

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

January 12, 2024

VIA ELECTRONIC AND FIRST-CLASS MAIL

Eric Carney President, CEO Monmouth Medical Center- Southern Campus 600 River Avenue Lakewood, NJ 08701

> RE: Monmouth Medical Center–Southern Campus License # 11502 600 River Avenue Lakewood, NJ 08701

> > CN# ER 2019-11165-15,02 Extension of Time to Add Three (3) Adult Acute Involuntary Psychiatric Beds

> > CN# ER 20170702;02 Extension of Time to Add 17 Adult Acute Involuntary Psychiatric Beds

Expiration Date: July 3, 2024 (18 months)

Dear Mr. Carney:

The Department of Health (Department) is approving the Expedited Review Certificate of Need (ERCN) applications, dated October 1, 2022, requesting an extension of time for Monmouth Medical Center – Southern Campus (MMC-SC) to add three Adult Acute Involuntary (closed) Psychiatric beds, to the 17 previously approved, but not yet implemented, bed complement to create a 20-bed involuntary (closed) unit at Barnabas Health Behavioral Health Center, located at 1691 Highway 9 in Toms River. Barnabas Health Behavioral Health Center is currently licensed to operate 60 (20 closed and 40 open) adult acute psychiatric beds, and upon approval to operationalize these additional 20 beds, the licensed capacity will yield a combined total of 80 (40 closed and 40 open)

PHILIP D. MURPHY Governor

TAHESHA L. WAY Lt. Governor Monmouth Medical Center – Southern Campus CN# ER 2019-11165-15,02 CN# ER 20170702;02 Extensions of Time Page 2

adult psychiatric beds. These extensions of time are approved pursuant to <u>N.J.A.C.</u> 8:33-3.10(a)(2) and <u>N.J.A.C</u>. 8:33-5.1(a)(6). There is no anticipated increase in the cost of the project as outlined in the original applications.

MMC's initial Full Review CN (FR 17 0514-13-01) to add the three Adult Acute Involuntary (closed) Psychiatric beds was approved on November 17, 2017, for two years, i.e., until November 17, 2019. On September 18, 2019, MMC submitted an expedited review CN (ER 2019-11165-15,01) for an extension of time, which was approved on August 5, 2020, with an expiration date of January 5, 2023. This extension of time approval is retroactive to that date. ¹

MMC's Expedited Review CN (ER 170702-15;01) for the conversion of 17 unimplemented Adult Acute Voluntary (open) to Involuntary (closed) Psychiatric beds was approved on January 5, 2018, for a period of five years or January 5, 2023. This extension of time approval is also retroactive to that date.

MMC-SC has met the requirements of <u>N.J.A.C.</u> 8:33-3.10(a)(2) and <u>N.J.A.C</u>. 8:33-5.1(a)(6) for the extensions of time to implement CN#s FR 17 0514-13-01 and ER 20170702;01, as additional time is needed to complete both the construction project and licensing process. The licensee reports that MMC-SC was significantly impacted early on due to the COVID-19 pandemic, in which a large number of cases reportedly presented a unique health and public safety challenge that required the hospital to focus its attention on addressing the array of challenging new issues. The applicant further reports that now with a focus on normalizing responses to surges and assuring capacity to address patient demand, MMC-SC will be redeploying time and attention to this project implementation.

Please be advised that this will be the final extension of time approved by the Department for the implementation of the approved beds. If these awarded beds are not ready for inspection and occupancy by the above expiration date, then MMC shall forfeit the ability to seek licensure of these beds.

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 the cost of an approved certificate of need is exempt from certificate of need review subject to the following:

¹ Although two separate ERCN applications were filed, the Department has determined to handle both requests for an extension of time in a single approval letter. The Department believes that this is appropriate as the three beds referenced in CN# ER 2019-11165-15,01 are going to be combined with the 17 beds referenced in CN# ER 20170702;02 and implemented together.

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- 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.

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 for the additional psychiatric beds. A survey by Department staff will be required prior to commencing services.

The Department looks forward to working with the applicant to ensure the facility provides the highest quality of care to the community and patients. If you have any questions concerning this approval, please do not hesitate to contact Michael J. Kennedy, J.D., Executive Director, Division of Certificate of Need and Licensing at Michael.Kennedy@doh.nj.gov.

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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, DOH (Electronic Mail) Kara Morris, DOH (Electronic Mail) Kim Hansen, DOH (Electronic Mail) Luisa Alexopoulos, DOH (Electronic Mail) Theresa D'Errico, DOH (Electronic Mail) Licensing File