

State of New Jersey
DEPARTMENT OF HEALTH
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Commissioner

September 11, 2026

VIA ELECTRONIC AND FIRST-CLASS MAIL

Vito Buccellato
President & Chief Hospital Executive
Jersey Shore University Medical Center
1945 State Route 33
Neptune, New Jersey 07753

Re: Jersey Shore University Medical
Center
ERCN # 2024-11364-13;01
Addition of 16 Neonatal Intensive
Care Bassinets
Total Project Cost: \$5,000,000
Expiration Date: September 11, 2031

Dear Mr. Buccellato:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need (ERCN) application submitted on November 12, 2024, for Jersey Shore University Medical Center (JSUMC or the Hospital), a general acute care hospital located in Monmouth County at 1945 State Route 33, Neptune, New Jersey 07753, for the addition of 16 neonatal intensive care unit bassinets (NICU or Intensive bassinets). JSUMC is currently licensed for 20 neonatal intensive care bassinets. This application is being approved at the total project cost noted above.

Justification for the proposed project, as per N.J.A.C. 8:33-5.3(a)(1), is found in the Hospital's desire to address the increase in demand and alleviate its consistent need for surge capacity in its NICU. Jersey Shore University Medical Center has averaged 517 NICU admissions a year from 2022 to 2023. From 2023 to 2024, JSUMC's Intensive bassinet occupancy was an average of 126%. Due to the high volume of patients, JSUMC states that they potentially lost referrals as Maternal Fetal Medicine was unable to accept pregnant mothers due to lack of either available maternity beds or NICU beds.

To accommodate the volume of patients, JSUMC enacted a surge plan in an effort to allow patients to stay with their physician and remain close to home. JSUMC asserts that a 70% occupancy rate in the NICU would provide optimal care delivery and allow for bassinet availability to accept transfers if needed. A review of JSUMC's occupancy data revealed that the NICU operated at or above 100% capacity for 9 months in 2023 and 8 months in 2024. Based on this analysis, JSUMC would require an average of 16 additional intensive bassinets to operate at a 70% occupancy level. Maintaining 70% occupancy would enable JSUMC to accept additional transfer patients in case of surge events.

The applicant submitted letters from the Central Jersey Family Health Consortium (Consortium), dated October 29, 2024, and March 25, 2025, in support of JSUMC's request to add 16 intensive care bassinets. According to the Consortium, the additional bassinets will not significantly impact other area providers, as surrounding hospitals currently rely on JSUMC's NICU for patient transfers.

JSUMC asserts that the approval of this application will have no negative impact on the existing healthcare system as it is consistently at or exceeding its NICU capacity each month, and the requested bassinets are to support the patient volume that its staff is already managing. Furthermore, Monmouth Medical Center (MMC), another Regional Perinatal Center in Monmouth County, is also experiencing above-capacity admissions to its NICU. MMC's Intensive bassinet occupancy rate was 136% in 2023 and 140% in 2024. Based on the above data, the Department concludes that the addition of these 16 Intensive bassinets will have minimal impact on the health care system as a whole, thus meeting the criteria at N.J.A.C. 8:33-5.1(b)(2).

The Department has taken into consideration the applicable regulations for the services subject to expedited review (i.e., N.J.A.C. 8:33-5.3). As it pertains to the provisions of N.J.A.C. 8:33-5.3(a)(1), Jersey Shore University Medical Center has provided an appropriate project description, including information about the total project cost of \$5,000,000 to add these bassinets. The operating cost and revenues were provided, which were reflected by the first year of operation, the total revenue would be \$14,190,449 and \$10,996,341 for operating costs, which project a profit of \$632,812 within the first twelve months. The source of funds has been identified as available cash from JSUMC. Utilization statistics project 175 admissions a year with an average stay of 23 days, projecting a total of 4,015 patient days in the first year, with 1.7% organic market growth in the second and third year.

N.J.A.C. 8:33-5.3(a)(2), requires an assurance that all residents of the area, particularly the medically underserved, will have access to services. JSUMC meets the standards of N.J.A.C. 8:33-5.3(a)(2), as approximately 36% of JSUMC's obstetrical patients are Medicaid, Medicaid Managed Care, self-pay or charity care patients. In addition, JSUMC has provided documentation that it will meet appropriate licensing and construction standards per N.J.A.C. 8:33-5.3(a)(3)(i) as Department architects reviewed

the proposed plans and deemed it compliant with physical plant requirements. Additionally, JSUMC has demonstrated a track record of substantial compliance with the Department's licensing standards set forth in N.J.A.C. 8:33-5.3(a)(3)(ii) as there were no significant regulatory compliance events reported in the New Jersey facilities that are owned, operated, or managed by the Applicant.

This approval is limited to the proposal 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 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, approving this application, has relied solely on the facts and information presented to us. 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 administrative regulatory action to rescind the approval or refer the matter to the Office of the Attorney General.

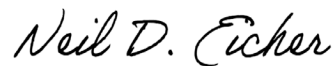
Any approval granted by this Department relates to certificate of need and/or licensing requirements only and does not imply acceptance by a reimbursing entity. This document is not intended as an approval of any arrangement affecting reimbursement or any remuneration involving claims for health care services.

This approval is not intended to preempt in any way the authority 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 changes in beds or services may not commence until a license application and amended license have been approved by the Certificate of Need and Healthcare Facility Licensure Program. A survey by Department staff may also be required prior to approving the changes and commencing services.

The Department looks forward to working with the applicant to provide high quality care to your patients. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Rebecca Nazario-Straffi, Assistant Commissioner, Division Certificate of Need and Licensing via email at Rebecca.nazario-straffi@doh.nj.gov.

Sincerely,

A handwritten signature in black ink that reads "Neil D. Eicher". The signature is written in a cursive, flowing style.

Neil Eicher
Deputy Commissioner
Health Systems
New Jersey Department of Health