



State of New Jersey  
DEPARTMENT OF HEALTH

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KAITLAN BASTON, MD, MSc, DFASAM  
Acting Commissioner

January 30, 2024

**VIA ELECTRONIC & FIRST CLASS MAIL**

Anna Chbihi, LNHA  
Administrator  
Green Hill, Inc.  
103 Pleasant Valley Way  
West Orange, New Jersey 07052

Re: Green Hill, Inc.  
103 Pleasant Valley Way  
West Orange, New Jersey 07052  
CN ER# 2023-05323-07;01  
Relocation and Addition of 50 LTC Beds  
Total Project Cost: \$ 205,000  
Expiration Date: January 30, 2029

Dear Ms. Chbihi:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need application submitted pursuant to N.J.A.C. 8:33-5.1(a)(11), by Green Hill, Inc., a non-profit entity, for the relocation of 50 Long Term Care (LTC) beds to be added to its LTC facility, known as Green Hill, which is currently licensed for 77 beds. The addition of these beds will yield a new combined total of 127 licensed LTC beds at Green Hill.<sup>1</sup> The relocation and addition of the LTC beds to Green Hill, Inc. will be accomplished through the transferring of both the ownership and operating rights of the LTC beds from ASE Healthcare, LLC. These beds are currently not in service, and ASE Healthcare, LLC is not a licensed health care facility, but rather a holding company. The sending county for the proposed beds is Hudson County and the receiving county/ facility is Essex County, the counties are contiguous and within the same planning region as is required pursuant to N.J.A.C. 8:33- 3.4(a)(3)(i).

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<sup>1</sup> Green Hill, Inc. operates a Long-Term Care facility (License #30707) with 77 beds, a Residential Health Care Facility (License #303333) with 48 beds, and a Comprehensive Personal Care Home (License #30C001) with 88 beds, each located at the above address in Essex County.

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 8:33H-1.16). The Department finds that Green Hill, Inc. has provided an appropriate project description. The project description includes information that there is a total project cost of \$205,000 for renovations to include some bathrooms, nurse stations, and a nurse call system. Green Hill, Inc. reported that total revenue for the facility with the additional beds would be \$21,000,000 and the expenses would be \$17,500,000 which shows the facility would achieve a profit within the first year. The Applicant stated that these beds would enable the facility to admit more residents to meet their post-acute needs and long-term care needs. Since this LTC facility is already operational, there is access to any specialized equipment needed for the additional beds. The source of funds was listed as equity from Valley Hill Properties LLC. Based on the projected utilization statistics, Green Hill, Inc. estimates that the additional 50 beds will result in 92% occupancy in the first year, which would be sustained going forward through the second year of operation.

The justification for the proposed project (N.J.A.C. 8:33-5.3(a)(1)) is that the licensed operator will be able to provide continuity of care for residents at their facilities at this location with more availability of LTC beds. In addition, the licensed operator will have increased capacity to meet the needs of residents in the community who want to be admitted to Green Hill for their post-acute care needs and long-term care needs. The Applicant reports there is community support and a demonstrated need for an increase in available LTC services. The Applicant will assure 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 confirm that this residence would be operated in compliance with the regulatory requirement for admission of Medicaid residents. Green Hill, Inc. stated the facility has and will continue to provide access to services for all types of residents from all payor sources without discrimination.

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 Green Hill's past performance in the provision of LTC facility services, and the recent review of the architectural plans for the units where the additional beds will be located. The Department's August 16, 2023, functional review letter for this project confirmed physical plant compliance with LTC regulations for these units. The Applicant provided details on the distribution of these additional beds among three units and estimated that the planned renovations to prepare these areas for occupancy can be completed within six months. In addition, Green Hill, Inc. 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)). Any regulatory compliance events reported in the New Jersey facilities that are owned, managed, or operated by the Applicant have been addressed.

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 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 approved certificate of need is exempt from certificate of need review but 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 a license 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 the 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, the Department may take administrative regulatory action to rescind the approval or refer the matter to the Office of the Attorney General.

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

The Department looks forward to working with Green Hill to provide a high-quality of care to the long-term care residents of its facility. 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](mailto:Michael.Kennedy@doh.nj.gov).

Sincerely,

*Robin C. Ford*

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

cc: Stefanie J. Mozgai, DOH (Electronic mail)  
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