



State of New Jersey
DEPARTMENT OF HEALTH

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www.nj.gov/health

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Governor

TAHESHA L. WAY
Lt. Governor

KAITLAN BASTON, MD, MSc, DFASAM
Acting Commissioner

IN RE: LICENSURE VIOLATION	:	NOTICE OF ORDER
CAREPOINT HEALTH	:	TO FILE
BAYONNE MEDICAL CENTER	:	DISASTER PLAN
NJ LICENSE# NJ10901	:	
	:	

TO:

Alfredo Rabines, Chief Hospital Executive
CarePoint Health-Bayonne Medical Center
29 East 29th Street
Bayonne, New Jersey 07002

The Health Care Facilities Planning Act (N.J.S.A. 26:2H-1 et seq.) (the Act) provides a statutory scheme designed to ensure that all health care facilities are of the highest quality. General hospitals are licensed in accordance with N.J.S.A. 26:2H-1 and N.J.A.C. 8:43G. Pursuant to the Act and N.J.A.C. 8:43G, Hospital Licensing Standards, and N.J.A.C. 8:43E, General Licensure Procedures and Standards Applicable to All Licensed Facilities, the Commissioner of the Department of Health (the "Department") is authorized to enforce N.J.A.C. 8:43G and N.J.A.C. 8:33, Certificate of Need: Application and Review Process. As explained below, **the Department is requiring CarePoint Health-Bayonne Medical Center (hereinafter "Bayonne Medical Center") to file with the Department within 24 hours its disaster plan required by N.J.A.C. 8:43G-5.16 (a).**

BACKGROUND AND FINANCIAL STATUS

The Department has been actively monitoring the financial health of Hudson Hospital Opco, LLC, a Delaware limited liability company d/b/a CarePoint Health-Christ Hospital ("Christ Opco"), IJKG Opco LLC a Delaware limited liability company d/b/a CarePoint Health-Bayonne Medical Center

("IJKG Opco"), and HUMC Opco, LLC, a Delaware limited liability company d/b/a CarePoint Health-Hoboken University Medical Center ("HUMC Opco") (collectively, "the Hospitals" or "CarePoint"). From its review, the Department determined that Christ Opco was in financial distress and appointed a monitor of Christ Opco on February 4, 2020. After the appointment of the monitor for Christ Opco, the Department continued to track the financial stability of the Hospitals. Unfortunately, its continued financial observation of the Hospitals led the Department to determine that all three Hospitals were in serious financial distress and at risk of further financial deterioration. Specifically, the Department found that the Hospitals have consistently maintained low days cash-on-hand, maintained negative operating margins, and a high number of days in Accounts Receivable (NR). In addition to the concerns related to financial reporting, 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, on January 10, 2024, the Department appointed Robert Iannaccone as a monitor for all the three Care Point Hospitals, pursuant to N.J.S.A. 26:2H-5 and N.J.S.A. 26:2H-5.1a. The Monitor appointed by the Department for CarePoint has been on site at the Hospitals the last 19 business days. The Monitor has reported to the Department that CarePoint, its three hospital subsidiaries, and its affiliated entities are financially unstable.

DISASTER PLAN: DUE TO THE DEPARTMENT WITHIN 24 HOURS

Due to CarePoint's significant financial distress, Bayonne Medical Center may experience a disruption in services or be forced to close abruptly. To ensure the health and safety of Bayonne Medical Center's patients in the event of a closure or disruption of services, it shall, within 24 hours of this notice, submit to the Department its disaster plan as it is required to maintain pursuant to N.J.A.C. 8:43G-5.16. The facility shall submit to the Department, **at minimum**, its plan to meet the requirements of N.J.A.C. 8:43G-5.16 (a), below:

- a) The hospital shall have a written, comprehensive disaster plan. The disaster plan, and any updates or changes to it, shall be submitted to the Department and shall include the following:
 1. Identification of potential hazards that could necessitate an evacuation, including internal and external disasters such as a natural disaster, labor work stoppage, or industrial or nuclear accidents;
 2. Emergency procedures for evacuation of the hospital;
 5. Procedures in the case of interruption of utilities services in a way that affects the health and safety of patients;
 6. Identification of the facility and an alternate facility to which evacuated patients would be relocated;
 7. The estimated number of patients and staff who would require relocation in the event of an evacuation;
 8. The system or procedure to ensure that medical charts accompany patients in the event of patient evacuation, and that supplies, equipment, records, and medications would be transported as part of an evacuation; and
 9. The roles and responsibilities of staff members in implementing the disaster plan.

The disaster plan shall be emailed within 24 hours to: Stefanie.mozgai@doh.nj.gov; Michael.kennedy@doh.nj.gov; gene.rosenblum@doh.nj.gov; walter.kowalski@doh.nj.gov and lisa.king@doh.nj.gov.

In the event that Bayonne Medical Center is required to implement its disaster plan, the facility is reminded of the other requirements of N.J.A.C. 8:43G-5.16(b) through (k).

N.J.A.C. 8:43E-3.4(a)11 provides a \$250 penalty for the failure to report information to the Department as required by statute or licensing regulation, after reasonable notice and an opportunity to cure the violation, which may be assessed for each day noncompliance is found.

On all future correspondence related to this Notice, please refer to Control .

Thank you for your attention to this important matter and for your anticipated cooperation. Should you have any questions concerning this order, please contact Lisa King, Office of Program Compliance at (609) 984-8128.


Gene Rosenblum, Director
Office of Program Compliance

DATE: February 7, 2024
REGULAR AND
CERTIFIED MAIL:
RETURN RECEIPT REQUESTED

Control #AX24006