



State of New Jersey
DEPARTMENT OF HEALTH

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Governor

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Lt. Governor

KAITLAN BASTON, MD, MSc, DFASAM
Commissioner

March 27, 2025

VIA U.S. FIRST CLASS & ELECTRONIC MAIL

Richard Pineles, Managing Member
Bergen Passaic LTACH, LLC
55 South Newman Street
Hackensack, NJ 07601

Re: Bergen Passaic Long Term
Acute Care Hospital
Extension of Time and Change in
Scope/Location to Establish a Long Term
Acute Care Hospital Within a Hospital
CN# ER 20040905;08
Total Project Cost: \$4,723,556.80
Expiration Date: September 27, 2026

Dear Mr. Pineles:

Pursuant to N.J.A.C. 8:33-5.1(a)(2), N.J.A.C. 8:33-5.1(a)(6), and N.J.A.C. 8:33-5.1(a)(12) the New Jersey Department of Health (Department) is approving the expedited review certificate of need (ERCN) application for an extension of time, change of scope, and change of location within the same planning region for Bergen Passaic LTACH, LLC (Bergen Passaic), d/b/a Bergen Passaic Long Term Acute Care Hospital (Facility), to establish a Long-Term Acute Care Hospital with 30 Long Term Acute Care beds. These beds were originally awarded through a full review Certificate of Need (CN) on December 10, 2004 (CN # 040905-02-43). This application (CN # ER 20040905;08) submitted on October 1, 2023, is being approved at the project cost noted above with an expiration date of 18 months after the approval date.

By way of history, the original certificate of need, which was granted on December 10, 2004, for the establishment of a 72-bed freestanding long-term acute care hospital at the facility in Bergen County, was set to expire on December 10, 2006. However, the CN

was extended to June 10, 2008, then to December 10, 2009, and further extended by the Permit Extension Act of 2008 (Act), P.L. 2008, c. 78, as amended by P.L. 2009, c. 336, P.L. 2012, c. 48, and P.L. 2014, c. 84. The Act was signed on September 6, 2008, and provided that, for a CN specific to development in existence during the period of time from January 1, 2007, through July 1, 2010, the running period of the approval was automatically suspended for the extension period through July 1, 2010. Amendments to the Act extended the expiration date of the Permit Extension Act through December 31, 2012, and December 31, 2015, respectively. Pursuant to the Act, as amended, the expiration date of CN# ER 040905-02-43 was extended through June 30, 2016. Thereafter, following the expiration of the Act, the Department further extended the CN to June 29, 2018, to January 24, 2020, to July 24, 2021, to January 24, 2023, and to November 19, 2023.

The current extension of time application for the Certificate of Need (CN) includes a change in scope, pursuant to N.J.A.C. 8:33-5.1(a)(2) as the facility is transitioning from the original plan of a 72-bed freestanding long-term acute care (LTAC) hospital in Bergen County to a 30-bed LTAC hospital within an existing hospital of St. Joseph's Wayne Medical Center at 224 Hamburg Turnpike, Wayne, NJ 07470 in Passaic County. This shift was driven by an extensive legal process involving the Hackensack Zoning Board, as well as the Centers for Medicare and Medicaid Services (CMS), which instituted a moratorium on establishing new LTAC facilities between 2008 and 2017. Following the moratorium, it became financially unfeasible to pursue a freestanding facility, prompting a partnership with an acute care hospital as a viable alternative. Justifiably, the Department identified a need for LTAC beds and services in 2004 and is now extending the CN for an additional 18-month period from the date of this letter to accommodate the revised project timeline.

The decision to approve the facility's extension application is based on a review of the documents submitted, which includes an agreement with Bergen Passaic LTACH, LLC and Hackensack Meridian Health in conjunction with St. Joseph's Wayne Medical Center whereby the facility proposes to establish a hospital-within-a-hospital to be located at St. Joseph's Wayne Medical Center in Wayne, NJ. In response to the current submission, the Department is granting this extension of time. Any beds not licensed upon the expiration of this extension of time will be considered unimplemented and therefore void.

Please be advised that this will be the final extension of time approved by the Department to establish a Long-Term Acute Care Hospital with 30 Long Term Acute Care beds. If these beds are not survey ready for occupancy by the aforementioned expiration date, the Applicant will forfeit the ability to seek licensure of these beds.

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 the 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.

The Department, in approving this application, has relied solely on the facts and information presented to us. We have 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 this 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 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 changes in beds or services may not commence until a license application and amended license have been approved by the Certificate of Need and Healthcare Facility Licensure Program. A survey by Department staff may also be required prior to approving the changes and commencing services.

If you have any questions concerning this 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.

Bergen Passaic Long Term Acute Care Hospital

CN# ER 20040905;08

Extension of Time and Change in Scope/Location to Establish a Long-Term Acute Care Hospital
Within a Hospital

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Sincerely,

A handwritten signature in black ink, appearing to read 'Jeff Brown', written in a cursive style.

Jeff Brown
Deputy Commissioner
Health Systems
New Jersey Department of Health

C: Stephanie J. Mozgai, DOH (Electronic mail)
Michael J. Kennedy, J.D., DOH (Electronic mail)
Luisa Alexopoulos, DOH (Electronic mail)
Kara Morris, DOH (Electronic mail)
Kim Hansen, DOH (Electronic mail)
Antonella Ventura, DOH (Electronic mail)
Daniel Addy, DOH (Electronic mail)
Ramon Santiago, DOH (Electronic mail)
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