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TRENTON, N.J. 08625-0360 www.nj.gov/health

> JUDITH M. PERSICHILLI, RN, BSN, MA Commissioner

August 17, 2020

Via Electronic and First-Class Mail

Frank Citara Chief Hospital Executive Bayshore Medical Center-Hackensack Meridian Health 727 North Beers Street Holmdel, New Jersey 07733

REVISED LETTER

Re: Bayshore Medical Center-Hackensack Meridian Health 727 North Beers Street Holmdel, New Jersey 07733 CN ER 2019-9148-13 Total Project Cost: \$4,709,000.00

Expiration Date: November 30, 2021

Dear Mr. Citara:

The New Jersey Department of Health (Department) is approving Bayshore Medical Center-Hackensack Meridian Health's (Bayshore Medical Center) application dated August 30, 2019 for the addition of 12 new adult acute open (voluntary) psychiatric beds pursuant to N.J.A.C. 8:33-5.1(a)6, for an extension of time for CN Full Review (FR) 17 0517-13-01. The Certificate of Need (CN) was originally approved on November 17, 2017. This extension of time is approved pursuant to N.J.A.C. 8:33-3.10.

Bayshore Medical Center requested an extension of time due to the merger of Hackensack Meridian Health and Carrier Clinic which became effective on January 1, 2019. This merger resulted in a Strategic Planning Process that commenced to review the network's Behavioral Health Service line, as well determine how to best leverage the combined strengths of the new HMH/Carrier affiliation. The Department sent Bayshore Medical Center completeness questions dated February 13, 2020 to confirm that the strategic plan was in line with the original CN FR. In response, Bayshore Medical Center submitted a letter dated February 21, 2020, that supported and confirmed that the merger and strategic plan were in line with the original CN FR. This CN is being approved at the project cost listed above. The time period to implement CN Expedited Review (ER) 2019-9148-13 is now extended until November 30, 2021.

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However, if after this period the application requires an additional extension, a new ER CN application submission will be required.

Please be advised that this approval is limited to the proposal as presented and reviewed. An additional review by the Department may be necessary if there is any change in scope as defined in N.J.A.C. 8:33-3.9. However, in accordance with N.J.A.C. 8:33-3.9(a) 1-3, a change of cost of an approval CN is exempt from CN review but subject to the following:

- The applicant shall file a signed certification as to the final total project cost expended for the project at the time of the application for licensure for the beds/services with the Certificate of Need and Healthcare Facility Licensure Program.
- 2. Where the actual cost project cost exceeds the CN approved total project cost and is greater than \$1,000,000, the applicant shall remit the additional CN application fee due the Certificate of Need and Healthcare Facility Licensure Program. The required additional fee shall be 0.25 percent of the total project cost in excess of the CN approved total project cost.
- 3. The Department shall not issue a license for the beds/services until the additional fee is remitted in full.

This approval is not intended to preempt in any way any municipality's authority to regulate land use within its borders and shall not be used by the applicant to represent that the Department has made any findings or determination relative to the use of any specific property. Please be advised that services may not commence until such time as a license has been issued by the Certificate of Need and Healthcare Facility Licensure Program.

Any approval granted by this Department relates to CN and/or licensing only and does not imply acceptance by a reimbursing entity. Issues involving reimbursement are solely between the facility and third-party payer. The Department is neither a party to such matters nor an arbiter of disputes between parties.

The Department's decision to approve this application is based solely on the facts, information and materials presented in the application. The Department offers no opinion as to whether the proposed ownership or business organization is in compliance with the Codey Act, the Board of Medical Examiners' administrative rules, the federal anti-referral (Stark) laws and the federal anti-kickback laws. The Department has not undertaken an independent investigation of such information. If material facts have not been disclosed or have been misrepresented, the Department may take administrative regulatory action to rescind the approval or refer the matter to the Office of the Attorney General.

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The Department looks forward to working with Bayshore Medical Center to provide the highest quality of care to the community and patients. If there are any questions concerning this letter, please do not hesitate to contact Felicia Harris, Chief, Division of Certificate of Need and Licensing at Felicia.Harris@doh.nj.gov.

Sincerely

Marcela Ospina Maziarz, MPA

Deputy Commissioner

Health Systems

CC:

Jean M. DeVitto, DOH (Electronic Mail) Felicia Harris, DOH (Electronic Mail) Susan Jackson, DOH (Electronic Mail) Stefanie Mozgai, DOH (Electronic Mail)