



State of New Jersey
DEPARTMENT OF HEALTH
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DR. RAYNARD E. WASHINGTON
Acting Commissioner

January 30, 2026

VIA ELECTRONIC & FIRST-CLASS MAIL

Mary Ellen Clyne, Ph.D.
President and CEO
Clara Maass Medical Center
One Clara Maass Drive
Belleville, New Jersey 07109

Re: Clara Maass Medical Center
CN # ER 2024-10361-07;01
Relocation of twenty-one (21) adult acute
closed psychiatric beds and
fifteen (15) adult acute open psychiatric
beds
Total Project Cost: \$19,920,500

Dear Dr. Clyne:

Pursuant to N.J.A.C. Chapter 8:33, the Department of Health (Department) is denying the Expedited Review Certificate of Need (ERCN 2024-10361-07;01) application that was received on October 1, 2024, for Clara Maass Medical Center (Facility or Applicant), a general acute care hospital located in Essex County at One Clara Maass Drive, Belleville, New Jersey 07109. The application sought to relocate twenty-one (21) adult acute closed psychiatric beds and fifteen (15) adult acute open psychiatric beds from Jersey City Medical Center (JCMC) to Clara Maass Medical Center (CMMC).

The facility is currently licensed to operate both open and closed adult acute psychiatric beds and seeks approval for the relocation of the above-described psychiatric beds. According to the applicant, the proposed relocation would allow for the creation of a "Behavioral Health Center of Excellence" through the consolidation of psychiatric beds, which the applicant states would enhance regional healthcare accessibility and efficiency, offer advantages to patients and the communities served, and support the development of a clinical support care team with expanded competencies and resources.

According to the applicant, the proposed project involves the renovation of existing space on the second and third floors of the Continuing Care Building within the hospital. The plan would result in the creation of forty-two (42) psychiatric beds, consisting of thirty-six (36) semi-private rooms and six (6) private rooms, along with associated staff, and patient support spaces, including activity areas, a seclusion room, a dining room, and a staff lounge. The current proposal aims to relocate thirty-six (36) psychiatric beds from JCMC, with the construction of forty-two (42) beds

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intended to accommodate the relocation of beds to CMMC and provide additional capacity for six (6) beds to address future growth needs.

The applicant further reports that existing outpatient services would continue to be provided at JCMC; including integrated case management services (ICMS); intensive outpatient treatment (IOP) and support services (mental health IOP); adult partial hospitalization programs (PHP), residential services (group home) and supportive housing; and additional programs such as medication management, therapy services, and a Living Room Model program focused on pediatric patients. The applicant also indicates that JCMC at the Greenville location would continue to offer the Living Room Model program, referred to as Hope Hub, for pediatric screening services, as well as Mental Health and Social Services for the Homeless (MASSH-PATH), and a Trauma Recovery Center. In addition, the applicant states that outpatient youth access through school-based youth intervention programs designed to assist the high school students with social, behavioral, and addiction concerns at five (5) high schools, and that the Psychiatric Emergency Services, including the Emergency Department Peer Support program, would remain at JCMC.

Upon careful review and consideration, the Department is denying Clara Maass Medical Center's application for the reasons set forth below.

1. The application does not provide sufficient justification for the expedited review pursuant to N.J.A.C. 8:33-5.1(b), which states that the expedited review process may be used in lieu of the full review process only in limited circumstances, including:
 - (a.) emergency situations requiring rapid action; or
 - (b.) projects that have minimal impact on the health care system as a whole.

The Department's review and consideration concludes that the request to relocate all psychiatric beds is not justified under the applicable regulatory criteria outlined above. Pursuant to N.J.A.C. 8:33-5.1(b), the expedited review process may be used in lieu of the full review process only under limited circumstances, specifically for emergency situations or for projects that have minimal impact on the healthcare system. The proposed relocation of all psychiatric beds, both opened and closed, from JCMC in Hudson County to CMMC in Essex County would have a significant impact on the healthcare system as a whole, which is identified in the information provided below.

2. The proposed relocation would result in the removal of all remaining Short-Term Care Facility (STCF) designated beds in Hudson County to Essex County.

The Division of Mental Health and Addiction Services Home (DMHAS) designates STCF beds to serve a specific geographic area within each county. In consultation with DMHAS, the Department was informed that JCMC is the only facility in Hudson County with STCF beds. Therefore, removing all STCF beds from JCMC would result in Hudson County no longer having any STCF beds physically located within the county. Currently, Essex County has six (6) licensed facilities with designated STCF beds. Based on data provided from DMHAS, JCMC currently has a psychiatric emergency department boarding rate exceeding 40% of episodes involving civil commitment, even with STCF beds onsite. During state fiscal year 2025, there were 523 episodes within Hudson County that involved the boarding of persons in need of STCF and related levels of care. DMHAS

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indicated these rates are atypical in New Jersey, indicating that there is a significant need for these acute care beds for Hudson County. Relocating those beds to another county is expected to exacerbate this issue, increasing delays in screening center transfers and reducing access for Hudson County residents. A relocation of these beds would force patients and families to seek care outside their own county. According to DMHAS, STCF standards require the availability of clinical staff at least two days per week to support family engagement. The relocation would make it significantly more difficult for families to remain involved, particularly for low-income households in Hudson County.

3. The relocation of thirty-six (36) psychiatric beds from Hudson County to Essex County would reduce the total number of psychiatric beds in Hudson County to forty-five (45) beds.

Due to the recent closure of Heights University Hospital without approval from the Department, Hudson County has lost twenty (20) psychiatric beds. This sudden closure leaves the county with a total of eighty-one (81) psychiatric beds, distributed among Hoboken University Hospital, Bayonne University Hospital, and JCMC as of November 15, 2025. Heights University Hospital was also located in Jersey City, approximately two (2) miles from JCMC. Considering Jersey City's dense population of approximately 302,824¹ people, it is likely that JCMC will absorb these patients, potentially leading to an increased demand for psychiatric bed capacity.

4. The data submitted in response to completeness questions dated August 1, 2025, indicate travel times between JCMC and CMMC ranging from twenty-two (22) to seventy-eight (78) minutes, with an average of more than thirty-five (35) minutes, which may increase the risk of adverse patient outcomes.

The Department has several concerns regarding CMMC's proposal to relocate both open and closed adult psychiatric beds from JCMC to CMMC, especially due to the significant impact it would have on the healthcare system as a whole. Although RWJBH has indicated CMMC is currently exceeding psychiatric bed capacity, reallocating resources from other counties would not resolve the underlying problem and could intensify the issue within other counties. Consequently, in accordance with N.J.A.C. 8:33, the Department is denying Clara Maass' Expedited Review Certificate of Need.

The Department has relied solely on the facts and information presented in the facility's application and completeness question responses to render its determination. If material facts have not been disclosed or have been misrepresented, the Department may take appropriate administrative regulatory action to remedy this situation.

Pursuant to N.J.S.A. 26:2H-9, if the Commissioner denies a certificate of need application, the applicant may request a hearing pursuant to the Administrative Procedure Act, P.L. 1968, c.410 (N.J.S.A. 52:14B-1 et seq.) and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

¹ Population estimated July 1, 2024, by Department of Labor & Workforce Development

<https://www.nj.gov/labor/labormarketinformation/demographics/population-household-estimates>

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A request for a hearing shall be made to the Department within 30 days of receipt of notification of a decision for denial. The hearing shall be conducted according to the Administrative Procedure Act, N.J.S.A. 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1.1 et seq., and the record shall be limited to the documentary evidence presented to the reviewing agencies. The Department shall arrange, within 60 days of a request, for a hearing, and after such hearing, the Commissioner or her designee shall furnish the applicant in writing the hearing examiner's recommendations and reasons. Within 30 days of receiving all appropriate hearing records, the Commissioner shall make their determination, which shall be a final agency decision.

If you have any questions regarding this matter, contact Michael Kennedy, Esq., Executive Director of the Certificate of Need and Healthcare Facility Licensure Program at Michael.Kennedy@doh.nj.gov.

Sincerely,



Michael J. Kennedy, Esq.
Executive Director
Certificate of Need and Healthcare Facility
Licensure Program
New Jersey Department of Health

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