



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

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3 July 2013

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

Exempt from Review – Acquisition of Facility

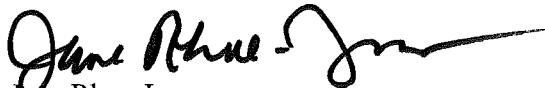
Facility: Carebridge Assisted Living Community (Adult Care Home)
Acquisition by: WP-New Bern Health Investors, LLC
County: Onslow
FID #: 970157

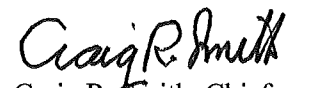
Dear Mr. Trefzger:

In response to your letter of June 24, 2013, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, WP-New Bern Health Investors, 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 Section of the Division of Health Service Regulation 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,


Jane Rhoe-Jones
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section

cc: Adult Care Licensure Section, DHHSR



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

An Equal Opportunity/ Affirmative Action Employer



WP-Jacksonville Health Holdings, LLC

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

June 24, 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

Re: Exemption Notice for Carebridge Assisted Living Community (Adult Care Home in Onslow County)

Dear Mr. Smith:

WP-Jacksonville Health Investors, LLC (“WP-Jacksonville”) is planning to acquire an adult care home in Onslow County, currently known as Carebridge Assisted Living Community (hereafter “the Facility”). The Facility is located at 34 McDaniel Drive in Jacksonville, North Carolina. The Facility is listed in the “Inventory of Adult Care Home Beds” in the 2013 State Medical Facilities Plan as having 160 adult care home beds (see Exhibit A).

WP-Jacksonville 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”). WP-Jacksonville 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 160 adult care beds.

I. THE PROPOSAL

As of this date, North Fork Jacksonville, 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 Carebridge Management Jacksonville, LLC is the Licensee. WP-Jacksonville will purchase the Facility, and the Licensee will be WP-Jacksonville Health Holdings, LLC. The Facility will be known as Onslow House.

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 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-Jacksonville Health Holdings, LLC, will operate the Facility as an adult care home. Furthermore, WP-Jacksonville'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 WP-Jacksonville 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				
Moore	Seven Lakes Assisted Living	0	0	60	60	0	0	0	0	0	60	0	60
Moore	Southern Pines Manor (bed transfer to The Coventry)	0	0	10	10	0	0	0	-10	0	0	0	0
Moore	Tara Plantation of Carthage	0	0	80	80	0	0	0	0	0	80	0	80
Moore	The Coventry - St. Joseph of the Pines (bed transfer from Southern Pines Manor)	0	0	50	50	0	0	0	10	0	60	5	55
	Moore Totals	59	0	565	624	0	0	0	0	0	624	5	619
Nash	Autumn Care of Nash	20	0	0	20	0	0	0	0	0	20	0	20
Nash	Breckenridge Retirement Center	0	0	64	64	0	0	0	0	0	64	0	64
Nash	Hunter Hill Assisted Living	0	0	64	64	0	0	0	0	0	64	0	64
Nash	Hunter Hills Nursing and Rehabilitation Center	9	0	0	9	0	0	0	0	0	9	0	9
Nash	Somerset Court of Rocky Mount	0	0	60	60	0	0	0	0	0	60	0	60
Nash	South Village	15	0	0	15	0	0	0	0	0	15	0	15
Nash	Spring Arbor of Rocky Mount	0	0	84	84	0	0	0	0	0	84	0	84
Nash	Sterling House of Rocky Mount	0	0	60	60	0	0	0	0	0	60	0	60
Nash	Trinity Retirement Villas #1	12	0	0	12	0	0	0	0	0	12	0	12
Nash	Trinity Retirement Villas #2	0	0	12	12	0	0	0	0	0	12	0	12
Nash	Universal Health Care/Nashville	122	0	0	122	0	0	0	0	0	122	0	122
	Nash Totals	166	0	356	522	0	0	0	0	0	522	0	522
New Hanover	Autumn Care of Myrtle Grove	20	0	0	20	0	0	0	0	0	20	0	20
New Hanover	Cedar Cove Assisted Living (GlenCare)	0	0	64	64	0	0	0	0	0	64	0	64
New Hanover	Champions Assisted Living	0	0	148	148	0	0	0	0	0	148	0	148
New Hanover	Clare Bridge of Wilmington	0	0	38	38	0	0	0	0	0	38	0	38
New Hanover	Fannie Norwood Memorial Home	0	0	16	16	0	0	0	0	0	16	0	16
New Hanover	Hermitage House Rest Home	0	0	84	84	0	0	0	0	0	84	0	84
New Hanover	Liberty Commons Rehabilitation Center	40	0	0	40	0	0	0	0	0	40	0	40
New Hanover	New Hanover House	0	0	61	61	0	0	0	0	0	61	0	61
New Hanover	Pacifica Senior Living - Wilmington	0	0	101	101	0	0	0	0	0	101	0	101
New Hanover	Port South Village/Carmen D. Villa	0	0	12	12	0	0	0	0	0	12	0	12
New Hanover	Port South Village/Catherine S. Villa	0	0	12	12	0	0	0	0	0	12	0	12
New Hanover	Port South Village/Crystal L. Villa	0	0	12	12	0	0	0	0	0	12	0	12
New Hanover	Port South Village/Lorraine B. Villa	0	0	12	12	0	0	0	0	0	12	0	12
New Hanover	Port South Village/Tara L. Villa	0	0	12	12	0	0	0	0	0	12	0	12
New Hanover	Port South Village/Teresa C. Villa	0	0	12	12	0	0	0	0	0	12	0	12
New Hanover	Sherwood Manor Rest Home	0	0	40	40	0	0	0	0	0	40	0	40
New Hanover	Spring Arbor of Wilmington	0	0	66	66	0	0	0	0	0	66	0	66
New Hanover	The Commons at Brightmore	0	0	201	201	0	0	0	0	0	201	0	201
New Hanover	The Commons at Brightmore	0	0	136	136	0	0	0	0	0	136	0	136
New Hanover	Wilmington Health and Rehabilitation Center	16	0	0	16	0	0	0	0	0	16	0	16
	New Hanover Totals	76	0	1027	1103	0	0	0	0	0	1103	0	1103
Northampton	Hampton Manor	0	0	82	82	0	0	0	0	0	82	0	82
Northampton	Highland Gardens of Pleasant Hill	0	0	66	66	0	0	0	0	0	66	0	66
Northampton	Pine Forest Rest Home	0	0	24	24	0	0	0	0	0	24	0	24
Northampton	Rich Square Manor	0	0	32	32	0	0	0	0	0	32	0	32
Northampton	Rich Square Villa	0	0	38	38	0	0	0	0	0	38	0	38
	Northampton Totals	0	0	242	242	0	0	0	0	0	242	0	242
Onslow	Carebridge Assisted Living Community	0	0	160	160	0	0	0	0	0	160	0	160
Onslow	Liberty Commons Assisted Living	0	0	79	79	0	0	0	0	0	79	0	79
Onslow	Lighthouse Village	0	0	80	80	0	0	0	0	0	80	0	80
Onslow	Pinewood Harbor	0	0	40	40	0	0	0	0	0	40	0	40
Onslow	Premier Nursing and Rehabilitation Center	7	0	0	7	0	0	0	0	0	7	0	7
Onslow	The Arc Community	0	0	32	32	0	0	0	0	0	32	0	32
Onslow	The Heritage of Richlands	0	0	40	40	0	0	0	0	0	40	0	40

Carebridge Assisted Living Community	970157	ACH	Active	Charles McDaniels Adult Care Home,McDaniels Adult Care Home	34 McDaniel Drive	Jacksonville	Onslow
→ Carebridge Assisted Living Community	970157	ACH	Active	Charles McDaniels Adult Care Home,McDaniels Adult Care Home	34 McDaniel Drive	Jacksonville	Onslow
→ Carebridge Assisted Living Community	970157	ACH	Active	Charles McDaniels Adult Care Home,McDaniels Adult Care Home	34 McDaniel Drive	Jacksonville	Onslow
→ Charles McDaniels Adult Care Home	920194	ACH	Active	Carebridge Assisted Living Community,Charles McDaniel Rest Home	34 McDaniel Drive	Jacksonville	Onslow

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