



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

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

VIA EMAIL ONLY

October 26, 2020

Christopher Sprenger  
229 Airport Rd. Suite 7-104  
Arden, NC 28704

**Exempt from Review – Acquisition of Facility**

**Record #:** 3351  
**Facility Name:** Granite Falls Health and Rehabilitation  
**Type of Facility:** Nursing Home  
**FID #:** 923052  
**Acquisition by:** Hickory Falls Healthcare Properties, LLC  
**Business #:** 3281  
**County:** Caldwell

Dear Mr. Sprenger:

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.*"

If the business listed above does acquire the facility, you should contact the Agency's Nursing Home Licensure and Certification 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 a certificate of need would be required. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Ena Lightbourne  
Project Analyst

Martha J. Frisone  
Chief

cc: Nursing Home Licensure and Certification 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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

**Granite Falls Health and Rehabilitation, LLC  
d/b/a Hickory Falls Health and Rehabilitation  
229 Airport Rd. Suite 7-104  
Arden, NC 28704**



September 24, 2020

Martha Frisone, Assistant Chief  
Certificate of Need Section  
N.C. Department of Health and Human Services  
Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh, NC 27603

**RE: Notice of Exempt Acquisition by Lease/Land Purchase of North Carolina Skilled Nursing Facility Pursuant to N.C. Gen. Stat. 131E-184(a)(1) and (8):** Granite Falls Health and Rehabilitation d/b/a Hickory Falls Health and Rehabilitation.

**Nursing Home License #: NH0380  
FID: 923052  
Business #2243  
County: Caldwell**

Dear Ms. Frisone:

Pursuant to N.C. Gen. Stat. 131E-184(a)(1) and (8) to provide notice to the N.C. Department of Health and Human Services, Division of Health Service Regulation, Certificate of Need Section, I am writing regarding Granite Falls Health and Rehabilitation, LLC intent to transfer its lease to a new company purchasing the land and building from Camelot Manor of Granite Falls, Inc. Granite Falls Health and Rehabilitation currently sits on property owned by Camelot Manor. Camelot Manor will be selling the land and building to Hickory Falls Healthcare Properties, LLC, on or around November 30, 2020.

Pursuant to N.C. Gen. Stat. 131E-176(9b), the Facility is a "health service facility".

Granite Falls Health and Rehabilitation, LLC is a North Carolina Limited Liability Company. Granite Falls Health and Rehabilitation intends to lease the Facility from Hickory Falls Healthcare Properties, LLC, also a North Carolina Limited Liability Company.

N.C. Gen. Stat. 131E-176(16)(l) provides that the purchase, lease, or acquisition of any health service facility, or portion thereof, which was developed pursuant to a certificate of need qualifies as a "new institutional health service". N.C. Gen. Stat. 131E-178(b) provides that "[n]o person shall make an acquisition by donation, lease, transfer or comparable arrangement without first obtaining a certificate of need from the Department, if the acquisition would have been a new institutional health service if it had been made by purchase". N.C. Gen. Stat. 131E-184(a)(1) and (8) provide that the acquisition of an existing health service facility, including equipment owned by the health service facility at the time of

acquisition, is exempt from CON review upon prior written notice to the Agency of the proposed acquisition.

The acquisition of the Facility via the lease and purchase arrangement I have described herein will not involve the development of any new health service facility or otherwise qualify as a "new institutional health service" which would be subject to Agency review under applicable Certificate of Need statutes or regulations. Rather, the transaction I have described herein qualifies as an "exempt transaction, within the meaning of N.C. Gen Stat. 131E-184(a)(8). This correspondence is intended to serve as the prior written notice to the Agency required by N.C. Gen. Stat. 131E-184(a)(1) and (8).

Please provide me with written confirmation that this transaction is exempt from CON review pursuant to N.C. Gen. Stat. 131E-184(a)(1) and (8). We would be very appreciative if this reply could be expedited.

I appreciate your attention to this matter. Please contact me with any questions at 919-608-9123

Sincerely,



Christopher Sprenger

Owner

Granite Falls Health and Rehabilitation, LLC  
d/b/a Hickory Falls Health and Rehabilitation  
Hickory Falls Healthcare Properties, LLC