



State of New Jersey  
DEPARTMENT OF HEALTH  
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Lt. Governor

March 9, 2021

JUDITH M. PERSICILLI, RN, BSN, MA  
Commissioner

**VIA ELECTRONIC & FIRST-CLASS MAIL**

Mr. Robert J. Fogg, Esq.  
Archer & Greiner  
101 Carnegie Center – Suite 300  
Princeton, New Jersey 08540

Re: Alaris Health at Essex  
Relocation of Long-Term Care Facility  
Beds  
CN ER# 2020-2180-07  
Total Project Cost: \$ 0  
Expiration Date: March 9, 2026

Dear Mr. Fogg:

Please be advised that the Department of Health (Department) is approving the application of Irvington Healthcare Providers, submitted on January 2, 2020 for the relocation of long-term care (LTC) beds which had been operational in Hudson County to an existing facility in Essex County. Specifically, this application relates to the relocation of 50 LTC beds from ASE Healthcare, LLC, a holding company, to Alaris Health at Essex (License# 060736). Alaris at Essex is a LTC facility with 201 LTC beds and 11 ventilator licensed beds and is located at 155 Fortieth Street in Irvington, Essex County. Since Hudson and Essex counties are contiguous, this relocation is within the same planning region as required under N.J.A.C. 8:33-3.4(a)(3). As noted above, there is no cost associated with this project.

The Department acknowledged the ownership of 460 LTC beds by ASE Healthcare, LLC from Omni Asset Management, LLC in a letter dated March 25, 2002. These beds owned by ASE Healthcare, LLC, were formerly on the license of Progressive Nursing Center, now closed, which was located in Hudson County. In a separate Expedited Review Certificate of Need transaction, Alaris Health at Essex transferred 50 LTC beds to Morris View Health Care Center. The application at issue herein was submitted for the purpose of replacing the 50 beds at Alaris Health at Essex that were transferred to Morris View Healthcare Center with 50 beds from ASE Healthcare, LLC's inventory.

As noted, this application is for the relocation of beds within the same planning region. Therefore, pursuant to N.J.A.C. 8:33-3.4(a)(3) and N.J.A.C. 8:33-5.1(a)(11), this application is subject to the expedited review certificate of need process. In accordance with N.J.A.C. 8:33-3.4(a)(3)(i), the Department has confirmed that this relocation is taking place within the same planning region where the sending facility is located. The

Department also confirms this relocation is in compliance with N.J.A.C. 8:33-3.4(a)(3)(ii) which stipulates the receiving facility shall already hold a license for the category of beds proposed for the relocation. The Department believes that the relocation will not have an adverse impact on the ability of the population currently being served in the sending facility's service area to access these type of services, and will not reduce access to the medically underserved (N.J.A.C. 8:33-3.4(a)(3)(iii) and (iv)). The Department is confident this will not have an adverse impact on the quality of care at either the sending or receiving facility (N.J.A.C. 8:33-3.4(a)(3)(v)). There will be no adverse impact since the beds originated from a closed LTC facility in Hudson County. In addition, the relocation of these 50 LTC beds to Essex County will not change the number of licensed beds in that county, since these are replacement beds for beds at Alaris Health that are to be transferred to Morris County in another transaction. This proposed relocation will not change the number of beds at the receiving facility (Alaris Health at Essex) which will remain at 201 LTC beds and 11 ventilator licensed beds, which is within the maximum 240 total beds referred to in N.J.A.C. 8:33-3.4(a)(3)(vi). Finally, in accordance with N.J.A.C. 8:33-3.4(a)(3)(vii), this relocation does not violate a condition of a prior certificate of need approval for the establishment of beds.

The Department has taken into consideration the applicable regulations for the services subject to expedited review (i.e., N.J.A.C. 8:33-5.3 and 8:33-5.4(a)(2)), and finds that Irvington Healthcare Providers, the proposed licensed operator, has provided an appropriate project description. The project description includes information as to the total project cost, operating costs and revenues, services affected, equipment involved, source of funds, utilization statistics, and justification for the proposed project (N.J.A.C. 8:33-5.3(a)(1)); assurance that all residents of the area, particularly the medically underserved, will have access to services (N.J.A.C. 8:33-5.3(a)(2)); and documentation that it will meet appropriate licensing and construction standards (N.J.A.C. 8:33-5.3(a)(3)(i)). In addition, Irvington Healthcare Providers has demonstrated a track record of substantial compliance with the Department's licensing standards (N.J.A.C. 8:33-5.3(a)(3)(ii)).

Pursuant to the criteria set forth in N.J.A.C. 8:33-5.3(a)(2), Department staff have determined that there will not be an adverse impact on the ability of either the general population currently being served or the medically underserved in accessing residential long-term care services in Hudson County as a result of the relocation of 50 LTC beds to Essex County. The proposed beds were originally from Hudson County which is a contiguous county in the same planning region. According to Department figures, there are currently 2,486 licensed LTC beds in Hudson County. The reduction of 50 LTC beds from Hudson County will decrease its supply by 2 percent. The relocation of these 50 LTC beds to Essex County will not change the number of licensed beds in that county, since, as noted above, these are replacement beds for existing beds to be transferred to Morris County.

According to NJ Department of Labor and Workforce Development projections, Hudson County currently has 81,620 persons aged 65 and over, which is estimated to increase 7 percent, to 87,080 persons over the next three years. Thus, given the small

reduction of beds in Hudson County, and the relocation of beds to Essex County, the Department is satisfied that there will be no adverse effect on access to LTC beds for residents of Hudson County. Since these are planned replacement beds at Alaris at Essex, related to another relocation of beds to Morris County, this will have no impact on Essex County. In addition, the ultimate relocation of 50 additional beds to Morris County will not have a significant impact on the total beds in Morris County, as this would only be an overall increase of 1.6 percent to the beds in that county.

Please be advised that this approval is limited to the proposal as presented and reviewed. The application, related correspondence, and any completeness questions and responses are incorporated and made a part of this approval. An additional review by the Department may be necessary if there is any change in scope, as defined at N.J.A.C. 8:33-3.9. However, a change in cost of an approved certificate of need is exempt from certificate of need review subject to the following:

1. 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 Department's Certificate of Need and Healthcare Facility Licensure Program.
2. Where the actual total project cost exceeds the certificate of need approved total project cost and is greater than \$1,000,000, the applicant shall remit the additional certificate of need application fee due to 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 certificate of need approved total project cost.
3. The Department will not issue a license for beds/services until the additional fee is remitted in full.

Furthermore, pursuant to N.J.A.C. 8:33H-1.15(a), this approval to relocate LTC beds to Alaris Health at Essex will be subject to the utilization requirements for Medicaid-eligible residents and former psychiatric patients, or a higher standard if one was imposed on a previous certificate of need approval for any of the beds being relocated to this facility.

The Department, in approving this application, has relied solely on the facts and information presented. The Department has not undertaken an independent investigation of such information. If material facts have not been disclosed or have been misrepresented as part of this application, the Department may take appropriate administrative regulatory action to rescind the approval or refer the matter to the Office of the Attorney General.

Any approval granted by this Department relates to certificate of need and/or licensing requirements only and does not imply acceptance by a reimbursing entity.

This letter is not intended as an approval of any arrangement affecting reimbursement or any remuneration involving claims for health care services.

This approval is not intended to preempt in any way the authority of any municipality 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 approval has been given by the Certificate of Need and Healthcare Facility Licensure Program to operate these replacement beds. A survey by Department staff may be required prior to commencing services.

The Department looks forward to working with the applicant to provide high quality of care to the long-term care residents. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Maria Christensen, Assistant Commissioner, Division of Certificate of Need and Licensing at [Maria.Christensen@doh.nj.gov](mailto:Maria.Christensen@doh.nj.gov).

Sincerely,



Marcela Ospina Maziarz, MPA  
Deputy Commissioner  
Health Systems

cc: Maria Christensen, DOH (electronic copy)  
Felicia Harris, DOH (electronic copy)  
Pamela Lebak, DOH (electronic copy)  
Ellen Kenny, DOH (electronic copy)