

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

March 14, 2013

Wallace C. Hollowell, III 4140 Parklake Avenue GlenLake One, Second Floor Raleigh, NC 27612

Exempt from Review - Acquisition of Facility

Facility:

RALM, Inc.

Acquisition by:

St. Joseph of the Pines, Inc.

County:

Moore

FID#:

960429

Dear Mr. Hollowell:

In response to your letter of December 27, 2012, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, St. Joseph of the Pines, Inc. may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Construction 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,

Tanya S. Rupp Project Analyst Craig W. Smith, Chief Certificate of Need Section

cc:

Construction Section, DHSR

Nursing Home Licensure and Certification Section, DHSR



Nelson Mullins

Nelson Mullins Riley & Scarborough LLP

Attorneys and Counselors at Law 4140 Parklake Avenue / GlenLake One / Second Floor / Raleigh, NC 27612

Tel: 919.877.3800 Fax: 919.877.3823

www.nelsonmullins.com

North State

the CON Section

JAN 3 2013

Wallace C. Hollowell, III Tel: 919.877.3803 Fax: 919.877.3823

chuck.hollowell@nelsonmullins.com

January 2, 2013

Via U.S. Mail and Electronic Mail

Craig Smith, Chief
Certificate of Need Section
Division of Health Service Regulation
N.C. Dept. of Health and Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704
Craig.Smith@dhhs.nc.gov

Re: No Review Request for St. Joseph of the Pines, Inc.

Dear Craig:

I am writing on behalf of St. Joseph of the Pines, Inc. ("SJP"), with regard to Project I.D. # H-8841-12. The certificate of need ("CON") for this project was issued effective as of November 20, 2012. The CON was issued to SJP and RALM, Inc. ("RALM"), who were coapplicants in the review. The CON authorizes the relocation of 10 adult care home beds from Southern Pines Manor to The Coventry.

As was explained in the CON application:

As the owner of Southern Pines Manor, RALM is contributing the ten licensed adult care home beds to this project. SJP is providing the facility where these beds will be located following relocation to The Coventry as well as all of the required funding for this project. Following the relocation of these ten beds to The Coventry, they will be licensed as part of The Coventry in the name of SJP. Once these beds are licensed and the development of this project is complete, RALM will relinquish its rights to these beds and this project such that SJP will be the sole owner of these licensed beds at The Coventry.

Craig Smith, Chief January 2, 2013 Page 2

The purpose of this letter is to provide notice to the CON Section that once the 10 relocated beds have been added to the license of The Coventry, SJP will acquire from RALM all of RALM's rights, title and interest in this project. We understand that this acquisition by SJP is not subject to any further CON review. We respectfully request that you confirm that no further CON review is required.

If you have any questions, or should you need additional information, please let me know. Thank you in advance for your attention to this request.

Very truly yours,

Wallace C. Hollowell, III

cc: Anita L. Holt

Margaret Lorenz, Esq.

Kenneth Burgess, Esq.