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JUDITH M. PERSICHILLI, RN, BSN, MA Commissioner

August 12, 2022

VIA ELECTRONIC & FIRST-CLASS MAIL

Stacey Wilbur, LNHA
Chief Operating Officer
Jewish Community Housing Corporation
of Metropolitan New Jersey
760 Northfield Avenue
West Orange, New Jersey 07052

Re: Jewish Community Housing Corporation

of Metropolitan New Jersey CN# ER 2022-04278-0701

Establish an Assisted Living Program

Total Project Cost: \$ 597,075 Expiration Date: August 12, 2027

Dear Ms. Wilbur:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need application by Jewish Community Housing Corporation of Metropolitan New Jersey (Jewish Community Housing), the proposed licensed operator, for a new Assisted Living Program (ALP) to serve residents in two publicly-subsidized housing buildings in Essex County. The main site and ALP office location will be at the Jewish Community Housing Corporation building located at 219 South Orange Avenue in South Orange. The second site and ALP office location will be at the Jewish Federation Plaza building located at 750 Northfield Avenue in West Orange. This ALP application was submitted on April 1, 2022, pursuant to N.J.A.C. 8:33-5.1(a)(5), for the establishment of a new assisted living program. This application is being approved at the total project cost noted above.

The Department has taken into consideration the applicable regulations for the services subject to expedited review (i.e., <u>N.J.A.C.</u> 8:33-5.3 and 8:33H-1.16). The Department finds that Jewish Community Housing, the proposed licensed operator, has

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provided an appropriate project description. The project description includes information as to the total project cost of \$597,075 for staffing and other project costs. The operating costs and revenues were provided, which indicated that by the first year of operation, the total anticipated revenue would be \$608,880 and the expenses would be \$597,075, so the Applicant would show a profit of \$11,805 by the first year. For the second year, the total anticipated revenue would be \$613,150 and the expenses would be \$570,528 so the program would show an increased profit of \$42,622. In terms of services affected, the Applicant stated there would be no negative impact on the service area, and in fact, this new ALP would significantly increase the quality of life and quality of care for the lowincome elderly requiring supportive services in these buildings. There is no specialized equipment involved as this is an ALP providing supportive services to a largely independent population in public housing. The source of funds was listed as grants from foundations, anticipated revenue from Medicaid, and in-kind contributions from Jewish Community Housing, the licensed operator. Utilization statistics project that by the first year of operation, 30 residents would be served, with the expectation that more residents would be served as the ALP continues operation.

The justification for the proposed project (N.J.A.C. 8:33-5.3(a)(1)) referred to the residents in public housing who are aging in place and need support to continue to live independently. The provision of ALP services would enable residents with limited financial resources to remain in this public housing by coordinating needed support services. The Applicant confirmed that all residents, particularly the medically underserved, will have access to services (N.J.A.C. 8:33-5.3(a)(2)) since the mission of this organization is to serve those in need in public housing. Documentation that the Applicant will meet appropriate licensing and construction standards (N.J.A.C. 8:33-5.3(a)(3)(i)) is shown by the project narrative which contains information on the required ALP services. As an ALP, the Applicant would not be required to meet construction standards for a health care facility but will establish an office in each building so that ALP staff are accessible to residents for the provision of these supportive services. In addition, Jewish Community Housing 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)). There were no significant regulatory compliance events reported for the one New Jersey facility which is owned by the Applicant, and there are no out-of-state facilities owned, operated, or managed by the Applicant.

Please be advised that this approval is limited to the application 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 in 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:

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- 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. 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 New Jersey 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 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 a license has been issued by the Certificate of Need and Healthcare Facility Licensure Program to operate this facility. A survey by Department staff will be required prior to commencing services.

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The Department looks forward to working with the applicant to provide high-quality care to the assisted living program residents. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Michael J. Kennedy, Executive Director, Division of Certificate of Need and Licensing at michael.kennedy@doh.nj.gov.

Sincerely,

Robin C. Ford, MS

Robin C. Ford

Deputy Commissioner Health Systems

cc: Stefanie J. Mozgai, DOH (Electronic mail)
Michael J. Kennedy, J.D., DOH (Electronic mail)
Kara Morris, DOH (Electronic mail)
Kiisha Johnson, DOH (Electronic mail)
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