State of New Jersey
DEPARTMENT OF HEALTH
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Commissioner

July 20, 2026

VIA ELECTRONIC & FIRST-CLASS MAIL

Sarah Ur, MMH, LNHA
Administrator
Dwelling Place at St Clares
400 West Blackwell Street
Dover, New Jersey 07801

Re: Dwelling Place at Saint Clare's
License # NJ11402L
400 West Blackwell Street
Dover, New Jersey 07801
CN # 2025-02370-14;01
Expedited Review -
Addition of Ten (10) Ventilator Care Beds
Total Project Cost: $0
Expiration Date: July 20, 2031

Dear Ms. Ur:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need (ERCN) application submitted by Prime Healthcare Services – Saint Clare's LLC for the addition of ten (10) Ventilator Care beds at Dwelling Place at Saint Clares, a licensed Long Term Care (LTC) facility located at the above-referenced address in Morris County. The facility is currently licensed for twenty-four (24) Ventilator Care beds and four (4) Ventilator Care beds with Hemodialysis. As a result of this approval, the facility's authorized capacity may be increased to thirty-four (34) Ventilator Care Beds and four (4) Ventilator Care beds with Hemodialysis. Pursuant to N.J.A.C. 8:33-5.1(b), this application is being approved as the project has minimal impact on the health care system as whole. This application is being approved without any total project cost as noted above.

The Department has considered the applicable regulations for the services subject to expedited review (i.e., N.J.A.C. 8:33-5.3 and N.J.A.C. 8:33H-1.6). The Department finds that the Prime Healthcare Services – Saint Clare's LLC, the licensed operator, has provided an appropriate project description. There is no total project cost associated with adding the (10) Ventilator Care beds, as the project will not require any construction or renovation. The additional beds will be

accommodated within existing underutilized space. The operating costs and revenues were provided, which reflect that by the end of the first year of operation of the additional ten (10) Ventilator Care beds, total expected revenue would be $7,846,612.00 and total expected operating costs of $7,142,816.00, for a profit of $703,796.00. The Applicant stated that these beds would enable the facility to admit more residents to meet their specialized long-term care needs. Because this LTC facility is already operational, there is access to any specialized equipment needed for the additional beds. Based on the projected utilization statistics, Prime Healthcare Services – Saint Clare's LLC estimates that the additional ten (10) beds will result in full capacity in the first year, which would be sustained going forward through the second and third year of operation.

The justification for the proposed project (N.J.A.C. 8:33-5.3(b)) is that the licensed operator is the only specialized LTC facility providing ventilator care throughout Morris County, with the facility receiving referrals from bordering counties, including but not limited to Warren County, Hunterdon County, and Sussex County. The facility has a documented history of occupancy and will continue to provide access of specialized long-term care needs to long-term care patients in the Morris County Planning Region with more availability of Ventilator Care beds. This project does involve a net addition of long-term care capacity in the service area; however, the ten (10) additional licensed beds will only yield a positive outcome, due to the limited number of providers currently providing specialized ventilator care, there will be minimal negative impact by the approval of this project. In addition, the Applicant will assure that all residents of the area, particularly the medically underserved, will have access to services (N.J.A.C. 8:33-5.3(a)(2)), and confirmed that this residence would be operated in compliance with the regulatory requirement for admission of Medicaid residents. Prime Healthcare Services – Saint Clare's LLC has stated that the facility has and will continue to provide access to services for all types of residents from all payor sources without discrimination.

The Applicant's proposal indicates that no construction will be required for the (10) total additional beds. Architectural plans were submitted for review by the Department, which determined the proposed space met physical plant compliance with State healthcare facility licensing requirements. The existing LTC facility is located on the third floor of Saint Clare's Hospital (Hospital) [License #11402] with separation of the two facilities by a secured door so that the LTC facility functions independently from the Hospital. The Department notes the two facilities are related by common ownership. Five (5) of the additional Ventilator Care beds will be in existing vacant rooms of the LTC facility. The remaining five (5) Ventilator Care beds will be in rooms within the connecting Hospital wing that will be converted to expand the existing LTC facility. In addition, Prime Healthcare Services – Saint Clare's LLC, has demonstrated a track record of substantial compliance with the Department's licensing standards (N.J.A.C. 8:33-5.3(a)(3)(ii)).

Please be 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, in accordance with N.J.A.C. 8:33-3.9(a) 1-3, a change in 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, 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 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 to operate the additional beds at this facility. A survey by Department staff will be required prior to commencing services.

The Department looks forward to working with the applicant to provide a high quality of care to patients needing long-term care services. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Michael J. Kennedy, Executive Director, Certificate of Need and Healthcare Facility Licensure Program at Michael.Kennedy@doh.nj.gov.

Sincerely,

Neil Eicher
Deputy Commissioner
Health Systems
New Jersey Department of Health

C: Kimberly Hansen, DOH, (Electronic mail)
Carol Hamill, DOH (Electronic mail)
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Antonella Ventura, DOH (Electronic mail)
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Licensing File