

PUBLIC NOTICE

HEALTH

THE COMMISSIONER

Notice of Cancellation of Certificate of Need Call for New General Long-Term Care Beds and Services

Take notice that, in compliance with N.J.S.A. 26:2H-1 et seq., Cathleen D. Bennett, Commissioner, New Jersey Department of Health (Department), hereby publishes notice that the July 1, 2016, call for certificate of need (CN) applications for general long-term care beds and services in accordance with the provisions of N.J.A.C. 8:39 and N.J.S.A. 26:2H-1 et seq., is hereby cancelled. In accordance with departmental procedures as set forth at N.J.A.C. 8:33-4.1(a), the Department has reviewed the Centers for Medicare and Medicaid (CMS) Nursing Home Data Compendium (2014 Edition) (Compendium) and has determined that additional general long-term care beds and services are not needed at this time. The Compendium provides data on the trends in the number of nursing homes in the Medicare and Medicaid programs, which comprises the vast majority of nursing homes nationally, and on the number of residents in these homes. Sources of data relied on by CMS include United States population data from the United States Bureau of the Census and CMS reporting data.

According to the Compendium, the number of nursing homes in New Jersey has remained relatively stagnant from 2010 (360 facilities) to 2014 (361 facilities), while the average percentage of CMS-certified beds occupied in those facilities has decreased from 88.8 percent in 2010, to 86.6 percent in 2014. The Department's Certificate of

Need Policy Manual for Long Term Care Services provides that the targeted annual occupancy rate for nursing homes is 90 percent. N.J.A.C. 8:33H-1.9(a). Because the average occupancy rate for nursing homes in New Jersey continues to be below the targeted annual occupancy rate established by the Department, additional general long-term care beds and services are not needed at this time.

It should also be noted that, according to the New Jersey Department of Human Services report to the Medical Assistance Advisory Council on June 15, 2016, the population of residents in nursing homes has declined by approximately 1,000 as a result of the continued development of Home and Community-Based Services. The New Jersey Add-a-Bed program has permitted incremental increases in several areas of the State for many years and will permit industry growth as necessary. As the drive towards an increase in Home and Community-Based Services continues, the Department anticipates that the trend of declining nursing home occupancy will continue.

Accordingly, it is necessary to cancel the call for new and expanded general long-term care beds and services. In accordance with N.J.A.C. 8:33-4.1(a), the next scheduled call for general long-term care beds and services will be July 1, 2019. The Department will continue to monitor the utilization and availability of general long-term care beds and, should the need arise, issue a future call for these services prior to July 1, 2019.