



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

JOSH STEIN • Governor

DEVPUTTA SANGVAI • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

July 31, 2025

Alex Atchison

[aatchison@sanstonehealth.com](mailto:aatchison@sanstonehealth.com)

**Exempt from Review – Acquisition of Facility**

**Record #:** 4855  
**Date of Request:** July 7, 2025  
**Facility Name:** College Pines Health and Rehabilitation Center  
**Type of Facility:** Nursing Home  
**FID #:** 923110  
**Acquisition by:** College Pines Healthcare Properties, LLC  
**Business #:** 3976  
**County:** Burke

Dear Mr. Atchison:

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 Nursing Home 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,

Ema Lightbourne  
Project Analyst

Micheala Mitchell  
Chief

cc: Nursing Home 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  
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

July 7, 2025

Ms. Micheala Mitchell, Chief, Healthcare Planning and Certificate of Need  
Certificate of Need Section,  
Division of Health Service Regulation,  
NC Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, NC 27699-2704

Re: Notice Pursuant to N.C.G.S. §131E-184(a)(8) of Exempt Acquisition of  
Existing Health Service Facility

Dear Ms. Mitchell:

College Pines Healthcare Properties, LLC, a North Carolina Limited Liability Company (the "Purchaser"), plans to acquire a 104 bed adult care facility (100 nursing home beds and 4 adult care home beds) located at 95 Locust Street, Connelly Springs, Burke County, North Carolina, currently known as College Pines Health and Rehabilitation (the "Facility") on August 1, 2025. We write to provide notice of the planned acquisition of the real estate, which is exempt from certificate of need ("CON") review, to the North Carolina Department of Health and Human Services, Division of Health Regulation, Certificate of Need section (the "Agency").

Valdese Nursing Home, Inc. (the "Seller") currently owns the real estate where the Facility is located, which is an existing "health service facility," as that term is defined in N.C.G.S. §131E-176(9b). The Seller intends to transfer 100% of its ownership interest in the facility to the Purchaser. As such, N.C.G.S. §131E-184(a)(8) exempts the transaction from CON review. In addition, the Purchaser's acquisition of the facility does not entail the purchase of any major medical equipment or any *per se* reviewable equipment, or the offering of any *per se* reviewable services. N.C.G.S. §131E-176(14)(o), (16)(f), & (16)(f1).



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Therefore, we hereby request that the Agency confirm that the above-described proposal is exempt from CON review pursuant to N.C.G.S. §131E-184(a)(8). If you require additional information to consider this request, please contact me at 919.880.5009 as soon as possible. We thank you for your consideration of this request.

With best regards, we remain

Sincerely yours,

SanStone Management Company, LLC  
d/b/a SanStone Health and Rehabilitation

By:

A handwritten signature in blue ink, appearing to read "Alex Atchison".

Alexander R. Atchison, JD  
Chief Strategy Officer

**From:** [Mitchell, Micheala L](#)  
**To:** [Stancil, Tiffany C](#)  
**Cc:** [Lightbourne, Ena](#)  
**Subject:** FW: [External] Exempt Acquisition Confirmation Request  
**Date:** Friday, July 18, 2025 12:35:03 PM  
**Attachments:** [image001.png](#)  
[20250707152957314.pdf](#)  
[20250707153134364.pdf](#)

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Tiffany, I don't know how this slipped past me, but will you add these requests to the correspondence log and assign to Ena?

Ena, Mr. Atchison called me and has some additional information to add to the Ashe County request. He will send that on Monday. Also- make a note on the routing sheets that the delay was due to me when you send them to Gloria.

Apologies and thanks,

Micheala

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](mailto:Micheala.Mitchell@dhhs.nc.gov)

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**From:** Alex Atchison <aatchison@sanstonehealth.com>  
**Sent:** Monday, July 7, 2025 3:21 PM  
**To:** Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>  
**Subject:** [External] Exempt Acquisition Confirmation Request

You don't often get email from [aatchison@sanstonehealth.com](mailto:aatchison@sanstonehealth.com). [Learn why this is important](#)

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Ms. Mitchell,

We are in the process of acquiring two skilled nursing facilities. We currently operate both under leases. The first facility, Margate Health and Rehabilitation, is located in Jefferson, Ashe County. The Second facility, College Pines Health and Rehabilitation, is located in Connelly Springs, Burke County. Attached are our requests for confirmation

that the transactions are except from CON review.

Please review and let me know if you need anything else from us.

Thanks,

Alex

**ALEX ATCHISON** | Chief Strategy Officer

M: (919) 880-5009 | E: [aatchison@sanstonehealth.com](mailto:aatchison@sanstonehealth.com)



**SanStone Health & Rehabilitation**

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Arden, NC 28704

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