



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

December 6, 2023

Ms. Denise M. Gunter
Denise.gunter@nelsonmullins.com

Exempt from Review – Acquisition of Facility

Record #: 4300
Date of Request: October 24, 2023
Facility Name: Pender Memorial Hospital
Type of Facility: Hospital
FID #: 923394
Acquisition by: Pender Memorial Hospital, Inc.
Business #: 1395
County: Pender

Dear Ms. Gunter:

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, which includes the hospital-based imaging center known as Novant Health Imaging Rocky Point, 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 Acute and Home Care Licensure and Certification 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,

Tanya M. Saporito
Project Analyst

Micheala Mitchell
Chief

cc: Acute and Home Care Licensure and Certification 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
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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

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October 24, 2023

VIA EMAIL

Micheala Mitchell, Chief
Healthcare Planning and Certificate of Need Section
North Carolina Department of Health and Human Services
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: Notice of Exemption Acquisition
Pender Memorial Hospital, Inc. and NHRMC Home Care
Pender County
Health Service Area V

Dear Ms. Mitchell:

Pursuant to N.C. Gen. Stat. § 131E-184(a)(8), I am writing on behalf of Pender Memorial Hospital, Inc. (“Buyer”) to provide prior written notice of Buyer’s intention to acquire substantially all of the assets of Pender Memorial Hospital, Inc. (“PMH”) and NHRMC Home Care from Pender County, North Carolina (hereafter, the “Transaction”).¹ For many years, Buyer has leased these assets from Pender County, and Buyer now proposes to acquire the assets from Pender County. The sole member of PMH is Novant Health New Hanover Regional Medical Center, LLC.

The assets to be acquired consist of: (1) all beds (including acute care beds and SNF beds), operating rooms, equipment, and other assets associated with the hospital licensed under license number H0115, located at 507 E. Fremont Street, Burgaw, NC 28425; (2) a hospital based imaging center in Rocky Point, North Carolina, known as Novant Health Imaging Rocky Point²; and (3) the Medicare certified home health agency known as NHRMC Home Care, license number HC0532. Both the imaging center and the home health agency are located at 7910 US Highway 117 S., Rocky Point, NC 28457. Other health care related assets that are not “health service facilities” under the CON Law will also be acquired.

¹ Certain assets of the entities involved in the Transaction are “excluded assets,” meaning that they are not being acquired by Buyer. However, none of those excluded assets is pertinent to this Notice of Exempt Acquisition.

² The imaging center contains x-ray, ultrasound, mammography, and dexa along with rehab services.

Micheala Mitchell, Chief
October 24, 2023
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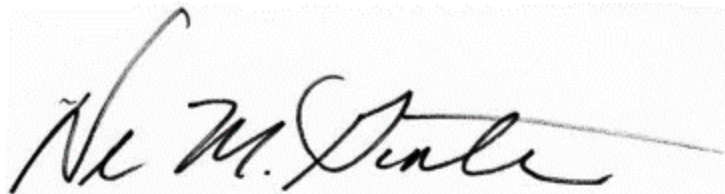
N.C. Gen. Stat. § 131E-184(a)(8) provides that upon prior written notice, the Department shall exempt from CON review the acquisition of an existing health service facility, including equipment owned by the health service facility at the time of acquisition, which notice contains an explanation of why the new institutional health service is needed. "Health service facility" includes the following: hospitals, long-term care hospitals, psychiatric facilities, rehabilitation facilities, nursing homes, adult care homes, kidney disease treatment centers, intermediate care facilities for individuals with intellectual disabilities, home health agency offices, chemical dependency treatment facilities, diagnostic centers, hospice offices, hospice inpatient facilities, hospice residential facilities and ambulatory surgery centers. N.C Gen. Stat. § 131E-176(9b).

Through a Master Transaction Agreement between Pender County, Pender Memorial Hospital, Inc., and Novant Health New Hanover Regional Medical Center, LLC, (the "Agreement"), Buyer intends to acquire the aforementioned health service facilities (collectively, the "Health Service Facilities") from Pender County. Buyer intends to continue to operate the Health Service Facilities at their present locations. The approval of this exemption will allow the Health Service Facilities to continue to serve patients under new ownership.

As Buyer expects to close this Transaction soon, we would appreciate your prompt response to this letter. Please let me know if you have any questions or need any additional information.

Thank you for your time and attention.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise M. Gunter", is written over a light gray rectangular background.

Denise M. Gunter

From: [Denise Gunter](#)
To: [Waller, Martha K](#); [Stancil, Tiffany C](#)
Cc: [Tanya, Saporito](#)
Subject: [External] Notice of Exempt Acquisition for Pender Memorial Hospital
Date: Tuesday, October 24, 2023 4:30:08 PM
Attachments: [Notice of Exempt Acquisition for Pender 4876-6816-3722 v.1.pdf](#)

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Good afternoon,

I hope everyone at CON is doing well.

Attached for processing is an exemption letter for Pender County.

Please let me know you've received this.

Thanks.



DENISE M. GUNTER **PARTNER**
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