



State of New Jersey
DEPARTMENT OF HEALTH

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Governor

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Lt. Governor

DR. RAYNARD E. WASHINGTON
Commissioner

July 15, 2026

VIA FIRST CLASS AND ELECTRONIC MAIL

Warren Connelly
Executive Vice President
Praesum Healthcare
352 Volley Ct.
Wall, New Jersey 07719

Re: Praesum Healthcare Services, LLC
CN # ER 2025-06382-15;01
Extension of Time: Establish Psychiatric
Hospital with 40 Psychiatric beds (20 Open
& 20 Closed)
Project Cost: \$6,169,718.07
Change of Cost: \$10,695,749.00
Expiration date: November 30, 2026

Dear Mr. Connelly:

Pursuant to N.J.A.C. 8:33-5.1(a)(6), the New Jersey Department of Health (Department) is approving the expedited review certificate of need (ERCN) application for an extension of time for Praesum Healthcare Services, LLC (Praesum), to establish a new acute care psychiatric hospital with 40 adult acute care psychiatric beds (20 open/voluntary & 20 closed/involuntary). Once completed, the hospital will be known as Abseil Heights at Toms River.

These beds were originally approved through a full review Certificate of Need (CN #FR 17-0512-15-22) on November 17, 2017. The approval was effective for two years and was scheduled to expire on November 17, 2019.

The first extension of time (CN #ER 2019-9159-15;01) was approved on February 5, 2020, extending the approval through December 31, 2022. On December 12, 2022, the Department issued a memorandum extending the approval for all psychiatric beds approved on November 17, 2017, through June 30, 2023, resulting in a second extension of time.

The third extension of time (CN #ER 2019-9159-15;02) was approved on July 21, 2023, with a retroactive effective date of June 30, 2023, and an expiration date of January 31, 2024. The fourth extension of time (CN #ER 2019-9159-15;03) was approved on July 11, 2024, with a retroactive effective date of January 31, 2024, and an expiration date of June 30, 2025. The current extension of time application was submitted on May 30, 2025. Consequently, this approval is retroactive to May 30, 2025, and will expire on November 30, 2026.

The current request for an extension of time was submitted to allow for additional time to achieve full compliance with the requirements of N.J.A.C. 8:43G governing psychiatric hospitals. According to the applicant, additional time is needed to complete staff onboarding and training, finalize the civil commitment process, secure medication management services, and demonstrate compliance with all applicable requirements of the Division of Mental Health and Addiction Services.

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

Sincerely,



Neil Eicher
Deputy Commissioner
Health Systems

- c: Kimberly Hansen, DOH (Electronic Mail)
Luisa Alexopoulos, DOH (Electronic mail)
Antonella Ventura, DOH (Electronic Mail)
Daniel Addy, DOH (Electronic Mail)
Denise Baxter-Still, DOH (Electronic Mail)
Joe Baldassarre, Praesum Healthcare (Electronic Mail)