



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

July 26, 2013

Linda Skaggs
12900 Foster, Suite 400
Overland Park, KS 66213

Exempt from Review – Acquisition of Facility

Facility: ARHS Home Health
License #: HC1544
Acquisition by: Capital Care Resources, LLC (Gentiva Health Services, Inc.)
County: Watauga
FID #: 970752

Dear Ms. Skaggs:

In response to your letter of July 22, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, Capital Care Resources, LLC (Gentiva Health Services, Inc.) may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Acute & Home 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,

Kim Randolph
Project Analyst

Craig R. Smith, Chief
Certificate of Need Section

cc: Acute and Home Care Licensure and Certification Section, DHSR
Medical Facilities Planning Section, DHSR



Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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July 22, 2013

VIA EMAIL ADDRESS: Kimberly.Randolph@DHHS.NC.Gov

Ms. Kimberly Randolph
CON Specialist
North Carolina Department of Human Resources
Division of Facility Services – Certificate of Need
809 Ruggles Drive, Edgerton Bldg.
Raleigh, NC 27603

RE: Transfer of Ownership Notice –
Watauga Medical Center, Inc.
d/b/a ARHS Home Health
155 Furman Road, Suite 201
Boone, NC 28607-5049
Facility ID #970752

Dear Ms. Randolph,

Please accept this written request for a determination of exemption from certificate-of-need review in accordance with N.C.G.S. 131E-184(a)(8) for the acquisition of an existing health care facility providing home health care services.

Watauga Medical Center, Inc. ("Seller") owns and operates a state-licensed and Medicare-approved home health agency located at the above address. Capital Care Resources, LLC ("Buyer") is interested in acquiring substantially all of the assets being used or held for use in the operation of the Seller's home health care business.

Pending the execution of an asset purchase agreement and receipt of the required regulatory approvals, the Buyer will continue operating the health care facility in Watauga County. The proposed transfer of ownership is expected to be completed in the near future.

Whereas the proposed transfer of ownership will not constitute the development of a new institutional health service or in any way materially affect the State Health Plan for home health agencies, I am respectfully requesting the Division of Facility Services to issue an exemption from certificate-of-need based on the facts represented in this letter. Please forward the Division of Facility Services' response to the undersigned at your earliest convenience.

Randolph, Kimberly M

From: Skaggs, Linda [Linda.Skaggs@gentiva.com]
Sent: Monday, July 22, 2013 6:03 PM
To: Randolph, Kimberly M
Subject: CON Exemption Request Letter
Attachments: CON Exemption Request Ltr.pdf

Ms. Randolph,

Please see attached letter regarding a request for CON Exemption. Please let me know if you need anything further to make this decision.

Thank you.

Linda Skaggs

Licensing Specialist

Gentiva® Health Services, Inc.

12900 Foster, Suite 400, Overland Park, KS 66213

Tel: 913-814-2716

Fax: 913-824-4843

www.gentiva.com

Great healthcare has come home®

Ms. Kimberly Randolph
CON Specialist
North Carolina Department of Human Resources
July 22, 2013
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Kimberly, thanks again for your time and assistance in this matter.

Regards,



Linda Skaggs, Licensing Specialist
Licensing & Certification Department
Capital Care Resources, LLC
12900 Foster, Suite 400
Overland Park, KS 66213
913-814-2716 (direct)
800-677-2244, Extension 2716
Direct Fax: 913-814-4843
Linda.Skaggs@Gentiva.com