Opco Little Avenue, LP	2785
3047	Wake	Elmcroft of Northridge	920861	EC Opco Northridge, LP	2786
3048	Moore	Elmcroft of Southern Pines	971181	EC Opco Southern Pines, LP	2784



September 6, 2019

VIA FEDERAL EXPRESS

Ms. Martha Frisone
NC Division of Health Service Regulation
Certificate of Need Section
809 Ruggles Drive
Raleigh, NC 27603

Re: NC Adult Care Homes / Internal Restructuring / Indirect Ownership Changes

Dear Ms. Frisone:

This letter is to inform you of proposed changes involving the facilities listed in **Attachment A** (the "Facilities"), which will result in new indirect owners multiple levels above the operating entities. These proposed changes are the result of an internal restructuring of the operators for the Facilities (the "Restructuring"). The Restructuring is solely an internal Restructuring and **will not result in any changes to the ultimate ownership, control, or management of the Facilities.** In addition, the operators' federal tax identification numbers will not change and there will be no changes to the Facilities' staff or day-to-day operations as a result of the Restructuring. "Before-and-after" structure charts showing the current structures and the proposed structures are enclosed with this letter as **Attachment B** for your reference.

It is our understanding that the Restructuring described above and in the enclosed structure charts does not require any additional filings and **we respectfully request the issuance of an "Exemption or No Review Letter" confirming our understanding.**

Thank you for your attention to this matter. If you have any questions or require any additional information, please do not hesitate to contact me.

Ms. Martha Frisone
September 6, 2019
Page 2

Sincerely,

Arnall Golden Gregory LLP

A handwritten signature in blue ink, appearing to read "Greg Gaylis", is written over the typed name.

Greg Gaylis

Enclosures

cc: Hedy S. Rubinger, Esq.

ATTACHMENT A

Facility Name & Address	Facility Type
EC Opco Little Avenue, LP dba Elmcroft of Little Avenue 7745 Little Avenue Charlotte, NC 28226	Adult Care Home (License Number: HAL-060-156)
EC Opco Northridge, LP dba Elmcroft of Northridge 600 Newton Road Raleigh, NC 27615	Adult Care Home (License Number: HAL-092-207)
EC Opco Southern Pines, LP dba Elmcroft of Southern Pines 101 Brucewood Road Southern Pines, NC 28387	Adult Care Home (License Number: HAL-063-025)

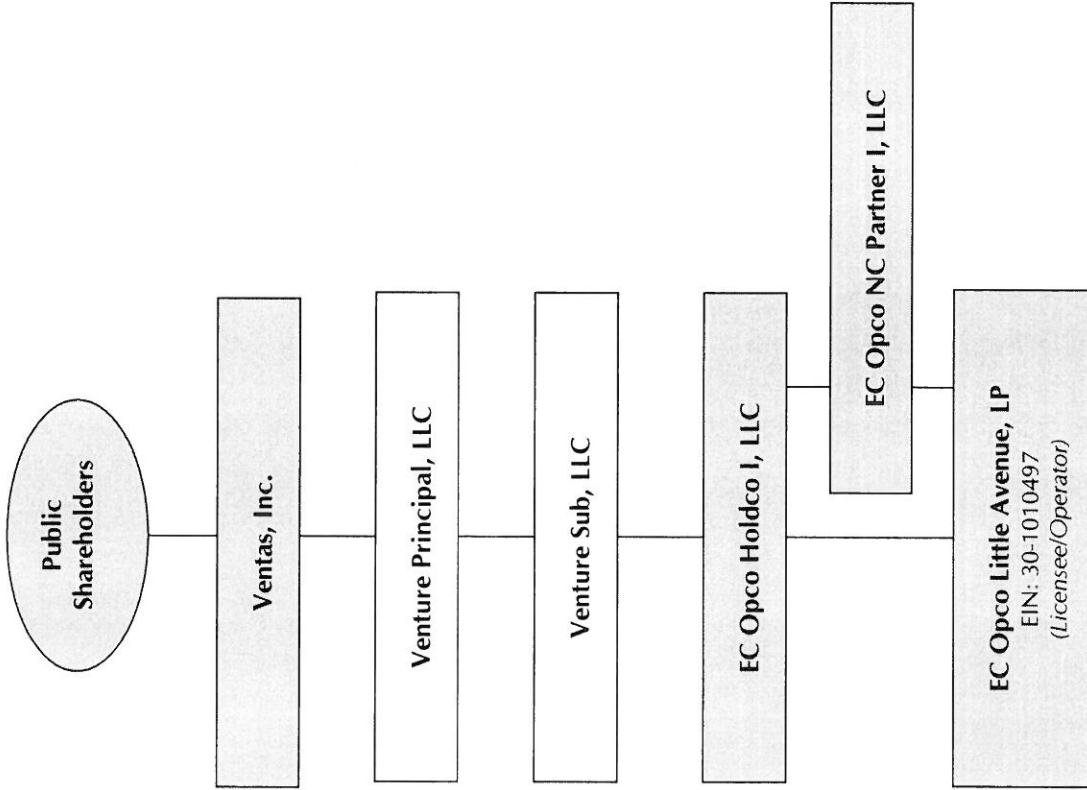
ATTACHMENT B

(See attached)

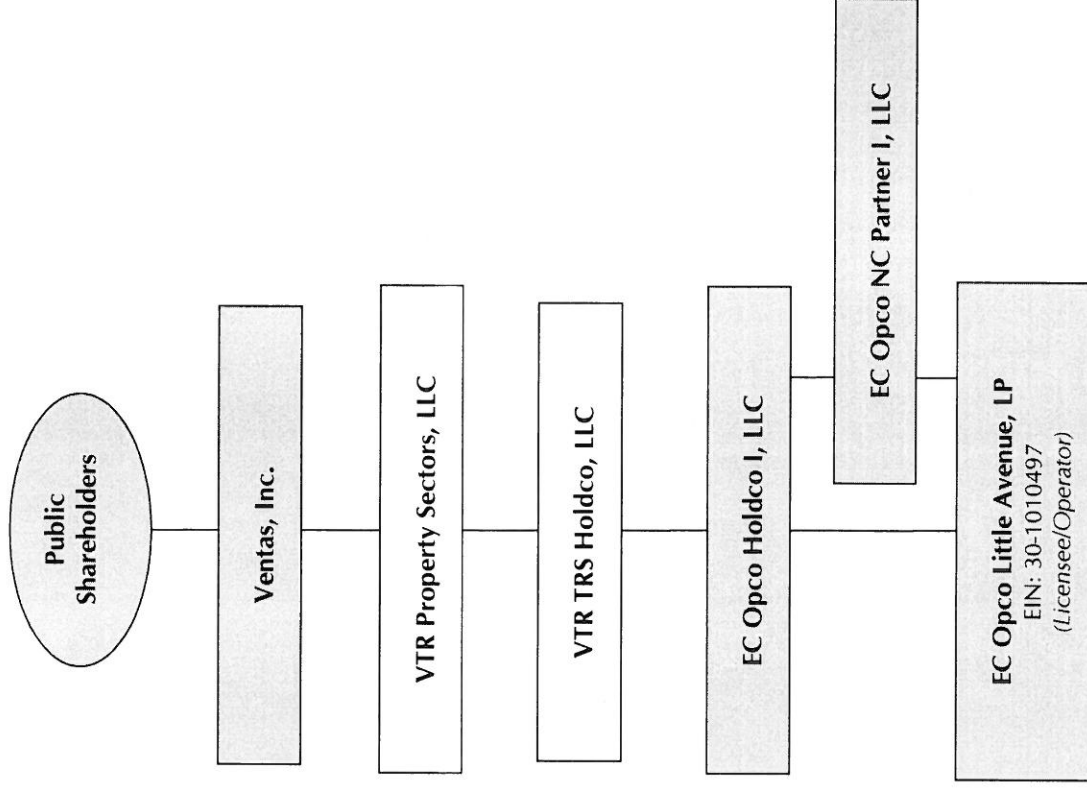
Elmcroft of Little Avenue
North Carolina

Overview of Internal Restructuring

CURRENT



PROPOSED

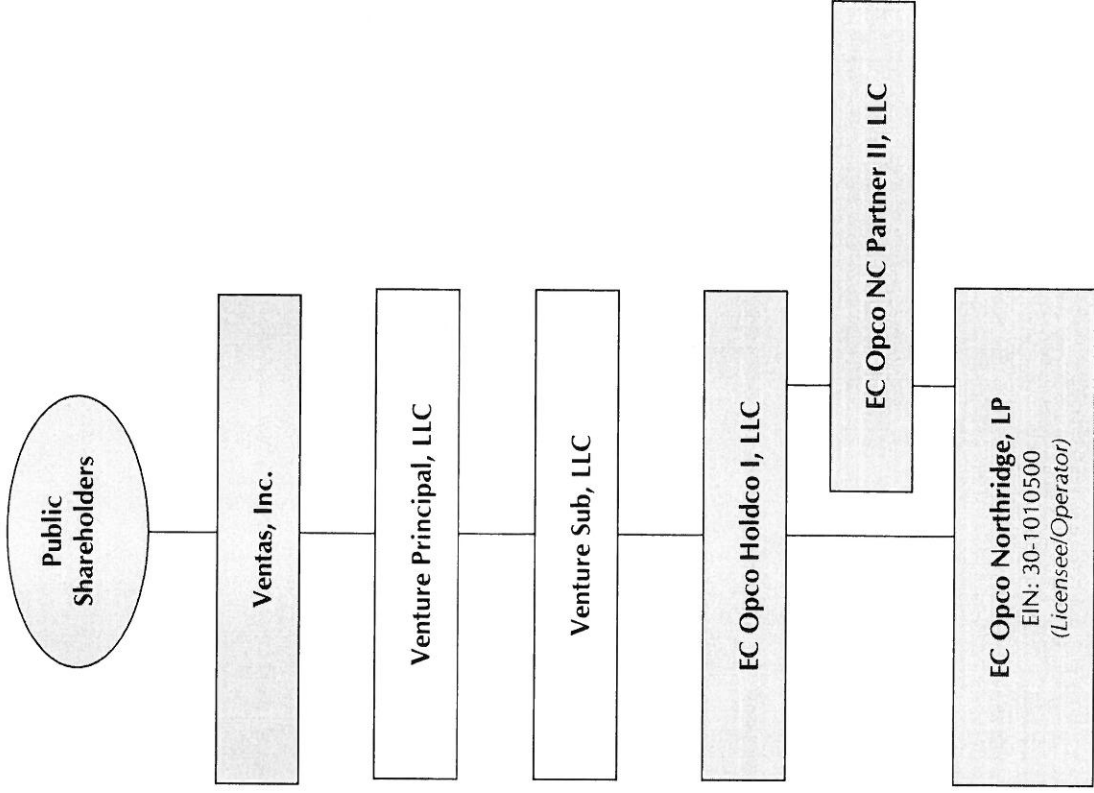


* Shaded boxes reflect entities that are not changing.

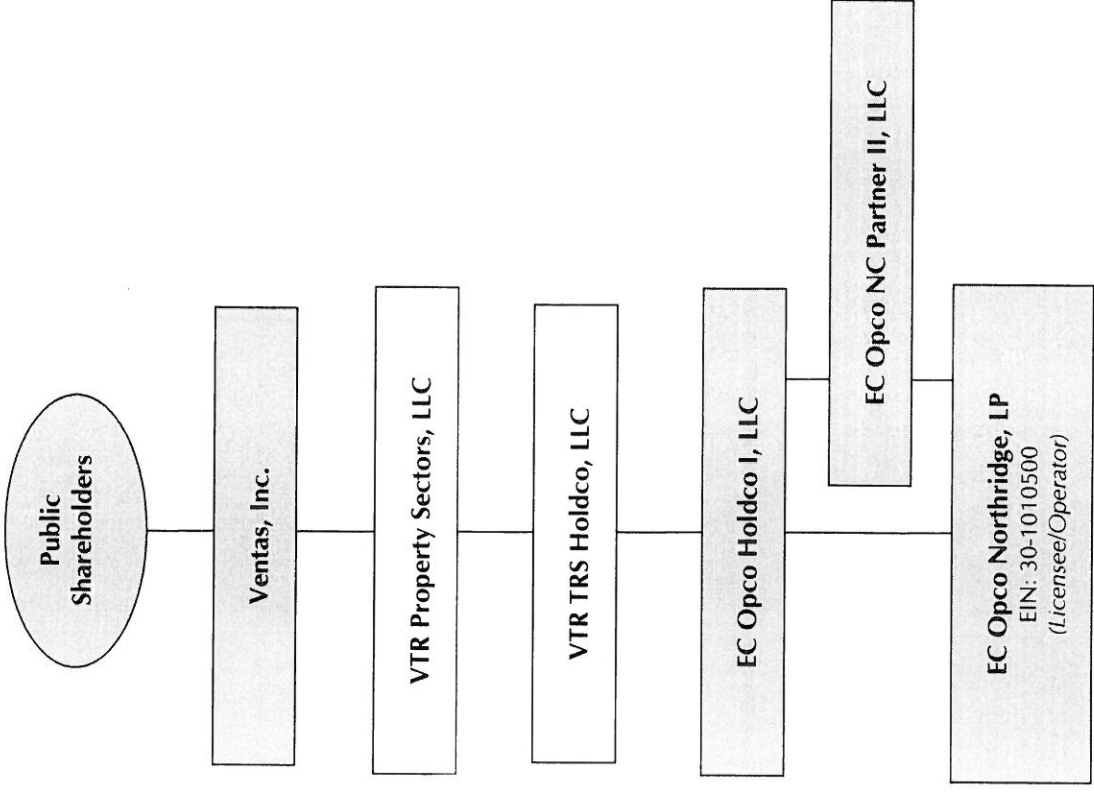
Elmcroft of Northridge
North Carolina

Overview of Internal Restructuring

CURRENT



PROPOSED

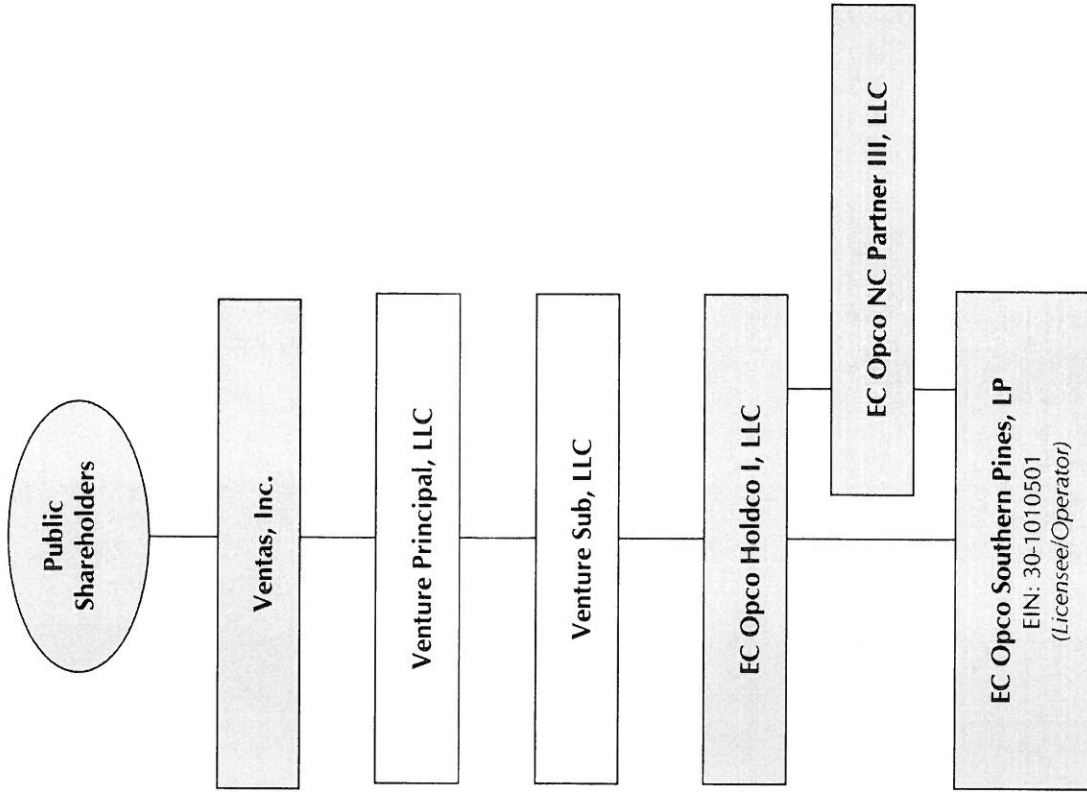


*Shaded boxes reflect entities that are not changing.

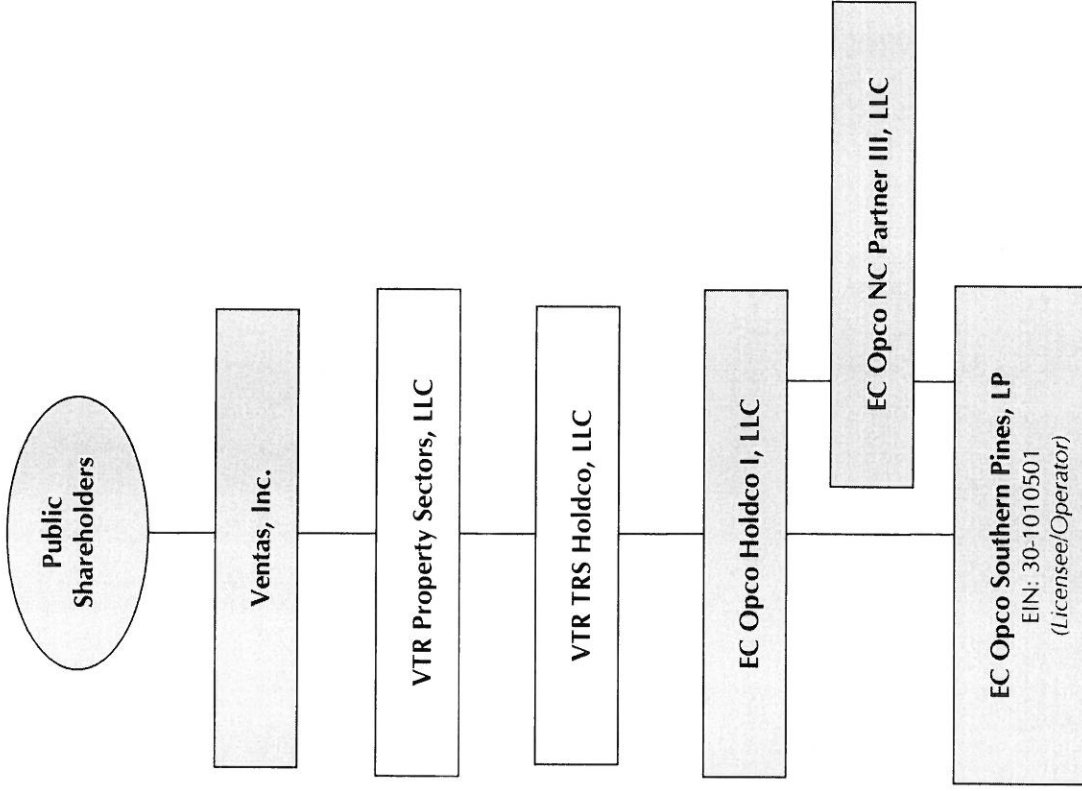
Elmcroft of Southern Pines
North Carolina

Overview of Internal Restructuring

CURRENT



PROPOSED



* Shaded boxes reflect entities that are not changing.