

# 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

October 22, 2021

Susan M. Fradenburg sfradenburg@foxrothschild.com

### **Exempt from Review – Acquisition of Facility**

Record #:	3711
Date of Request:	October 15, 2021
Facility Name:	Winterville Manor
Type of Facility:	ACH
FID #:	960622
Acquisition by:	Springshire Retirement, LLC
Business #:	3484
County:	Pitt

Dear Ms. Fradenburg:

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

Sincerely,

Gregory F. Yakaboski Project Analyst

Micheala Mitchell

Micheala Mitchell 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

From:	Fradenburg, Susan M.
То:	Yakaboski, Greg
Subject:	[External] RE: Exemption Request Re: Springshire Retirement LLC and Winterville Manor
Date:	Wednesday, October 20, 2021 4:26:56 PM

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Greg, yes, Sprinsghire is acquiring the Winterville Manor facility and real property on which the Winterville Manor facility is located.

Have a good evening.

#### **Susan Fradenburg**

Partner

## Fox Rothschild LLP

230 N. Elm St. Suite 1200 Greensboro, NC 27401 (336) 378-5482 - direct (336) 378-5400 - fax <u>SFradenburg@foxrothschild.com</u>

www.foxrothschild.com

From: Yakaboski, Greg <greg.yakaboski@dhhs.nc.gov> Sent: October 20, 2021 2:39 PM To: Fradenburg, Susan M. <SFradenburg@foxrothschild.com> Subject: [EXT] Exemption Request Re: Springshire Retirement LLC and Winterville Manor Hey Susan, Clarification question- is Springshire acquiring the Winterville Manor facility (including the real property)? Thanks. Greg Sincerely, Gregory F. Yakaboski Gregory F. Yakaboski Project Analyst Division of Health Service Regulation, Certificate of Need NC Department of Health and Human Services Help protect your family and neighbors from COVID-19. Know the 3 Ws. Wear. Wait. Wash. #StayStrongNC and get the latest at nc.gov/covid19 Office: 919-855-3873 Greg.Yakaboski@dhhs.nc.gov 809 Ruggles Drive, Edgerton Building 2704 Mail Service Center Raleigh, NC 27699-2704

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SUSAN M. FRADENBURG Direct No: 336.378.5482 Email: SFradenburg@Foxrothschild.com

October 15, 2021

# VIA E-MAIL AND US MAIL

Micheala Mitchell, Chief Gregory Yakaboski, Project Analyst Healthcare Planning and Certificate of Need Section Division of Health Service Regulation North Carolina Department of Health and Human Services 2704 Mail Service Center Raleigh, NC 27699-2704

Dear Ms. Mitchell and Mr. Yakaboski:

This letter is to provide prior written notice, pursuant to N.C. Gen. Stat. § 131E-184(a)(8), that Springshire Retirement, LLC d/b/a Rising Phoenix ("Springshire") intends to purchase the assets of Winterville Manor, an adult care home located at 2527 Jones Street, Winterville, in Pitt County ("the Facility"), including its twentynine (29) licensed adult care home beds, from the current owner of the property, Clared LLC (the "Purchase"). The Facility is currently licensed by the North Carolina Department of Health and Human Services, Division of Health Service Regulation as an adult care home with 29 beds under license number HAL-074-026, which license is valid through December 31, 2021. The license is held by Sovereign Healthcare, LLC which leases the Facility from Clared, LLC. Springshire anticipates that Sovereign Healthcare will renew the current license to be valid through December 31, 2022.

Springshire intends to close on the Purchase in the first quarter of 2022. It is also anticipated that prior to Closing, the adult care home facility will stop serving residents, the remaining residents will be discharged to appropriate new locations, and the existing license will be returned. The Facility will remain an existing health

A Pennsylvania Limited Liability Partnership



Micheala Mitchell, Chief Gregory Yakaboski, Project Analyst October 15, 2021 Page 2

service facility for purposes of the exemption statute for one year after the termination of its license pursuant to N.C. Gen. Stat. § 131E-184(a)(8).

We would appreciate receiving confirmation as soon as possible that the acquisition described above is exempt from certificate of need review pursuant to N.C. Gen. Stat. §131E-184(a)(8). We appreciate your consideration of and attention to this request. If you have questions or require additional information, please do not hesitate to contact me.

Sincerely,

Susan M. Fradenberg

Susan M. Fradenburg

SMF:mpp

From:	Mitchell, Micheala L
То:	Waller, Martha K
Cc:	<u>Yakaboski, Greg</u>
Subject:	FW: [External] Notice of Exemption Springshire Retirement d/b/a Rising Phoenix
Date:	Friday, October 15, 2021 8:24:23 AM
Attachments:	10 15 2021 Exempt from review notice Springshire Retirement Winterville Manor(127169931.1)-C.pdf

For you Martha.

Thank you.

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: Fradenburg, Susan M. <SFradenburg@foxrothschild.com>
Sent: Friday, October 15, 2021 8:16 AM
To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>; Yakaboski, Greg
<greg.yakaboski@dhhs.nc.gov>
Subject: [External] Notice of Exemption Springshire Retirement d/b/a Rising Phoenix

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Please see attached.

Have a great day.

Susan Fradenburg
Partner
Fox Rothschild LLP

230 N. Elm St. Suite 1200 Greensboro, NC 27401 (336) 378-5482 - direct (336) 378-5400 - fax SFradenburg@foxrothschild.com www.foxrothschild.com

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