

**HEALTH**

**HEALTH SYSTEMS BRANCH**

**CERTIFICATE OF NEED AND LICENSING DIVISION**

**OFFICE OF CERTIFICATE OF NEED AND HEALTHCARE FACILITY LICENSURE**

**Certificate of Need: Long-Term Acute Care Hospitals**

**Readoption with Amendments: N.J.A.C. 8:33F**

Proposed: August 3, 2015, at 47 N.J.R. 1895(a).

Adopted: November 19, 2015, by Cathleen D. Bennett, Acting Commissioner, Department of Health (with the approval of the Health Care Administration Board).

Filed: November 19, 2015, as R.2015 d.202, **without change**.

Authority: N.J.S.A. 26:2H-1 et seq., particularly 26:2H-5.

Effective Dates:        November 19, 2015, Readoption;  
                                 December 21, 2015, Amendments.

Expiration Date:        November 19, 2022.

**Summary of Public Comment and Agency Response:**

The Department of Health (Department) received timely comments from Rebecca Wolff, Meridian Health, Neptune, NJ, during the 60-day public comment period, which ended on October 2, 2015.

A summary of the comment and the Department's response follows.

1. COMMENT: The commenter states: "We are pleased to see that the Department of Health has proposed the re-adoption with amendments to update the Certificate of Need standards for Long-Term Acute Care Hospitals (LTACs) at N.J.A.C. 8:33F. LTACs serve as an important

component of the overall healthcare delivery continuum. As population health has become an essential imperative in today's health care environment, health care systems are challenged to offer the most appropriate health care delivery settings for patients to attain the best outcomes. Currently, New Jersey has a limited supply of LTAC facilities and we believe that additional capacity is needed to accommodate the growing demand. We expect the future demand for LTAC beds to be even greater given the increased emphasis on population health and quality patient care. Accordingly, we encourage the Department to take this into consideration in reviewing proposals for new LTACs. We understand the Department intends to update the need calculation for LTAC beds based on the updated methodology before issuing a CN call. This letter is to advise you that we support the Department in this effort and we would welcome the opportunity to provide assistance.”

RESPONSE: The Department acknowledges the commenter's support of the proposed rulemaking, particularly the amendments to the need calculation for LTAC beds at N.J.A.C. 8:33F-2.3(c). The Department further acknowledges the commenter's belief that demand for LTAC beds may increase in the future. The Department currently licenses 467 LTAC beds spread throughout 11 different health care facilities. The Department has not received any feedback from the regulated community or patient advocates that would indicate that current LTAC bed capacity is insufficient. The Department notes that the Centers for Medicare & Medicaid Services imposed a moratorium on new LTACs and on the expansion of existing LTACs, effective April 1, 2014 through September 20, 2017. 79 Fed. Reg. 27978. Prospective LTACs with an approved certificate of need are exempt from the moratorium.

### **Federal Standards Statement**

The Department promulgated N.J.A.C. 8:33F under the authority of N.J.S.A. 26:2H-1 et seq., particularly N.J.S.A. 26:2H-5. There are no Federal planning standards governing LTACs. Therefore, a Federal standards analysis is not required for this rulemaking.

**Full text** of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 8:33F.

**Full text** of the adopted amendments follows:

TEXT