



North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section

2704 Mail Service Center • Raleigh, North Carolina 27699-2704
<http://www.ncdhhs.gov/dhsr/>

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August 24, 2012

Kenneth L Burgess
PoynerSpruill
P.O. Box 1801
Raleigh NC 27602-1801

RE: Exempt from Review / Acquisition of Wake Forest Care Center by HH Hunt of North Carolina, Inc. / Wake County
FID #: 960737

Dear Mr. Burgess:

In response to your letter of August 7, 2012, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, HH Hunt of North Carolina, Inc. may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Adult Care Licensure Section of the Division of Health Service Regulation to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C.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."*

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

Sincerely,

Michael J. McKillip
Project Analyst

Craig R. Smith, Chief
Certificate of Need Section

cc: Adult Care Licensure Section, DHSR





note

960737

Poyner Spruill^{LLP}

August 7, 2012

Kenneth L. Burgess
Partner
D: 919-783-2917
F: 919-783-1075
kburgess@poynerspruill.com

VIA HAND-DELIVERY

Craig R. Smith, Chief
Certificate of Need Section
N.C. Department of Health and Human Services
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, North Carolina 27603

RE: Notice of Exempt Acquisition of Wake Forest Care Center Pursuant to N.C. Gen. Stat. § 131E-184(a)(8)

Dear Craig:

I am writing on behalf of our client, HH Hunt of North Carolina, Inc., pursuant to N.C. Gen. Stat. § 131E-184(a)(8), to provide notice to the N.C. Department of Health and Human Services, Division of Health Service Regulation, Certificate of Need Section ("the Agency") of our client's intent to acquire the adult care home known as Wake Forest Care Center, located at 306 South Allen Street, Wake Forest, North Carolina 27587 ("the Facility"). The Facility is a licensed adult care home consisting of 80 beds. Pursuant to N.C. Gen. Stat. § 131E-176(9b), the Facility is a health service facility.

Our client, HH Hunt of North Carolina, Inc., intends to acquire the Facility via an Asset Purchase Agreement and will enter a ground lease with the current lessor of the property upon which the Facility is situated. This transaction is being consummated in connection with a Settlement Agreement between the current owner of Wake Forest Care Center, that being Wake Forest Care Center, Inc., and the Adult Care Licensure Section of the Agency, pursuant to which our client will purchase the facility after it is vacated of residents in accordance with applicable North Carolina law, and will then apply for a license for the facility and subsequently apply to the Agency for a Certificate of Need to relocate the Facility within Wake County. The transaction I have described is scheduled to occur in August of 2012.

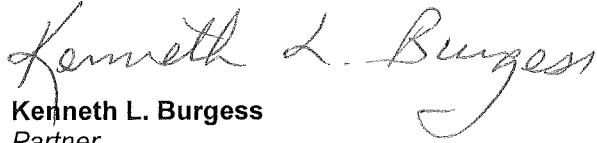
The acquisition of the Facility will not involve the development of any new health service facility or otherwise qualify as a "new institutional health service" under applicable Certificate of Need statutes or regulations which would be subject to Agency review. Rather, the acquisition I have described herein qualifies as an "exempt transaction" within the meaning of N.C. Gen. Stat. § 131E-184(a)(8) which provides that the acquisition of an existing health service facility is exempt from CON review, upon prior written notice to the Agency. This correspondence is intended to serve as the required written notice required by that statutory provision.

Please provide me with written confirmation that this transaction is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). We would be very appreciative if this reply could be expedited since the Licensure Section has asked our client to file a CHOW licensure application by next Friday, August 17, 2012 and we are required to include the Agency's response in that application.

Craig R. Smith, Chief
August 7, 2012
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I appreciate your attention to this matter. Please let me know if there are any questions regarding this notice or if the Agency needs further information.

Sincerely,

A handwritten signature in cursive script that reads "Kenneth L. Burgess". The signature is written in dark ink and is positioned to the right of the typed name.

Kenneth L. Burgess
Partner