



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

March 16, 2020

James C. Wrenn, Jr.
Hicks Wrenn, PLLC
P.O. Box 247
Oxford NC 27565

Exempt from Review – Acquisition of Facility

Record #: 3241
Facility Name: Magnolia House Retirement Center
Type of Facility: Adult Care Home
FID #: 950864
Acquisition by: Mainstay Healthcare Piedmont, LLC
Business #: 3201
County: Lee

Dear Mr. Wrenn:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your representations, the above referenced proposal is exempt from certificate of need (CON) review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, the above referenced business may proceed to acquire the health service facility identified above without first obtaining a CON. The Agency’s determination is limited to the question of whether or not the above referenced business would have to obtain a CON if the current owners of the health service facility do in fact sell it to the business listed above. Note that pursuant to N.C. Gen. Stat. §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.”

In the event that the business listed above does acquire the facility, you should contact the Agency’s Adult Care Licensure Section to obtain instructions for changing ownership of the existing facility.

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 regarding whether or not a certificate of need would be required. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

[Handwritten signature of Michael J. McKillop]

Michael J. McKillop
Project Analyst

[Handwritten signature of Martha J. Frisone]

Martha J. Frisone
Chief

cc: Adult Care Licensure Section, DHSR

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

LAW OFFICES OF
HICKS WRENN, PLLC

Telephone: (919) 693-8161
www.hickswrennlaw.com



N. Kyle Hicks
James C. Wrenn, Jr.
Gerald T. Koinis
C. Gill Frazier, II

March 2, 2020

Via email and overnight delivery

Ms. Martha Frisone
Assistant Section Chief
NC Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, NC 27603
martha.frisone@dhhs.nc.gov

Mr. Michael McKillip
Project Analyst
NC Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, NC 27603
Mike.McKillip@dhhs.nc.gov

Re: **Magnolia House Retirement Center** 950864
RCTG, LLC
1115 Carthage Street, Sanford, NC 27330
License Number: HAL-053-029

Bus # 2834

Dear Ms. Frisone and Mr. McKillip:

Bus # 3201

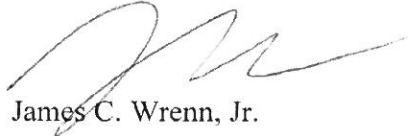
I represent Mainstay Healthcare Piedmont, LLC ("Mainstay") and Sanford Manor, LLC ("Sanford Manor"). Mainstay proposes to acquire the real property constituting the existing health service facility licensed as an eighty-five special care unit bed adult care home known as Magnolia House Retirement Center from Sanford Health Care, LLC and the operations of the facility from RCTG, LLC (Licensee: RCTG, LLC; Address: 1115 Carthage Street, Sanford, NC 27330 (Lee County); License Number: HAL-053-029; Real Property Owner: Sanford Health Care, LLC). After the acquisition, Sanford Manor will operate the adult care home pursuant to a lease with Mainstay. After Sanford Manor receives its license to operate the facility, the adult care home will be known as Sanford Manor, LLC.

Pursuant to G.S. §131D-184(a)(8), I understand that this transaction is exempt from review and, as a result, we request that you confirm that understanding by providing us with a “no review” letter.

As always, thank you for your assistance.

Sincerely,

HICKS WRENN, PLLC

A handwritten signature in black ink, appearing to read 'J. Wrenn, Jr.', written in a cursive style.

James C. Wrenn, Jr.

Waller, Martha K

From: Frisone, Martha
Sent: Monday, March 2, 2020 4:35 PM
To: Waller, Martha K
Subject: FW: [External] Magnolia House & Royal Oaks
Attachments: scan0228.pdf

Martha J. Frisone

Chief

Division of Health Service Regulation, Healthcare Planning and Certificate of Need
NC Department of Health and Human Services

Office: 919-855-3879
martha.frisone@dhhs.nc.gov

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Raleigh, NC 27699-2704

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From: Amy Erwin <aee@hickswrennlaw.com>
Sent: Monday, March 2, 2020 4:04 PM
To: Frisone, Martha <martha.frisone@dhhs.nc.gov>; Mckillip, Mike <mike.mckillip@dhhs.nc.gov>
Subject: [External] Magnolia House & Royal Oaks

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to report.spam@nc.gov

Please find attached letters concerning the above-referenced homes.

If you have any questions or concerns, please let me know.

THANKS-

Amy E. Erwin
NC Certified Paralegal
Hicks Wrenn, PLLC
111 Gilliam Street (delivery)
P.O. Box 247 (mail)
Oxford, NC 27565

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