



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

January 13, 2022

Lisa L. Hughes, County Manager
217 E. Willow Street
PO Box 220
Yadkinville, NC 27055

Exempt from Review – Legacy Medical Care Facility

Record #: 3789

Facility Name: Yadkin Valley Community Hospital

FID #: 943275

Business Name: Yadkin County

Business #: 2339

Project Description: Notice of intent to reopen the hospital within 36 months of January 18, 2022

County: Yadkin

Dear Ms. Hughes:

The Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section (Agency), has determined that the above-referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(h), as amended. Therefore, you may proceed to reopen Yadkin Valley Community Hospital (the “hospital”) within 36 months of January 18, 2022 without first obtaining a certificate of need.

This determination is binding only for the facts represented in your January 12, 2022 correspondence to the Agency. Consequently, if the facts provided in that correspondence change, you will need to submit a new request to the Agency so that we can determine whether a certificate of need is required.

Please contact the Agency’s Construction and Acute and Home Care Licensure and Certification Sections to inquire about their requirements for reopening the hospital.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Micheala L. Mitchell, Chief

cc: Mark Payne, Director, DHSR
Bethany Burgon, Senior Deputy Attorney General, DOJ
Derek Hunter, Special Deputy Attorney General, DOJ
Amy Craddock, Assistant Chief of Healthcare Planning, DHSR
Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Robert L. Wilson, Nelson, Mullins, Riley & Scarborough, LLP

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603

MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704

<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

*Kevin Austin, Chairman of Board
David Moxley, Vice Chairman
Gilbert Hemric, Commissioner
Marion Welborn, Commissioner
Frank Zachary, Commissioner*



*Ed Powell, County Attorney
Lisa Hughes, County Manager
Tanya Gentry, Clerk to the Board*

January 12, 2022

VIA E-MAIL

Mr. Mark Payne
Director
Division of Health Service Regulation
North Carolina Department of Health and Human Services
2701 Mail Service Center
Raleigh, North Carolina 27699-2701

Re: Reopening of the Former Yadkin Valley Community Hospital

Dear Mr. Payne:

I am writing regarding further developments with respect to the potential reopening of Yadkin Valley Community Hospital (the "Hospital"). As you are aware, the Hospital has been designated as a Legacy Medical Care Facility exempt from certificate of need ("CON") review in accordance with N.C. Gen. Stat. § 131E-176(14f). As you also know, a Legacy Medical Care Facility must be operational within 36 months of the notice seeking legacy status, consistent with N.C. Gen. Stat. § 131E-184(h) (the "Statute"). On January 25, 2019, Martha Frisone, then Chief of the CON Section, granted Yadkin County (the "County") an extension of time until January 18, 2022 to reopen the Hospital and remain exempt from CON review. As you know, the Statute recently was amended to provide for an additional 36-month extension of time by which a Legacy Medical Care Facility must be operational in order to be exempt from CON review under the conditions set forth in the Statute as amended.

Since the Hospital closed in 2015, the County has worked diligently to pursue various opportunities for the Hospital to recommence providing services, including, of late, engaging in lengthy and productive discussions with Affinity Health Partners, LLC ("Affinity") regarding the potential reopening of the Hospital. Affinity is a healthcare re-development firm providing strategic, operational, and financial guidance to rural and critical access hospitals across the country.

Following our discussions with Affinity, and consistent with the Statute as recently amended, the County is hereby submitting this written notice of extension affirming that the County has entered into a written contract with Affinity for the reopening of the Hospital prior to the conclusion of the previous extension. Pursuant to the terms of the contract, the Hospital will commence operations no later than January 18, 2025, within 36 months of the previous extension.

217 E. Willow Street ~ Post Office Box 220 ~ Yadkinville, North Carolina 27055
(336) 849-7900 Office --- (336) 849-7920 Fax
www.yadkincountync.gov

Please do not hesitate to contact me at (336) 849-7514 if you need any additional information to support this notice of extension. I look forward to working with you to recommence the provision of quality health care in Yadkin County.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lisa L. Hughes". The signature is fluid and cursive, written over the printed name below it.

Lisa L. Hughes
County Manager

cc: Kevin Austin, Chairman, Yadkin County Board of Commissioners
Frank T. Avignone IV, Chief Executive Officer, Affinity Health Partners, LLC
Micheala Mitchell, Chief, CON Section
Bethany A. Burgon, Esq.
Derek L. Hunter, Esq.

From: [Mitchell, Micheala L](#)
To: [Waller, Martha K](#)
Cc: [Pittman, Lisa](#)
Subject: FW: [External] FW: Bob Wilson sent you "Yadkin County Letter Regarding Hospital Reopening - 4885-2628-7113 1"
Date: Wednesday, January 12, 2022 1:15:45 PM
Attachments: [Yadkin County Letter Regarding Hospital Reopening - 4885-2628-7113 1.pdf](#)
Importance: High

For you Martha. I'll be responding to this correspondence on behalf of the agency.

I hope all is well.

Micheala Mitchell, JD
[NC Department of Health and Human Services](#)
[Division of Health Service Regulation](#)
Section Chief, Healthcare Planning and CON Section
809 Ruggles Drive, Edgerton Building
2704 Mail Service Center
Raleigh, NC 27699-2704
Office: 919 855 3879
Micheala.Mitchell@dhhs.nc.gov

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From: Bob Wilson <bob.wilson@nelsonmullins.com>
Sent: Wednesday, January 12, 2022 12:44 PM
To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>
Cc: Payne, Mark <mark.payne@dhhs.nc.gov>; Burgon, Bethany A <bburgon@ncdoj.gov>; Hunter, Derek L <dhunter@ncdoj.gov>
Subject: [External] FW: Bob Wilson sent you "Yadkin County Letter Regarding Hospital Reopening - 4885-2628-7113 1"
Importance: High

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Micheala, please see the attached letter that I have discussed with Bethany Burgon. Many thanks, and best regards, Bob Wilson



ROBERT L. WILSON, JR. PARTNER

bob.wilson@nelsonmullins.com

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4140 PARKLAKE AVENUE | RALEIGH, NC 27612

T 919.329.3870 F 919.329.3799

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From: Bob Wilson <bob.wilson@nelsonmullins.com>

Sent: Wednesday, January 12, 2022 12:41 PM

To: Mark Payne (mark.payne@dhhs.nc.gov) <mark.payne@dhhs.nc.gov>; Bethany A. Burgon - NC DOJ, Health Service Regulation Section (bburgon@ncdoj.gov) <bburgon@ncdoj.gov>; Derek L. Hunter (dhunter@ncdoj.gov) <dhunter@ncdoj.gov>

Subject: Bob Wilson sent you "Yadkin County Letter Regarding Hospital Reopening - 4885-2628-7113 1"

Importance: High

Mark, Bethany, and Derek, in follow-up to my call with Bethany yesterday, I am pleased to attach a letter from Yadkin County regarding the reopening of the former Yadkin Valley Community Hospital through an agreement with Affinity Health Partners, LLC, in accordance with N.C. Gen. Stat. § 131E-184(h), as recently amended. I am providing this letter to you on behalf of Yadkin County to request an extension of the Legacy Medical Care Facility status for the hospital as provided in the law, prior to the conclusion of the existing extension, January 18, 2022.

Given the upcoming holiday weekend, we wanted to be sure to provide this notice now and are available to discuss any questions you may have in order to confirm the extension of the Legacy Medical Care Facility status to January 18, 2025. Please feel free to contact me if you have any questions or need any additional information.

Thanks, and best regards, Bob Wilson



ROBERT L. WILSON, JR. **PARTNER**

bob.wilson@nelsonmullins.com

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