

DEPARTMENT OF HEALTH

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PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER Lt. Governor

www.nj.gov/health

SHEREEF M. ELNAHAL, MD, MBA Commissioner

July 18, 2018

VIA ELECTRONIC AND FIRST-CLASS MAIL

Deborah A. Peterson Administrator Home for Armenian Aged, Inc. 70 Main Street Emerson, NJ 07630

Re:

CN# ER 130301-02-02 E/T Home for Armenian Aged, Inc. d/b/a Armenian Nursing & Rehabilitation Center

Total Project Cost: \$7,700,000 Expiration Date: July 18, 2023

Dear Ms. Peterson:

Please be advised that the Department of Health (Department) is approving Home for Armenian Aged, Inc.'s (Armenian) application, submitted on June 1, 2018, pursuant to N.J.A.C. 8:33-5.1(a)(6), for a first extension of time for CN# ER 130301-02-02, which is due to expire on July 24, 2018. As you are aware, the original certificate of need (CN) granted on July 24, 2013, was for the relocation of 24 long term care (LTC) beds to Armenian, which beds Armenian acquired in three separate transactions. On January 11, 2011, Armenian acquired ten LTC beds from Margaret Anna Cusack Care Center, located in Hudson County. On March 11, 2011, Armenian acquired ten LTC beds from Jewish Home at Rockleigh, located in Bergen County. The remaining four LTC beds were acquired by Armenian from Lakeland Holding Company, LLC, and had originated in Passaic County. Be advised, your certificate of need is now extended for an 18-month time period, as noted above. However, if after this period the applicant requires any additional extension, a new demonstration/documentation of need will be required to be submitted.

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The decision to approve Armenian's extension application is based on a review of the documents you submitted, including information on the potential merger with another not-for-profit entity which would provide Armenian with additional capital and operating efficiencies.

The total project cost originally fixed at \$975,000 has been adjusted to \$7,700,000. This project cost will be financed by equity and a bank loan. Please be advised that this approval is limited to the proposal as presented and reviewed. An additional review by the Department of Health (Department) may be necessary if there is any change in scope as defined in N.J.A.C. 8:33-3.9. However, in accordance with N.J.A.C. 8:33-3.9(a) 1-3, a change of cost of an approved certificate of need is exempt from certificate of need review but 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 license 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 the beds/services until the additional fee is remitted in full.

This approval is not intended to preempt in any way any municipality's authority to regulate land use within its borders and shall not be used by you 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 such time as a license has been issued by the Certificate of Need and Healthcare Facility Licensure Program.

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. Issues involving reimbursement are solely between the facility and the third party payer. The Department is neither a party to such matters nor an arbiter of disputes between the parties.

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The Department, in approving this application, has relied solely on the facts and information presented to us. The Department offers no opinion as to whether the proposed ownership or business organization is in compliance with the Codey Act, Board of Medical Examiners administrative rules, the federal anti-referral (Stark) and federal anti-kickback laws. 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 appropriate administrative regulatory action to rescind the approval or refer the matter to the Office of the Attorney General.

We look forward to working with you and helping you to provide a high quality of care to your residents. If you have any questions concerning this certificate of need or regarding the licensure of these 24 LTC beds, please do not hesitate to telephone Mr. John A. Calabria, Director, Certificate of Need and Healthcare Facility Licensure Program, at (609) 292-8773.

Sincerely,

Marcela Ospina Maziarz, MPA Deputy Commissioner

Health Systems

cc: John A. Calabria (By Electronic Mail)
Susan Kelley (By Electronic Mail)
Louisa Steska (By Electronic Mail)
Alison Gibson (By Electronic Mail)
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