

North Carolina Department of Health and Human Services Division of Health Service Regulation

Pat McCrory Governor Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

> Drexdal Pratt Division Director

August 7, 2013

Charles E. Trefzger, Jr. WP-Greensboro Health Holdings, LLC PO Box 2568 Hickory, NC 28603-2568

Exempt from Review - Acquisition of Facility

Facility:

Greensboro Living Center

Acquisition by:

IP Greensboro Properties, LLC

County:

Guilford

FID#:

920871

Dear Mr. Trefzger:

In response to your letter of August 2, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, IP Greensboro Properties, LLC 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,

Celia C. Inman

Celie C. Unman

Project Analyst

Craig R. Smith, Chief Certificate of Need Section

cc:

Adult Care Licensure Section, DHSR



Certificate of Need Section

Greensboro Health Holdings, LLC

صلف

Post Office Box 2568 Hickory, North Carolina 28603-2568

August 2, 2013

Mr. Craig Smith, Chief Certificate of Need Section Division of Health Service Regulation Department of Health and Human Services Dorothea Dix Hospital Campus 809 Ruggles Drive Raleigh, NC 27603



Re: Exemption Notice for Greensboro Living Center (Adult Care Home in Guilford

County)

Facility ID: 920871

Dear Mr. Smith:

IP Greensboro Properties, LLC ("IP Greensboro") is planning to acquire an adult care home in Guilford County, currently known as Greensboro Living Center (hereafter "the Facility"). The Facility is located at 3004 Dexter Avenue in Greensboro, North Carolina. The Facility is listed in the "Inventory of Adult Care Home Beds" in the 2013 State Medical Facilities Plan as having 114 adult care home beds (see Exhibit A).

IP Greensboro is seeking to purchase the Facility through a purchase and sale agreement. The purpose of this letter is to provide prior notice of this acquisition, which is exempt from Certificate of Need ("CON") review, to the North Carolina Department of Health and Human Services, Division of Health Service Regulation, Certificate of Need Section (the "Agency"). IP Greensboro seeks confirmation that it is permitted to acquire the Facility as described herein without CON Review, thus acquiring the Facility's existing CON rights to own that existing health service facility (as defined in the CON statute) with 114 adult care beds.

I. THE PROPOSAL

As of this date, Greensboro Holdings, LLC owns the property and building comprising the Facility, which is an existing "health service facility," as that term is defined in N.C. Gen. Stat. § 131E-176(9)(b), and Greensboro Health Holdings, LLC is the Licensee. IP Greensboro will purchase the Facility, and the Licensee will remain Greensboro Health Holdings, LLC. The Facility will still be known as Greensboro Living Center.

II. EXEMPTION NOTICE

Mr. Craig Smith, Chief Certificate of Need Section August 2, 2013 Page Two

Under North Carolina law, a Certificate of Need ("CON") is required only prior to offering or developing a "new institutional health service." "New institutional health service" includes a variety of services and activities, including a capital expenditure exceeding \$2 million. N.C. Gen. Stat. § 131E-176(16)(b).

The North Carolina General Assembly saw fit to exempt certain types of services or proposals from CON review, pursuant to N.C. Gen. Stat. § 131E-184. One such exempt service or proposal includes the acquisition of an existing health service facility, "including equipment owned by the health service facility at the time of acquisition." N.C. Gen. Stat. § 131E-184(a)(8).

This project involves only the acquisition of an existing adult care home, which falls within the purview of the statutory definition of "health service facility." After acquisition, the current Licensee, Greensboro Health Holdings, LLC, will continue to operate the Facility as an adult care home. Furthermore, IP Greensboro's acquisition of the Facility does not entail the purchase of any major medical equipment or any *per se* reviewable equipment as defined in N.C. Gen. Stat. §§ 131E-176(14)(o) and (16)(f1). Likewise, the acquisition does not include the offering of any *per se* reviewable services. N.C. Gen. Stat. § 131E-176(16)(f). Thus, given that the transaction involves only the acquisition of an existing health services facility, it is exempt from CON review.

III. CONCLUSION

Based on the foregoing information, we hereby request the Agency's confirmation that the proposal described above is exempt from CON review, pursuant to N.C. Gen. Stat. § 131E-184(a)(8), and thus IP Greensboro may acquire the Facility with all its existing CON rights without a CON.

In addition, we respectfully request that this request be considered on an <u>expedited basis</u> because the parties wish to proceed with this transaction as soon as possible. If you require additional information to consider this request, please contact us at (828) 261-7312 as soon as possible. We thank you for your consideration of this request.

Sincerely,

Charles E. Trefzger, Jr.

Manager

Enclosure

Table 11A: Inventory of Adult Care Homes (Assisted Living) Beds

	I ADIC II	TA ALLI CAL	2000					'n					
		Licensed Beds	Licensed	Licensed Beds	Total		Approved	CON Approved/License Pending	ending				Total
County	Facility Name	in Nursing Homes	Beds in Hospitals	in Adult Care Facilities	Licensed Beds	CON	ACH Exempt	ACH Pipeline	CON Bed Transfer	Available in SMFP	Total Available	Sum of Exclusions	Planning Inventory
Guilford	Abbotswood at Irving Park Assisted Living	0		28	.1	╁	0	0	0	0			28
Guilford	Adams Farm Living & Rehabilitation	20	0	0	20	0	0	0	0	0		0	20
Guilford	Arbor Care Assisted Living	0	0	26	92	0	0	0	0	0		0	92
Guilford	Bell House	0	0	22	22	18	0	0	0	0	40		4
Guilford	Blumenthal Jewish Nursing & Rehab Center	20	0	0	20	0	0	0	0	0			20
Guilford	Brighton Gardens of Greensboro	ō	0	125	125	0	0	0	0	0			125
Guilford	Carriage House Senior Living Community	0	0	108	108	0	0	0	0	0		0	108
Guilford	Clanp's Assisted Living	0	0	30	30	0	0	0	0	0			30
Guilford	Clare Bridge at High Point Place	0	0	65	99	0	0	0	0	0			65
Guilford	Countryside Manor	16	0	0	16	0	0	0	0	0			. 16
Guilford	Flow Wills	0	0	4	4	0	0	0	0	0			4
Guilford	Emerity of Greenshorn	0	C	70	70	0	0	0	0	0			70
Cuilford	Enterities at Orceiscono	09		0	09	0	0	0	0	0			09
Guilford	Friends Home West	40	0	0	40	0	0	0	0	0		0	40
Guilford	Greenshoro Living Center	0	0	114	114	0	0	0	0	0			114
Guilford	Graensboro Manor	0	0	81	81	0	0	0	O	0			81
Guilford	Greenshorn Place on Layardale	0	0	118	118	0	0	0	0	0			118
Guilford	Greenshow Detirement Center	0	C	49	2	0	0	0	0	0		0	2
Guilford	Userland Living and Dahah @ Moses Cone Hosnital	37	C	0	37	0	0	0	0	0		0	37
Guilford	High Doint Manor on Harley	0	0	82	82	0	0	0	0	0	82	0	82
Guilford	High Point Place	0	0	102	102	0	0	0	0	0	102	0	102
50000	I andmark Estates (Southland Homes) - Oakview Assisted												
	Living Shed transfer to Davidson County - Landmark	•				· ••••••••••••••••••••••••••••••••••••							-
Guilford	Replacement Facility	0	0	10	10	0	0	0	-10		0		0
Guilford	Lawson's Adult Enrichment Center	0	0	18	18	0	0	0	0	0	18		18
Guilford	Long's Rest Home for Aged	0	0	12	12	0	0	0	0		12		12
Guilford	Maple Grove Health and Rehabilitation Center	40	0	0	40	0	0	0	0		40		40
Guilford	Maryfield Nursing Home	98	0	0	36	0	0	0	0		36		23
Guilford	Momingview at Irving Park	0	0	105	105	0	0	٥	0		105		105
Guilford	Oak Hill Rest Home - Replacement	0	0	0	0	0	0	0	09		9		09
Guilford	Oak Hill Rest Home (closed)	0	0	09	09	0	0	0	9-		0		0
Guilford	Piedmont Christian Home	0	0	93	93	0	0	0	0	0	93		93
Guilford	River Landing at Sandy Ridge	56	0	0	56	0	0	0	0		56		56
Guilford	Serenity Care Rest Home	0	0	29	29	0	0	0	0		29		67
Guilford	Skeet Club Manor	0	0	79	79	0	0	0	0		79	***************************************	6/
Guilford	Spring Arbor of Greensboro	0	0	100	100	0	0	0	0		100		100
Guilford	St. Gales Estates	0	0	09	09	0	0	0	0		09		09
Guilford	The Arboretum at Heritage Greens	0	0	48	48	0	0	C	0	0	48	0	48
Guilford	The Presbyterian Home of High Point	10	0	0	10	0	5	٥	0		10		OI
Guilford	Verra Springs at Heritage Greens	0	٥	45	45	5	5 0	0	0		40		4 6
Guilford	Well-Spring	72	0	0	72	D	0	٥	٥	0	7/		7/
Guilford	Westchester Harbor/Wesleyan Arms Retirement	0	0	- 69	69	-0	0	0	69-	0	0	0	0
Cuitora	Westchester Harbor/Weslevan Arms Retirement												
Guilford	Community - Replacement (+ CON approved beds)	0	0	0	0	21	0	0	69	0	90	0	06
Guilford	WhiteStone: A Masonic and Eastern Star Community	12	0	0	12	0	0	0	0	0	12	0	12
Guilford	Woodland Place - Greensboro	0	0	96	96	0	0	0	0	0	96	0	96
	Guilford Totals	419	0	6961	2,388	39	個 の 素性 機	0	-10	. 0	2,417	13	2,404
Halifax	Carolina Rest Home	0	0	40	40	0	0	0	0	0	40	0	40
Halifax	Liberty Commons Nursing & Rehab Center	25	0	0	25	9		0	0	0	25	0	25
Halifax	Our Community Hospital	0	20	0	20	0	0	0	0 (0	20	0	070
Halifax	Woodhaven Rest Home #1	lo ol	0	09	ln9	5	5	5	-00	n	Ы	7	ñ