



State of New Jersey
DEPARTMENT OF HEALTH

PHILIP D. MURPHY
Governor

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KATHAN BASTON MD, MSc, DFASAM
Commissioner

TAHESHA L. WAY
Lt. Governor

CAREPOINT HEALTH BAYONNE MEDICAL CENTER :
(NJ Facility ID# NJ10901) :

INFORMATION REQUIREMENT
ORDER

TO: Dr. Mohammad A. Zubair, Administrator
CarePoint Health Bayonne Medical Center
29 E. 29th Street
Bayonne, New Jersey 07002
Mohammad.Zubair@carepointhealth.org

Dear Dr. Zubair:

As more fully detailed below, effective immediately, the New Jersey Department of Health (the Department) hereby orders CarePoint Health Bayonne Medical Center (Bayonne) to submit to the Department daily patient census information, which is needed by the Department to ensure patient safety in view of the hospital's ongoing financial distress.

The Department is vested with the responsibility of carrying out the provisions of the Health Care Facilities Planning Act (the Act), N.J.S.A. 26:2H-1 et seq., which provides a statutory scheme designed to ensure that all health care facilities are of the highest quality. Pursuant to N.J.S.A. 26:2H-5(a), and the Department's rules, N.J.A.C. 8:43E-1.1 et seq. (General Licensure Procedures and Standards Applicable to All Licensed Facilities), the Commissioner of Health is authorized to inspect all health care facilities and to enforce N.J.A.C. 8:43G-1.1 et seq. (Hospital Licensing Standards). In particular, the Commissioner is empowered to "inquire into health care services and the operation of health care facilities and to conduct periodic inspections of such facilities with respect to the fitness and adequacy of the premises, equipment, personnel, rules and bylaws and the adequacy of financial resources and sources of future revenues." N.J.S.A. 26:2H-5(a). Further, pursuant to N.J.S.A. 26:2H-5(e), at the request of the Commissioner, health care facilities shall furnish to the Department such reports and information as the Department may require to effectuate the provisions and purposes of the Act.

BACKGROUND AND FINANCIAL STATUS

As Bayonne is aware, the Department has been actively monitoring the financial health of all three CarePoint Health hospitals due to their serious financial distress and the risk that the hospitals would face further financial deterioration. From its monitoring, the Department found that the hospitals were consistently maintaining low days cash-on-hand, maintained negative operating margins, and a high number of days in accounts receivable. Additionally, the hospitals requested an advance on their annual Charity Care subsidy payments for two State Fiscal Years (SFYs) in a row, citing emergency cash flow and

other financial issues as the basis for the requests. As a result of the Department's concerns about the financial viability of the hospitals, on January 10, 2024, the Department appointed Robert Iannaccone as a financial monitor for all three CarePoint hospitals, pursuant to N.J.S.A. 26:2H-5 and N.J.S.A. 26:2H-5.1a. The financial information obtained by the Department's financial monitor to date demonstrates that the CarePoint hospitals are continuing to experience severe financial distress. Based on cash-flow projections developed in conjunction with CarePoint's leadership team, CarePoint is averaging a weekly deficit of approximately -\$2.6 million in the 13 weeks from September 13, 2024 – December 6, 2024. In June 2024, Bayonne, Hoboken University Medical Center and Christ Hospital reported in the State's early warning system adjusted operating margins of -31.6%, -11.99% and -13.71%, respectively. As a result, CarePoint has been relying on outside funding sources to make payroll and rent, and this funding has been provided on a last-minute, emergent basis. For example, CarePoint recently sought yet another advance on its Charity Care Subsidy for SFY 2025 due to these significant cash flows issues.

The Monitor has reported to the Department that CarePoint, its three hospital subsidiaries, and its affiliated entities remain in severe financial distress.

INFORMATION REQUIREMENT ORDER

Due to Bayonne's ongoing, significant financial distress, and to ensure the health and safety of the hospital's patients in the event of a closure or disruption of services, the Department is requiring the hospital to report its patient census details on the attached spreadsheet, pursuant to N.J.S.A. 26:2H-5 and N.J.A.C. 8:43E- 3.1. As set forth in the attached spreadsheet, the hospital shall report to the Department the following statistical information:

1. Total hospital census
2. For both Specialty and Non-Specialty Care Transport Unit patients the number of:
 - a. Ambulatory Patients
 - i. NO Medical Needs
 - ii. Requires Constant Oxygen
 - b. Non-Ambulatory Patients (Wheelchair)
 - i. NO Medical Needs
 - ii. Requires Constant Oxygen
 - c. Non-Ambulatory Patients (Stretcher)
 - i. NO Medical Needs
 - ii. Requires Constant Oxygen
 - iii. Continuous Cardiac Monitoring
 - iv. ≥ 2 Continuous IV Infusions
 - v. Respiratory Support (BIPAP, CPAP, Vent)
 - vi. Cardiac Device (ECMO, IABP, IMPELLA)

The hospital shall begin this reporting requirement on Saturday, September 21, 2024, and continue to report this information on a daily basis thereafter. The census cutoff shall be noon on the date the report is submitted and the reports shall be submitted by 1:00 p.m. The reports shall be sent to Candace Gardner, Director of the Department's Office of Emergency Medical Services, at Candace.Gardner@doh.nj.gov, and to Logan Rafferty, Investigator, Office of Emergency Medical Services, at Logan.Rafferty@doh.nj.gov.

Thank you for your attention to this important matter and for your anticipated cooperation. If you have any questions concerning this matter, please contact Lisa King, Office of Program Compliance, at Lisa.King@doh.nj.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Gene Rosenblum", written in a cursive style.

Gene Rosenblum, Director
Office of Program Compliance
Division of Certificate of Need and Licensing

DATED: September 20, 2024
E-MAIL
REGULAR AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Control #AX24028