



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

May 21, 2015

Charles E. Trefzger, Jr.
P.O. Box 2568
Hickory, NC 28603-2568

No Review

Facility or Business: Somerset Court at University Place
Project Description: Change in operator to JFC Meridian Opco – Winston-Salem, LLC
County: Forsyth
FID #: 991125

Dear Mr. Trefzger:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letters of March 20, 2015 and May 13, 2015 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

Moreover, you need to contact the Agency's Construction and Adult Care Licensure Sections to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented in your correspondence. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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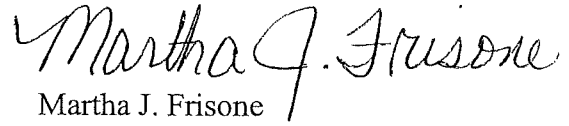


Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Celia C. Inman
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR
Adult Care Licensure Section, DHSR
Assistant Chief, Healthcare Planning

JFC Meridian Opco – Winston-Salem, LLC

Post Office Box 2568

Hickory, North Carolina 28603-2568

May 13, 2015

FIRST CLASS MAIL

Ms. Martha J. Frisone, Interim Section Chief
Certificate of Need Section
Division of Health Service Regulation
Department of Health & Human Services
2704 Mail Center Service
Raleigh, NC 27499-2704

Received by
the CON Section
MAY 14 2015

Re: Notice of Exempt Transfer of Operations and Property Ownership of Somerset Court at University Place, a 60-bed adult care home located at 1635 East 5th Street, Winston-Salem, Forsyth County, North Carolina (FID# 991125)

Dear Ms. Frisone:

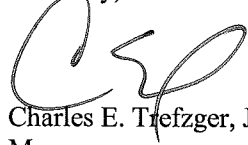
In my previous letter dated March 20, 2015 (copy attached), I notified you that the operations for Somerset Court at University Place (the "Facility") will be transferred to a new operator through the proposed transaction. To clarify, Salem Senior Housing, Inc. ("Current Operator") will transfer operations of the Facility to JFC Meridian Opco - Winston-Salem, LLC ("New Operator"); JFC SIP 2, LLC ("Member") will be the sole member of the New Operator; and HOB I LLC ("Manager") will be the manager of Member. The New Operator will also enter into a management contract with Meridian Senior Living, LLC.

To further clarify, the Facility's real property and its improvements will also be transferred to a new property owner. Upon the closing of the proposed transaction, NCAL-Winston-Salem, Inc. ("Current Owner") will transfer ownership of the real property and its improvements to University SIP 2, LLC ("New Owner"). Member will be the sole member of the New Owner.

We have not received a letter of acknowledgement from the Certificate of Need Section based upon our previous request to confirm that the proposed transaction between the Current Operator and the New Operator is exempt from review under Section 131E-184(a)(8) of the North Carolina General Statutes, and want further assurance from you that the proposed transaction between the Current Owner and the New Owner would also be exempt from review under Section 131E-184(a)(8) of the North Carolina General Statutes.

If you require additional information to consider this request, please contact us at the number below at your earliest convenience. We thank you for your consideration of this request.

Sincerely,



Charles E. Trefzger, Jr.
Manager

Enclosure

JFC Meridian Opco – Winston-Salem, LLC

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

March 20, 2015

FIRST CLASS MAIL

Ms. Martha J. Frisone, Interim Section Chief
Certificate of Need Section
Division of Health Service Regulation
Department of Health & Human Services
2704 Mail Center Service
Raleigh, NC 27499-2704

Re: No Review Notice for Somerset Court at University Place, a 60-bed adult care home located at 1635 East 5th Street, Winston-Salem, Forsyth County, North Carolina (FID# 991125)

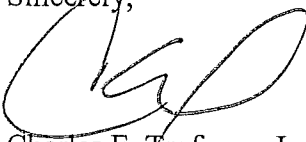
Dear Ms. Frisone:

This letter is to notify you that NCAL-Winston-Salem, Inc., the current Licensee of the Winston-Salem (Forsyth County) facility, currently known as Somerset Court at University Place (hereafter “the Facility”), will be relinquishing its license. JFC Meridian Opco – Winston-Salem, LLC, is currently completing the licensure application necessary to become the new Licensee. Subsequent to this transaction, the Facility will continue to operate under the name Somerset Court at University Place.

The purpose of this letter is to provide prior notice of this change, which does not fall under the purview of certificate of need (“CON”) review. Although N.C. Gen. Stat. § 131E-184 does not explicitly exempt a change of licensee from review, it has been the opinion of the Certificate of Need Section (“the Agency”) that such changes are not subject to review, garnering a “no-review” status.

Based on the foregoing information, we hereby request the Agency’s confirmation that the proposal described above does not require CON review. If you require additional information to consider this request, please contact us at the number below as soon as possible. We thank you for your consideration of this request.

Sincerely,


Charles E. Trefzger, Jr.
Manager