



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

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June 10, 2013

Charles E. Trefzger, Jr.
Post Office Box 2568
Hickory, North Carolina 28603-2568

Exempt from Review – Acquisition of Facility

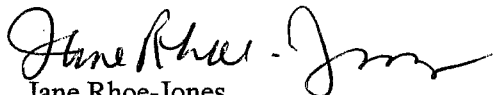
Facility: Autumn Village
Acquisition by: NC4 Autumn Village, LLC
County: Duplin
FID #: 920050


Dear Mr. Trefzger:

In response to your letter of May 21, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, NC4 Autumn Village, 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,


Jane Rhoe-Jones
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section

cc: Adult Care Licensure 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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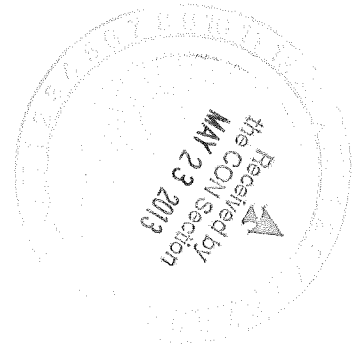
WP-Beulaville Health Holdings, LLC

*Post Office Box 2568
Hickory, North Carolina 28603-2568*

May 21, 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

Jane



Re: Exemption Notice for Autumn Village (Adult Care Home in Duplin County)

Dear Mr. Smith:

NC4 Autumn Village, LLC ("NC4 Autumn Village") is planning to acquire an adult care home in Duplin County, currently known as Autumn Village (hereafter "the Facility"). The Facility is located at 235 North NC 41 in Beulaville, North Carolina. The Facility is listed in the "Inventory of Adult Care Home Beds" in the 2013 State Medical Facilities Plan as having 88 adult care home beds (see Exhibit A).

NC4 Autumn Village 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"). NC4 Autumn Village 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 88 adult care beds.

I. THE PROPOSAL

As of this date, Sanderson Investments, 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 Autumn Village Inc. is the Licensee. NC4 Autumn Village will purchase the Facility, and the Licensee will be WP-Beulaville Health Holdings, LLC. The Facility will still be known as Autumn Village.

II. EXEMPTION NOTICE

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

Mr. Craig Smith, Chief
Certificate of Need Section
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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 new Licensee, WP-Beulaville Health Holdings, LLC, will operate the Facility as an adult care home. Furthermore, NC4 Autumn Village'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 NC4 Autumn Village 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 expedited basis 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

County	Facility Name	Licensed Beds in Nursing Homes	Licensed Beds in Hospitals	Licensed Beds in Adult Care Facilities	Total Licensed Beds	CON Approved/License Pending				Available in SMFP	Total Available	Sum of Exclusions	Total Planning Inventory
						CON	ACH Exempt	ACH Pipeline	CON Bed Transfer				
Craven	The Courtyards at Bern Village Memory Care	0	0	25	25	0	0	0	0	0	25	0	25
Craven	Water Oak Manor	0	0	100	100	0	0	0	0	0	100	0	100
	Craven Totals	38	0	598	636	0	0	0	0	0	636	0	636
Cumberland	Carlton Assisted Living of Fayetteville	0	0	96	96	0	0	0	0	0	96	0	96
Cumberland	Carolina Inn at Village Green	0	0	100	100	0	0	0	0	0	100	0	100
Cumberland	Countryside Villa	0	0	80	80	0	0	0	0	0	80	0	80
Cumberland	Creekside Assisted Living	0	0	163	163	0	0	0	0	0	163	0	163
Cumberland	Bastover Gardens Special Care	0	0	44	44	0	0	0	0	0	44	0	44
Cumberland	Fayetteville Manor	0	0	60	60	0	0	0	0	0	60	0	60
Cumberland	Haymount Rehabilitation & Nursing Center	22	0	0	22	0	0	0	0	0	22	0	22
Cumberland	Heritage Suites	0	0	62	62	0	0	0	0	0	62	0	62
Cumberland	Highland House Rehabilitation and Healthcare	53	0	0	53	0	0	0	0	0	53	0	53
Cumberland	Hope Mills Retirement Center	0	0	64	64	0	0	0	0	0	64	0	64
Cumberland	Hope Rest Home	0	0	20	20	0	0	0	0	0	20	0	20
Cumberland	Mann Street Residential Care Facility	0	0	36	36	0	0	0	0	0	36	0	36
Cumberland	Pine Valley Adult Care Home	0	0	40	40	0	0	0	0	0	40	0	40
Cumberland	The Arc of Hope Mills	0	0	29	29	0	0	0	0	0	29	0	29
Cumberland	Valley Pines Adult Care	0	0	23	23	0	0	0	0	0	23	0	23
Cumberland	Woodlands Nursing & Rehabilitation Center	20	0	0	20	0	0	0	0	0	20	0	20
	Cumberland Totals	95	0	817	912	0	0	0	0	0	912	0	912
Currituck	Currituck House	0	0	90	90	0	0	0	0	0	90	0	90
	Currituck Totals	0	0	90	90	0	0	0	0	0	90	0	90
Dare	Colony Ridge Nursing and Rehabilitation Center	18	0	0	18	0	0	0	0	0	18	0	18
Dare	Spring Arbor of the Outer Banks	0	0	102	102	0	0	0	0	0	102	0	102
	Dare Totals	18	0	102	120	0	0	0	0	0	120	0	120
Davidson	Abbots Creek Care and Rehabilitation Center	22	0	0	22	0	0	0	0	0	22	0	22
Davidson	Brookstone Retirement Center	0	0	115	115	0	0	0	0	0	115	0	115
Davidson	Carolina House of Lexington	0	0	76	76	0	0	0	0	0	76	0	76
Davidson	Landmark Estates (Southland Homes)	0	0	29	29	0	0	0	-29	0	0	0	0
Davidson	Landmark Estates (Southland Homes) - Hilltop Living Center	0	0	96	96	0	0	0	-16	0	80	0	80
	Landmark Estates (Southland Homes) - Replacement [Includes 10 bed transfer from Guilford County, Landmark Oakview Assisted Living Facility]	0	0	0	0	0	0	0	55	0	55	0	55
Davidson	Lexington Health Care Center	10	0	0	10	0	0	0	0	0	10	0	10
Davidson	Mallard Ridge Assisted Living	0	0	100	100	0	0	0	0	0	100	0	100
Davidson	Mountain Vista Health Park	60	0	0	60	0	0	0	0	0	60	0	60
Davidson	Piedmont Crossing	20	0	0	20	0	0	0	0	0	20	0	20
Davidson	Pine Ridge Health and Rehabilitation Center	14	0	0	14	0	0	0	0	0	14	0	14
Davidson	Spring Arbor of Thomasville	0	0	62	62	0	0	0	0	0	62	0	62
	Davidson Totals	126	0	478	604	0	0	0	10	0	614	0	614
Davie	Autumn Care of Mocksville	12	0	0	12	0	0	0	0	0	12	0	12
Davie	Bermuda Commons Nursing and Rehabilitation Center	10	0	0	10	0	0	0	0	0	10	0	10
Davie	Bermuda Village Retirement Center	21	0	0	21	0	0	0	0	0	21	0	21
Davie	Davie Place Residential Care	0	0	69	69	0	0	0	0	0	69	0	69
Davie	Somerset Court of Mocksville	0	0	60	60	0	0	0	0	0	60	0	60
Davie	The Heritage of Cedar Rock	0	0	40	40	0	0	0	0	0	40	0	40
	Davie Totals	43	0	169	212	0	0	0	0	0	212	0	212
Duplin	Autumn Village	0	0	88	88	0	0	0	0	0	88	0	88
Duplin	DaySpring of Wallace	0	0	80	80	0	0	0	0	0	80	0	80
Duplin	Golden Care	0	0	30	30	0	0	0	0	0	30	0	30
Duplin	Rosemary Rest Home	0	0	45	45	0	0	0	0	0	45	0	45

EXHIBIT A

rhoe-jones, jane e

From: Crotts, Sarah [SCrotts@wcsr.com]
Sent: Thursday, June 06, 2013 3:13 PM
To: rhoe-jones, jane e
Subject: Autumn Village CON exemption request

Jane,

As we discussed earlier, I was able to track down a response to your question about why this facility has three different provider ID #s. Apparently Autumn Village 2 and Autumn Village 3 were closed back in the 1990s, so Autumn Village (provider ID # 920050) is the only one that the CON exemption request covers.

Please let me know if you have any other questions. Otherwise, I'll plan to give you a call on Tuesday to check the status of this exemption request.

Thanks,

Sarah B. Crotts
Womble Carlyle Sandridge & Rice, LLP
One West Fourth Street
Winston-Salem, NC 27101
(336) 721-3682
scrotts@wcsr.com

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6/7/2013

Name	FID	Type	Status	Previous Names	Street	City	County	Phone
→ Autumn Village	920050	ACH	Active	Autumn Village, Inc.	235 North NC 41	Beulaville	Duplin	
→ Autumn Village	920050	ACH	Active	Autumn Village, Inc.	235 North NC 41	Beulaville	Duplin	
→ Autumn Village	920050	ACH	Active	Autumn Village, Inc.	235 North NC 41	Beulaville	Duplin	
→ Autumn Village, Inc. #2	920048	ACH	Active		235 North NC 41	Beulaville	Duplin	
→ Autumn Village, Inc. #3	920049	ACH	Active		235 North NC 41	Beulaville	Duplin	