



State of New Jersey
DEPARTMENT OF HEALTH
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Lt. Governor

JUDITH M. PERSICILLI, RN, BSN, MA
Commissioner

March 15, 2021

VIA ELECTRONIC & FIRST-CLASS MAIL

Mr. Robert J. Fogg, Esq.
Archer & Greiner
101 Carnegie Center – Suite 300
Princeton, New Jersey 08540

Re: Morris View Healthcare Center
Relocation of Long-Term Care Facility
Beds
CN ER# 2020-2179-14
Total Project Cost: \$ 600,000
Expiration Date: March 15, 2026

Dear Mr. Fogg:

Please be advised that the Department of Health (Department) is approving the application of Morris View Management Co., LLC, submitted on January 2, 2020, for the relocation of long-term care (LTC) beds from a facility in Essex County to one in Morris County. Since the counties are contiguous, this relocation is occurring within the same planning region as required under N.J.A.C. 8:33-3.4(a)(3) and subject to expedited review pursuant to N.J.A.C. 8:33-5.1(a)(11). Specifically, this application relates to the relocation of 50 existing LTC beds from Alaris Health at Essex (License# 060736) to Morris View Healthcare Center (License# 061411). Alaris at Essex is a LTC facility with 201 LTC beds and 11 ventilator licensed beds and is located at 155 Fortieth Street in Irvington, Essex County. Morris View Healthcare Center is a LTC facility with 283 LTC beds currently and is located at 540 West Hanover Avenue in Morris Plains, Morris County. This application is being approved at the total project cost noted above.

In accordance with N.J.A.C. 8:33-3.4(a)(3)(i), the Department has confirmed that this relocation is taking place within the same planning region where the sending facility is located. The Department also confirms this relocation is in compliance with N.J.A.C. 8:33-3.4(a)(3)(ii) which stipulates the receiving facility shall already hold a license for the category of beds proposed for the relocation. The Department also believes that the relocation will not have an adverse impact on the ability of the population currently being served in the sending facility's service area to access these type of services, and will not reduce access to the medically underserved (N.J.A.C. 8:33-3.4(a)(3)(iii) and (iv)). This is because the Department believes that even with the relocation of beds, an adequate number of LTC beds will remain in Essex County. The Department further

believes that the relocation of beds will not have an adverse impact on the quality of care at either the sending or receiving facility (N.J.A.C. 8:33-3.4(a)(3)(v)), as both facilities are equipped to handle the transaction. While N.J.A.C. 8:33-3.4(a)(3)(vi) requires that the relocation of beds not result in a facility with more than 240 beds, it is noted that Morris View Healthcare Center already exceeds this number of licensed beds. Therefore, the limit should not apply as this should not have an adverse impact on the care provided to residents. Finally, in accordance with N.J.A.C. 8:33-3.4(a)(3)(vii), this relocation does not violate a condition of a prior certificate of need approval for the establishment of beds.

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 8:33-5.4(a)(2)), and finds that Morris View Management Co., LLC, the proposed licensed operator, has provided an appropriate project description. The project description includes information as to the total project cost, operating costs and revenues, services affected, equipment involved, 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)(3)(i)). In addition, Morris View Management Co., LLC 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)).

Pursuant to the criteria set forth in N.J.A.C. 8:33-5.3(a)(2), Department staff have determined that there will not be an adverse impact on the ability of either the general population currently being served or the medically underserved in accessing residential LTC services in Essex County as a result of the relocation of these 50 LTC beds to Morris County as part of the overall component of LTC beds. A separate expedited review certificate of need application has been submitted to replace the 50 LTC beds at Alaris at Essex with LTC beds from a holding company, so there will be no net reduction in LTC care beds in Essex County as a result of this relocation. In addition, the ultimate relocation of 50 additional beds to Morris County will not have a significant impact on the total beds in Morris County, as this would only be an overall increase of 1.6 percent to the beds in that county.

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:

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 Department's 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.

Furthermore, pursuant to N.J.A.C. 8:33H-1.15(a), this approval to relocate LTC beds to Morris View Healthcare Center will be subject to the utilization requirements for Medicaid-eligible residents and former psychiatric patients, or a higher standard if one was imposed on a previous certificate of need approval for any of the beds being relocated to this facility.

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 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 of any municipality 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 the additional LTC beds at 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 of care to the long-term care residents. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Maria Christensen, Assistant Commissioner, Division of Certificate of Need and Licensing at Maria.Christensen@doh.nj.gov.

Sincerely,



Marcela Ospina Maziarz, MPA
Deputy Commissioner
Health Systems

cc: Benjamin Kurland – Morris View (electronic copy)
Maria Christensen, DOH (electronic copy)
Felicia Harris, DOH (electronic copy)
Pamela Lebak, DOH (electronic copy)
Ellen Kenny, DOH (electronic copy)