



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

November 23, 2021

Robert A. Leandro
robleandro@parkerpoe.com

No Review

Record #: 3741
Date of Request: October 18, 2021
Facility Name: Pitt County Group Home #5
FID #: 944723
Business Name: NC Pace Re, LLC
Business #: 2280
Project Description: Acquisition of facility
County: Pitt

Dear Mr. Leandro:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the project described above. Based on the CON law in effect on the date of this response to your request, the project as described is not governed by, and therefore, does not currently require a certificate of need. 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.

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

Please do not hesitate to contact this office if you have any questions.

Sincerely,

[Handwritten signature]

Gregory F. Yakaboski
Project Analyst

[Handwritten signature]

Micheala Mitchell
Chief

cc: Mental Health 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
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**Robert A. Leandro**

**Partner**

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Atlanta, GA  
Charleston, SC  
Charlotte, NC  
Columbia, SC  
Greenville, SC  
Raleigh, NC  
Spartanburg, SC  
Washington, DC

October 18, 2021

**VIA ELECTRONIC MAIL**

Micheala Mitchell, Chief  
Healthcare Planning and Certificate of Need Section  
North Carolina Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, NC 27699-2704  
[micheala.mitchell@dhhs.nc.gov](mailto:micheala.mitchell@dhhs.nc.gov)

Re: Acquisition of ICF Facilities by RHA Health Services, LLC

Dear Ms. Mitchell:

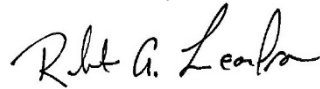
Our firm represents RHA Health Services, LLC (“RHA”) and NC Pace Re, LLC, (“NC Pace”) an affiliate of RHA. This letter is intended to provide the Healthcare Planning and Certificate of Need Section (the “Agency”) with prior written notice that our clients plan to acquire the Intermediate Care Facilities (“ICFs”) listed in Attachment A (the “ICF Facilities”) and the additional facilities listed in Attachment B (the “Non-ICF Facilities”)(collectively the “Facilities”). The Change of Ownership is scheduled to occur on or around December 14, 2021. RHA will be the operator and licensee of the Facilities and NC Pace will take ownership of the properties.

Under North Carolina law, the ICF Facilities at issue are considered a “health care facility” as defined by the CON statute, and therefore the ownership of the ICF Facilities can be transferred without the issuance of a CON if prior written notice is provided to the Agency. See N.C. Gen. Stat. § 131E-184(a). We understand that by providing this notice, RHA’s acquisition of the rights to operate the Facilities and NC Pace’s acquisition of the Facilities property listed in Attachment A are exempt from any review by the CON Section. We also understand that the Non-ICF Facilities listed in Attachment B are not subject to CON review, including the prior notice requirement found in N.C. Gen. Stat. § 184(a).

PPAB 6643627v1

RHA and NC Pace requests that the CON Section confirm in writing that this acquisition is not subject to Certificate of Need review. If you have any questions, please feel free to give me a call. I greatly appreciate your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Robert A. Leandro". The signature is written in a cursive style with a large, prominent initial "R".

Robert A. Leandro

cc: Lisa Pittman, Assistant Chief, [Lisa.Pittman@dhhs.nc.gov](mailto:Lisa.Pittman@dhhs.nc.gov)

Enclosures

## Attachment A

### **Pitt County Group Home #1**

License MHL-074-003 issued by the Licensure Section for the operation of a 6-bed ICF at 6570 Fairway Drive, Grifton, NC 28530.

### **Pitt County Group Home #2**

License MHL-074-015 issued by the Licensure Section for the operation of a 6-bed ICF at 4263 N. Edge Road, Ayden, NC 28513.

### **Pitt County Group Home #3**

License MHL-074-097 issued by the Licensure Section for the operation of a 6-bed ICF at 6962 Church Street, Grifton, NC 28530.

## **Attachment B**

### **Pitt County Group Home #4**

License MHL-074-021 issued by the Licensure Section for the operation of a 6-bed DDA Group Home at 1203 Red Banks Road, Greenville, NC 27834.

### **Pitt County Group Home #5**

License MHL-074-037 issued by the Licensure Section for the operation of a 6-bed DDA Group Home at 2240 Edgewater Drive, Winterville, NC 28590.

**From:** [Mitchell, Micheala L](#)  
**To:** [Waller, Martha K](#)  
**Subject:** Fw: [External] RHA CON Prior Notice for Pitt County Group Homes Letter.pdf  
**Date:** Monday, October 18, 2021 4:58:45 PM  
**Attachments:** [RHA CON Prior Notice for Pitt County Group Homes Letter.pdf](#)

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Please see the attached! Thank you!

Hope you're well.

Micheala Mitchell, JD  
[NC Department of Health and Human Services](#)  
[Division of Health Service Regulation](#)  
Section Chief, Healthcare Planning and CON Section  
809 Ruggles Drive, Edgerton Building  
2704 Mail Service Center  
Raleigh, NC 27699-2704  
Office: [919 855 3879](tel:9198553879)  
[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)

Don't wait to vaccinate. Find a COVID-19 vaccine location near you at [MySpot.nc.gov](https://MySpot.nc.gov).  
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**From:** Leandro, Robert A. <[robbleandro@parkerpoe.com](mailto:robbleandro@parkerpoe.com)>  
**Sent:** Monday, October 18, 2021 4:56 PM  
**To:** Mitchell, Micheala L <[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)>; Pittman, Lisa <[lisa.pittman@dhhs.nc.gov](mailto:lisa.pittman@dhhs.nc.gov)>  
**Subject:** [External] RHA CON Prior Notice for Pitt County Group Homes Letter.pdf

**CAUTION:** External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Micheala and Lisa,

I hope you all are doing well. Please find attached the prior written notice from our client regarding the planned acquisition of several ICF facilities by our client. Should you have any questions please let me know.

Robb

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**Robert Leandro**

Partner

Find our latest health care analysis [here](#).



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