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PUBLIC NOTICES

HEALTH THE COMMISSIONER

49 N.J.R. 343(c)

Notice of Rescheduling of Certificate of Need Call for Applications for Adult Acute Care Psychiatric Beds pursuant to N.J.A.C. 8:33-4.1(a)(2)

Take notice that, in compliance with N.J.S.A. 26:2H-1 et seq. and the provisions of N.J.A.C. 8:33-4.1(a), Cathleen D. Bennett, Commissioner, New Jersey Department of Health (Department), is inviting certificate of need applications on a full review basis to establish new adult acute care psychiatric beds in accordance with the provisions of N.J.A.C. 8:43G-26 and N.J.S.A. 26:2H-1 et seq. The call for psychiatric beds, originally scheduled for February 1, 2017, was postponed because the Department was unable to provide sufficient advance notice to potential certificate of need applicants and interested parties to either prepare their respective certificate of need applications for adult acute care psychiatric beds or respond to such applications.

There is consensus, both nationally and in New Jersey, that there is an increasing need for more adult acute care psychiatric beds. According to the Healthcare Cost and Utilization Project, in 2014, there were an estimated 43.6 million adults aged 18 years or older in the United States with a mental, behavioral, or emotional disorder during the past year, representing 18.1 percent of all adults. According to a 2014 National Survey on Drug Use and Health by the Federal Substance Abuse and [page=344] Mental Health Services Administration (SAMHSA), approximately 7.9 million adults in the United States had co-occurring mental health and substance use disorders. A 2016 Healthcare Cost and Utilization Project report cites a study finding that approximately one in eight visits to emergency departments (EDs) in the United States involves mental and substance use disorders, and those ED visits are more than twice as likely to result in hospital admission compared with ED visits that do not involve mental and substance use disorders. As to New Jersey, the New Jersey Hospital Association reports that ED visits in New Jersey hospitals increased overall by more than 117,000 patients from 2014 to 2015, and nearly 54,000 of these new cases included a mental health or substance use disorder diagnosis.

There are various bed need methodologies ranging from 18 to 20 beds per 100,000 (according to the Technical Assistance Collaborative and Human Services Research Institute) to 40 to 60 beds per 100,000 (according to the

Treatment Advocacy Center). Recognizing national trends, such as the increasing number of individuals diagnosed with co-occurring mental health and substance use disorders, the fact that nearly 750,000 New Jersey adults are receiving mental health treatment and more than 957,000 New Jersey adults are getting substance abuse treatment, and the fact that Governor Christie has supported legislation that would require health insurers to pay without prior authorization for up to six months of inpatient treatment, the Department has established a bed need of 40 adult psychiatric beds per 100,000 adults. Using that bed need methodology, the Department has determined that there is a need for additional adult acute care psychiatric beds in the following counties:

| Geographic Area to be Served | Total Adult (18+) Population (2011-2015 Avg) | Total Maintained Adult Psych Beds (B-2) | Estimated Psych Bed Need (40/100,000) | BAAdditional Psych Beds Needed |
|-------------------------------------|---|--|--|---------------------------------------|
| Atlantic | 213,715 | 34 | 85 | 51 |
| Bergen | 723,643 | 430 | 289 | 0 |
| Burlington | 351,216 | 209 | 140 | 0 |
| Camden | 391,716 | 187 | 157 | 0 |
| Cape May | 78,532 | 0 | 31 | 31 |
| Cumberland | 119,815 | 29 | 48 | 19 |
| Essex | 599,480 | 360 | 240 | 0 |
| Gloucester | 222,843 | 20 | 89 | 69 |
| Hudson | 527,282 | 184 | 211 | 27 |
| Hunterdon | 99,018 | 14 | 40 | 26 |
| Mercer | 288,739 | 115 | 115 | 0 |
| Middlesex | 645,433 | 72 | 258 | 186 |

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|---------------|------------------|--------------|--------------|------------|
| Monmouth | 486,789 | 124 | 195 | 71 |
| Morris | 385,381 | 55 | 154 | 99 |
| Ocean | 446,360 | 100 | 179 | 79 |
| Passaic | 383,366 | 24 | 153 | 129 |
| Salem | 50,486 | 0 | 20 | 20 |
| Somerset | 252,506 | 151 | 101 | 0 |
| Sussex | 113,701 | 22 | 45 | 23 |
| Union | 417,162 | 213 | 167 | 0 |
| Warren | 83,915 | 0 | 34 | 34 |
| Totals | 6,881,098 | 2,343 | 2,751 | 864 |

An applicant may apply for some or all of the beds allocated to the applicant's county, as well as those beds allocated to counties that are contiguous to the applicant's county. Each application must designate how many open beds and how many closed beds the applicant is seeking, and must demonstrate why the proposed allocation of beds is appropriate.

Certificate of need applications shall be filed in accordance with the Certificate of Need Application Process, N.J.A.C. 8:33, and shall be in compliance with all statutory provisions (N.J.S.A. 26:2H-1 et seq.) and all applicable planning and licensing rules (N.J.A.C. 8:43G-26). Applicants must demonstrate that, if approved, all beds can be licensed within two years of CN approval. In addition, applicants must acknowledge that, if approved, they will accept a certificate of need condition that requires them to provide up to five percent of annual patient days in each approved bed category to serve Medicaid recipients, and up to another five percent of annual patient days in each approved bed category to serve the uninsured.

Because adult inpatient acute care psychiatric services are only one component of the continuum of care required to effectively treat patients with mental health issues, the Department will give special consideration to proposals including one or more of the following:

-- A regional approach to address the mental health and co-occurring substance use disorder needs of multiple counties or regions, including both inpatient and outpatient services;

-- An approach that provides adult acute care and outpatient mental health and co-occurring substance use disorder

services in one or more of the counties that currently have no adult acute care psychiatric beds (Cape May County, Salem County, or Warren County); and

-- Innovative ways to provide treatment to patients who have mental health and co-occurring substance use disorders.

It should be noted that any licensed acute care psychiatric bed can be used for patients who have mental health and co-occurring substance use disorders.

In accordance with N.J.A.C. 8:33-1.2(d), certificate of need applications shall be reviewed for conformity with the rules in effect on the date the certificate of need application is deemed complete for processing.

Geographic areas to be served: Atlantic, Cape May, Cumberland, Gloucester, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Sussex, and Warren Counties.

Date application is due: May 1, 2017.

Date completeness review decision is anticipated to be issued: August 1, 2017.

Date State Health Planning Board is anticipated to review the applications and submit recommendations to the Commissioner: October 1, 2017.

Prospective applicants may obtain a certificate of need application for full review on the Department's website at www.nj.gov/health/forms and shall submit the completed application using electronic media and 35 paper copies of the application to:

Certificate of Need and Healthcare Facility Licensure Program
New Jersey Department of Health
PO Box 358
Trenton, NJ 08625-0358
(609) 292-6552 or 292-7228