



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

Pat McCrory  
Governor

Richard O. Brajer  
Secretary DHHS

Mark Payne, Director  
Health Service Regulation

September 21, 2016

Joy Health  
301 Fayetteville Street, Suite 1700  
Raleigh, NC 27601

**Exempt from Review – Acquisition of Facility**

Record #: 2063  
Facility Name: Maggie Valley Nursing and Rehabilitation  
Type of Facility: Nursing Home  
FID #: 090210  
Acquisition by: MVRE, LLC  
Business #: 2469  
County: Haywood

Dear Ms. Heath:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of September 12, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, MVRE, LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Nursing Home Licensure and Certification Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to 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,

Julie Halatek  
Project Analyst

Martha J. Frisone  
Assistant Chief, Certificate of Need

cc: Nursing Home Licensure and Certification Section, DHHS  
Paige Bennett, Assistant Chief, Healthcare Planning, DHHS



**Healthcare Planning and Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

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# WILLIAMS MULLEN

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## Via Hand-Delivery

TO: Martha J. Frisone, Assistant Chief

FROM: Joy Heath *Joy Heath*

RE: Prior Written Notice  
Proposed Acquisition of Maggie Valley Nursing & Rehabilitation  
Lic. No.: NH0081 Provider: 345102 (SNF # 114) County: Haywood

DATE: September 12, 2016

Our law firm represents MVRE, LLC and, pursuant to N.C. Gen. Stat. § 131E-184(a)(8), we write to provide prior written notice of our client's plans, as described below.

As you know, Maggie Valley Nursing & Rehabilitation is an existing skilled nursing facility located at 75 Fisher Loop in Maggie Valley, North Carolina.

Later this month, MVRE, LLC, a North Carolina limited liability company, intends to enter into a transaction to acquire this existing health service facility, including the equipment owned by the health service facility at the time of acquisition.

Contemporaneously with this transaction, VPC Investment I, LLC, a Delaware limited liability company ("VPC"), will acquire all of the limited liability company interests in MVRE, LLC and thereafter, VPC will be the indirect owner of the facility, the real property on which the facility is located, and the personal property related thereto. VPC is an assignee of Maximus Healthcare Group, LLC; the transaction described herein was brought to the attention of the CON Section earlier this year. MVRE, LLC will lease the facility to a third-party operator, who will be the licensed operator of the facility.

In connection with these plans, we note that the CON Law provides that acquisition of "an existing health service facility, including equipment owned by the health service facility at the time of acquisition" is exempt from certificate of need review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). A "health service facility" is defined by N.C. Gen. Stat. § 131E-176(9b) to include a nursing home facility. Based on this prior written notice, it is our understanding that the plans described above are exempt from certificate of need review pursuant to N.C. Gen. Stat. Section 131E-184(a)(8).

We respectfully request confirmation that, based on the CON Law currently in effect, the proposal described above is not governed by, and, therefore, does not currently require a certificate of need. Please let us know of any questions or additional information that may be required. Thank you for your attention and response to this request.