

JOSH STEIN • Governor

DEVDUTTA SANGVAI • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

July 30, 2025

Trevor P. Presler tpresler@wyrick.com

Exempt from Review - Acquisition of Facility

Record #: 4846 Date of Request: July 8, 2025

Facility Name: Rose Hill Retirement Community

Type of Facility: Adult Care Home

FID #: 960008

Acquisition by: Rose Hill Operations, LLC

Business #: 3972 County: McDowell

Dear Mr. Presler:

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 and change the operator to Rose Hill Operations, LLC 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,

Ena Lightbourne Project Analyst

Micheala Mitchell Chief

cc: Adult Care Licensure Section, DHSR

Micheala Mitchell

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

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Frank S. Kirschbaum fkirschbaum wyrick.com

June 27, 2025

VIA ELECTRONIC MAIL

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

Re: Notice of Exempt Acquisition pursuant to N.C. Gen. Stat. §131E-184(a)(8)-Acquisition of Existing Health Service Facilities (Adult Care Homes)

Dear Ms. Mitchell:

This correspondence serves as a Notice of Exempt Acquisition regarding a transaction (the "Transaction") involving the sale of the eighty-seven (87) bed Adult Care Home known as Rose Hill Retirement Community (the "ACH" or "Rose Hill"). The ACH, presently operated by Your H.O.M.E., Inc. ("Seller") under license number HAL-059-027, will be sold to Rose Hill Operations, LLC ("Buyer"). The anticipated closing date for the Transaction is July 31, 2025. Buyer and certain Buyer-affiliated entities will acquire, among other things, the land, buildings and fixtures of the ACH, and will continue to operate the ACH thereafter.

We understand that the Transaction is exempt from certificate of need review pursuant to N.C. Gen. Stat. §131E-184(a)(8), which exempts from CON review proposals "[t]o acquire an existing health service facility, including equipment owned by the health service facility at the time of acquisition." Further, Rose Hill was first licensed as a "Home for the Aged" on or around January 16, 1996. This date was before adult care homes were made subject to the Certificate of Need law on January 1, 2002 (pursuant to Session Law 2001-234); consequently, there is no CON for this facility. Therefore, I am requesting your confirmation that the Transaction is exempt from review pursuant to N.C. Gen. Stat. §131E-184(a)(8), and that no CON is required for this facility, which was licensed prior to the date that adult care homes

became subject to the CON law and does not have or need a CON. Additional information about the ACH and the parties to the Transaction is provided in table format below.

FACILITY NAME AND ADDRESS	COUNTY	License # CON	SELLER	BUYER
Rose Hill Retirement Community 120 Fleming Avenue Marion, NC, 28752	McDowell	HAL 059 027 (1996- present) No CON Issued or Required	Your H.O.M.E., Inc.	Rose Hill Operations, LLC

Thank you for your consideration, and please let me know at your earliest convenience if there are any questions.

Sincerely,

Frank S. Kirschbaum

cc: <u>Lisa.Pittman@dhhs.nc.gov</u> (Assistant Chief, Certificate of Need)

 From:
 Mitchell, Micheala L

 To:
 Stancil, Tiffany C

 Cc:
 Lightbourne, Ena

Subject: FW: [External] Exemption Notification/Request Letter

Date: Thursday, July 3, 2025 12:11:32 PM
Attachments: CON Notice and Request, Rose Hill 2025.pdf

Tiffany,

Would you mind logging and assigning this to Ena when you return on the 7th?

Thank you!!

Micheala Mitchell, JD

NC Department of Health and Human Services

Division of Health Service Regulation

Section Chief, Healthcare Planning and CON Section
809 Ruggles Drive, Edgerton Building
2704 Mail Service Center

Raleigh, NC 27699-2704

Office: 919 855 3879

Micheala.Mitchell@dhhs.nc.gov

From: Trevor P. Presler < TPresler@wyrick.com>

Sent: Thursday, July 3, 2025 10:06 AM

To: Mitchell, Micheala L < Micheala. Mitchell@dhhs.nc.gov>

Cc: Frank Kirschbaum < FKirschbaum@wyrick.com >

Subject: [External] Exemption Notification/Request Letter

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Good morning, Ms. Mitchell,

We represent Rose Hill Operations, LLC in its acquisition of Rose Hill Retirement Community from its current owner/licensee Your H.O.M.E., Inc. Please find attached a Notice of Exempt Acquisition pursuant to N.C. Gen. Stat. §131E-184(a)(8)-

Acquisition of Existing Health Service Facilities. We understand that the facility does not have and does not require a CON, as it was first licensed in 1996, six years before Adult Care Homes become subject to the CON law. Please let us know if you have any questions or need any additional information, and I hope you have a good holiday weekend!

Sincerely,

Trevor Presler

Trevor P. Presler ATTORNEY

Direct: 919.228.2901 Mobile: 919.428.3525 tpresler@wyrick.com

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