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JUDITH M. PERSICHILLI, RN, BSN, MA Commissioner

September 17, 2021

VIA ELECTRONIC & FIRST-CLASS MAIL

Andrea Naticchione Managing Partner Green-Wood Associates 409 Stenton Avenue Flourtown, PA 19031

Re:

Mainland Manor Nursing & Rehabilitation

Center

CN# ER 2019-10161-01 Total Project Cost: \$950,000

Expiration Date: September 17, 2026

Dear Ms. Naticchione:

The Department of Health (Department) is approving the Expedited Review Certificate of Need (ERCN) application from Green-Wood Associates, LP to re-open the 140-bed long-term care facility, Mainland Manor Nursing & Rehabilitation Center, at the former location of 930 Church Street in Pleasantville, New Jersey within Atlantic County. This application is being approved at a total project cost of \$950,000.

By way of background, the Department approved an August 11, 2016 request from Mainland Manor Nursing & Rehabilitation Center's management company, DePaul Healthcare Systems, for a 15 to 18-month period of temporary closure for "major cosmetic renovation." The Department approved the temporary closure which occurred on October 13, 2016 with a deadline to reopen of April 13, 2018. On May 1, 2018, an application from DePaul Health Care Company was submitted to the Department to relocate the 140 beds from Mainland Manor Nursing & Rehabilitation to Woodview Manor Estates, a licensed assisted living residence, located within Mays Landing in Atlantic County. This application was withdrawn January 25, 2021.

On September 1, 2018, an application from DePaul Health Care Company was submitted to the Department to relocate the 140 beds from Mainland Manor Nursing & Rehabilitation to Ocean View, an unincorporated community located within Dennis Township in Cape May County. The facility's license then expired on October 31, 2018 and the relocation application was withdrawn by way of a letter dated July 24, 2019. On August 28, 2019, the Department received an ERCN application (N.J.A.C. 8:33-5.1) from Green-Wood Associates, LP to re-open the facility at its original location.

It is important to note that the Department permitted the facility to take these 140 beds out of service while a construction project was completed. The Department was aware that the beds would return to service at a future date. Therefore, the Department is reviewing the application as provided under the ERCN standard at N.J.A.C. 8:33-5.1(b)2, which directs that the ERCN process is appropriate when a project will have only a "...minimal impact on the health care system as a whole." The Department has also determined that the re-opening of beds that were previously in-service will not have a deleterious impact on the delivery of healthcare in the affected region.

Since this an ERCN application, the Department has taken into consideration the applicable regulations found at N.J.A.C. 8:33-5.3. The Department finds that Green-Wood Associates, LP has provided an appropriate project description, which includes information as to the total project cost, operating costs and revenues, 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)3i). In addition, Green-Wood Associates, LP demonstrated a track record of substantial compliance with the Department of Health's (Department) licensing standards (N.J.A.C. 8:33-5.3(a)3ii).

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:

- 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 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.

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

¹ Because of this determination, the Department need not consider the factors for a full review CNs found at <u>N.J.S.A</u>. 26:2H-8 and repeated at <u>N.J.A.C.</u> 8:33-4.9.

Any approval granted by this Department relates to certificate of need and/or licensing requirements 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 any municipality's authority to regulate land use within its borders and shall not be used by you to represent that the Department has made any findings or determinations 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 to operate this facility. A survey by Department staff may be required prior to commencing services; if such a determination is made, you will need to contact a representative from the Survey and Field Operations Program to discuss this matter at (609) 292-8900.

The following conditions apply to this Certificate of Need.

- 1. The licensee will submit all renewal and inspection fees for any years not satisfied.
- 2. The licensee will submit a completed LCS-9 application and appropriate fee prior to licensure.
- 3. Provide a narrative of proposed renovations, if any, to the Certificate of Need and Licensing office, with a schematic.

The Department looks forward to working with you and helping you to provide a high quality of care to your residents. If you have any questions concerning this certificate of need or the licensure of the long-term care beds, please do not hesitate to contact Michael Kennedy, Executive Director, Division of Certificate of Need and Licensing, at michael.kennedy@doh.nj.gov.

Sincerely,

Marcela Ospina Maziarz, MPA

Deputy Commissioner

Health Systems

CC:

Michael Kennedy, DOH (Electronic Mail) Kara Morris, DOH, (Electronic Mail) Luisa Alexopoulos, DOH (Electronic Mail) Dory Lewis, DOH (Electronic Mail)

Lic. File

Intake Unit, DOH (Electronic Mail)