

State of New Jersey DEPARTMENT OF HEALTH PO BOX 360 TRENTON, N.J. 08625-0360

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KAITLAN BASTON, MD, MSc, DFASAM Acting Commissioner

December 4, 2023

VIA U.S. FIRST CLASS & ELECTRONIC MAIL

Kamini Shah SAI RAM 70, LLC 512 Middlesex Avenue Colonia, NJ 07076

> Re: V Care Assisted Living Program CN# ER 2022-05283-08;01 Expansion of Assisted Living Program Total Project Cost: \$50,000 Expiration Date: December 4, 2028

Dear Ms. Shah:

Please be advised that the Department of Health (Department) is approving the application for V Care Assisted Living Program (V Care), owned by SAI RAM 70, LLC (Applicant), which currently provides assisted living program services in Cumberland, Gloucester, and Salem counties, to expand and establish assisted living programs in Camden County. This application, submitted according to <u>N.J.A.C.</u> 8:33-5.1(a)5, 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> 8:33-5.1 and 8:33H-1.7). The Department finds that the Applicant has provided an appropriate project description. The project description includes information as to the total project cost of \$50,000 for the expansion of assisted living services to Camden County. The operating costs and revenues were provided, which reflected that by the end of the first year of operation, total expected revenue would be \$315,590 and total expected expenses would be \$264,890, yielding a profit of \$50,700 after the first year of operation. In terms of services affected, the Applicant states that there is a need for additional assisted living program services at publicly subsidized housing communities in Camden County and that it has identified and reached a preliminary agreement, documented with the application, with one such facility in Camden County. There is no specialized equipment involved as this is an assisted living program providing supportive services to largely independent residents of existing

PHILIP D. MURPHY Governor

TAHESHA L. WAY Lt. Governor V Care Assisted Living Program CN #ER 2022-05283-08;01 Expansion of assisted living program Page 2

publicly subsidized housing communities. The source of funding for the project is the Applicant's cash resources. The Applicant has provided bank statements evidencing that they have access to adequate funding. Utilization statistics project that approximately 25 additional residents will receive assisted living program services by V Care in the first three years of serving the Camden County housing community, with the expectation that more residents would be served as the program 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 assisted living program services would enable residents with limited financial resources to remain in 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)) because 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 assisted living services. As an assisted living program, the Applicant would not be required to meet construction standards for a health care facility, but it will establish an office in each building in which services are provided, as required by N.J.A.C. 8:33H-1.7. In addition, the Applicant 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 V Care and no out-of-state facilities or programs 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 at <u>N.J.A.C.</u> 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 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.

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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 program in Camden County. 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 assisted living program residents. If you have any questions concerning this certificate of need approval, please contact Michael J. Kennedy, Executive Director, Division of Certificate of Need and Licensing at <u>Michael.Kennedy@doh.nj.gov</u>.

Sincerely,

Robin C. Ford

Robin C. Ford, MS Deputy Commissioner Health Systems New Jersey Department of Health

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