



State of New Jersey
DEPARTMENT OF HEALTH
PO BOX 360
TRENTON, N.J. 08625-0360
www.nj.gov/health

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

JUDITH M. PERSICILLI, RN, BSN, MA
Commissioner

September 8, 2022

VIA ELECTRONIC & FIRST-CLASS MAIL

Andy Jain
Manager Member
Vision Riverside Assisted Living, LLC
4 American Way
Marlboro, NJ 07746

RE: Vision Riverside Assisted Living
CN# ER 2020-11209-12
New 40-bed Assisted Living Residence
Total Project Cost: \$1,964,856.15
Expiration Date: September 8, 2027

Dear Mr. Jain:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need (ERCN) application by Vision Riverside Assisted Living LLC for Vision Riverside Assisted Living, submitted on November 5, 2020, pursuant to N.J.A.C. 8:33-5.1(a)(4), for the establishment of a new 40-bed Assisted Living Residence to be located at 105 Old Matawan Road in Old Bridge, New Jersey 08857, Middlesex County. The 40 beds will be located on the second and third floors, which shall be comprised of 32 units configured for single occupancy and four units configured for double occupancy. The application is approved at the total cost noted above.

As a condition of this approval, any double-bedded room can only be occupied by married couples or civil union partners, relatives, individuals related by blood or adoption, or friends who have consented in writing as part of the admission agreement to the living arrangement. The admission agreement should note that the resident is aware he or she will share a single toilet/bath in the unit and acknowledges there are higher health risks associated with shared occupancy and cohabitation. Under no circumstances shall any resident be coerced or compelled to agree to a double-bedded room.

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 and 8:33H-1.16). The Department finds that the proposed licensed operator, Vision Riverside Assisted Living, LLC has provided an appropriate project description. The project description includes information as to the total project cost of \$1,964,856.15 for the construction of this new facility. The operating costs and revenues were provided, which reflected that by the first year of operation, the total revenue would be \$1,470,497; and the second year at \$3,389,880 with a profit of \$1,919,383 by the second year. Utilization statistics project a resident occupancy at 40 percent (%) at the end of the first year, and occupancy at the end of the second year in operation at 89%.

In terms of services affected, the Applicant stated that Old Bridge Township is one of the fastest growing communities in New Jersey with a 24% growth in the number of residents over 65 years of age. The County population is greater than 124,198 individuals over age 65. With the growing rate and demand for senior housing, the applicant reports that Vision Riverside Assisted Living would further assist to enhance access to Assisted Living services, while not impacting existing providers. There is no specialized equipment involved as this is an Assisted Living Residence providing supportive services to a largely independent population. The source of funds was listed as bank loans and investor equity; and as this facility will be operated by a for-profit entity, it shall include financial investor groups.

The justification for the proposed project N.J.A.C. 8:33-5.3(a)(1) referenced the Applicant's experience in the establishment and operation of Assisted Living Residences in New Jersey, as well as the current and future demand for senior housing in the market area, including the need for the provision of services for the elderly population. The applicant assured that residents, particularly the medically and financially underserved will have access to services in that Vision Riverside Assisted Living would be operated in compliance with the regulatory requirement for admission of Medicaid residents. Documentation that the Applicant will meet appropriate licensing and construction standards N.J.A.C. 8:33-5.3(a)(3)(i) is evidenced by the submission and review of architectural plans, which confirmed physical plant compliance with Assisted Living regulations in the Department's March 8, 2021 letter for this project. In addition, Vision Riverside Assisted Living 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) as there were no significant regulatory compliance events reported in either New Jersey or out-of-state facilities that are owned, managed or operated by the Applicant.

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, 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.

Furthermore, pursuant to N.J.S.A. 26:2H-12.16 and N.J.A.C. 8:36-5.1(h), a new facility that is licensed to operate as an assisted living residence or comprehensive personal care home shall have a Medicaid occupancy level of 10 percent within three years of licensure. The 10 percent Medicaid occupancy level shall be met through conversion of residents who enter the facility as private-paying persons and subsequently become eligible for Medicaid, or through direct admission of Medicaid-eligible persons. The 10 percent Medicaid occupancy level shall be continuously maintained by a facility once the three-year licensure period has elapsed. The Department will monitor that this condition threshold is met and maintained during the duration of licensure.

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 as part of this application, the Department may take appropriate 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 letter 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 this facility. A survey by Department staff will be required prior to commencing services.

Vision Riverside Assisted Living

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The Department looks forward to working with the applicant to provide high-quality care to the facility's residents. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Michael J. Kennedy, Executive Director, Division of Certificate of Need and licensing at Michael.Kennedy@doh.nj.gov.

Sincerely,

Robin C. Ford

Robin C. Ford, MS
Deputy Commissioner
Health Systems

cc: Stefanie Mozgai, DOH (Electronic mail)
Michael J. Kennedy, DOH (Electronic mail)
Kara Morris, DOH (Electronic mail)
Kiisha Johnson, DOH (Electronic mail)
Luisa Alexopoulos, DOH (Electronic mail)
Elaine Granato, DOH (Electronic mail)
Intake Unit (Electronic mail)
CN Tracker # 25092