



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

April 9, 2021

Vickie Becker
vbecker@usrenalcare.com

Exempt from Review – Acquisition of Facility

Record #: 3514
Date of Request: March 29, 2021
Facility Name: US Renal Care Charlotte Latrobe Dialysis
Type of Facility: Dialysis facility
FID #: 944671
Acquisition by: USRC Latrobe, LLC
Business #: 3352
County: Mecklenburg

Dear Ms. Becker:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that the project described above is exempt from certificate of need (CON) review in accordance with G.S. 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 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 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.*"

If the business listed above does acquire the facility, you should contact the Agency's Acute and Home Care 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,

Julie M. Faenza
Project Analyst

Lisa Pittman
Acting Chief, Certificate of Need

cc: Acute and Home Care 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

Faenza, Julie M

From: vbecker@usrenalcare.com
Sent: Monday, March 29, 2021 4:12 PM
To: Faenza, Julie M
Subject: RE: [External] RE: Request for response re: change from corporation to LLC

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Yes, you are following correctly. They will still be wholly-owned by our organization. Thank you!

Vickie.

--- Originally sent by julie.faenza@dhhs.nc.gov on Mar 29, 2021 2:59 PM ---

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Thanks, Vickie. Let me make sure I understand this correctly. There are plans to develop two new legal entities (or they have already been developed) – USRC Glenwater, LLC, and USRC Latrobe, LLC – and those two entities will acquire ownership of US Renal Care Glenwater Dialysis and US Renal Care Latrobe Dialysis, respectively? Including the physical assets? Am I following that correctly? If not, what am I missing? Thanks.

Julie M. Faenza, Esq.

Project Analyst, Certificate of Need

[Division of Health Service Regulation](#), [Healthcare Planning and Certificate of Need Section](#)

[NC Department of Health and Human Services](#)

Office: 919-855-3873

Julie.Faenza@dhhs.nc.gov

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From: vbecker@usrenalcare.com <vbecker@usrenalcare.com>
Sent: Monday, March 29, 2021 11:38 AM
To: Faenza, Julie M <Julie.Faenza@dhhs.nc.gov>
Subject: RE: [External] RE: Request for response re: change from corporation to LLC

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Good morning - attached is an organization chart showing the ownership change for the proposed transaction. Simply, instead of being owned directly by Dialysis Newco, LLC, the two location sin North Carolina would be owned by their own legal entities - USRC Glenwater, LLC and USRC Latrobe, LLC. Please let me know if there are additional items needed for the review or if you have questions - thank you -

Vickie Becker, Paralegal

US Renal Care, Inc.

214-425-0668

--- Originally sent by julie.faenza@dhhs.nc.gov on Mar 27, 2021 8:37 AM ---

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Vicki, I'm attaching the documentation we sent you in November. At that time, we determined that the change in structure from corporation to LLC was not reviewable under the CON statutes (meaning you could proceed without anything else from us).

For a change in ownership of an existing healthcare facility, the law requires you to send us prior written notice of the change and describe the change for us (who owns it now, who will own it afterward, etc). The law does

not define what constitutes “prior written notice” so we generally advise people to send us information as soon as it’s available. The law does not require prior written approval from the CON Agency; just prior written notice. We try to review and respond to all such requests within 20 business days.

I hope that helps. Please let me know if you have any other questions.

Julie M. Faenza, Esq.

Project Analyst, Certificate of Need

[Division of Health Service Regulation](#), [Healthcare Planning and Certificate of Need Section](#)

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From: Vickie Becker <VBecker@USRENALCARE.COM>

Sent: Friday, March 26, 2021 5:54 PM

To: Faenza, Julie M <Julie.Faenza@dhhs.nc.gov>

Subject: RE: [External] RE: Request for response re: change from corporation to LLC

Importance: High

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Good afternoon – I cannot find the final email regarding this review. We are now anticipating a change of ownership for the two locations in North Carolina – US Renal Care Glenwater Dialysis and US Renal Care Latrobe Dialysis – both

currently owned by Dialysis Newco, LLC (as previously communicated). Please provide guidance regarding requirements for review of the change of ownership projects and anticipated timeline for that review.

Thank you in advance,

Vickie.

Vickie Becker, MBA/HCM

Legal Department - U.S. Renal Care, Inc.

5851 Legacy Circle Ste 900

Plano, Texas 75024

(214) 425-0668 work cell #

(214) 291-5429 fax

vbecker@usrenalcare.com

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From: Faenza, Julie M <Julie.Faenza@dhhs.nc.gov>

Sent: Monday, October 26, 2020 6:53 AM

To: Vickie Becker <VBecker@USRENALCARE.COM>

Subject: RE: [External] RE: Request for response re: change from corporation to LLC

WARNING

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Vickie, that is exactly what I needed and very helpful! Thank you!

Julie M. Faenza, Esq.

Project Analyst, Certificate of Need

[Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section](#)

[NC Department of Health and Human Services](#)

Office: 919-855-3873

Julie.Faenza@dhhs.nc.gov

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From: Vickie Becker <VBecker@USRENALCARE.COM>

Sent: Wednesday, October 21, 2020 11:25 AM

To: Faenza, Julie M <Julie.Faenza@dhhs.nc.gov>

Subject: [External] RE: Request for response re: change from corporation to LLC

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Yes, US Renal Care, Inc. is the parent company and indirect owner of Dialysis Newco Inc. Dialysis Newco Inc. is the direct owner of these two dialysis facilities. I've attached the organizational chart showing how Dialysis Newco Inc. will change to Dialysis Newco LLC, and where it falls in the ownership structure.

Please let me know if this helps or if you need additional information.

Vickie.

Vickie Becker, MBA/HCM

Legal Department - U.S. Renal Care, Inc.

5851 Legacy Circle Ste 900

Plano, Texas 75024

(214) 425-0668 work cell #

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From: Faenza, Julie M [<mailto:Julie.Faenza@dhhs.nc.gov>]
Sent: Monday, October 19, 2020 1:37 PM
To: Vickie Becker <VBecker@USRENALCARE.COM>
Subject: Request for response re: change from corporation to LLC

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Ms. Becker,

I am reviewing your request that you sent to Martha Frisone regarding the change in corporate structure for the legal entity which owns US Renal Care Glenwater Dialysis and US Renal Care Latrobe Dialysis. Our records indicate the legal entity for these facilities are US Renal Care, Inc. Your request to Ms. Frisone indicates the legal entity is Dialysis Newco, Inc. Could you please clarify what the ownership structure is for these facilities? To be clear, I am seeking information to make sure I understand what the ownership structure is now compared to what our records show – there's no suggestion that there were any impermissible changes or anything of that nature. I just want to make sure I understand why our records say something different. Thanks!

Julie M. Faenza, Esq.

Project Analyst, Certificate of Need

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Office: 919-855-3873

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Post-CHOW Organizational Chart

