

**MINUTES OF THE  
STATE HEALTH PLANNING BOARD MEETING  
Thursday, February 7, 2008**

Members Present:

Judy Donlen, RN, DNSc., Chairperson  
Henry S. Kane  
Susan Olszewski  
Connie Bentley-McGhee, Esq.  
Dr. Joseph A. Barone  
Michael Baker, Esq., (Represents the Health Care Administration Board)  
Matthew D'Oria (Representing Commissioner Jacobs, Department of Health & Senior Services)  
Eileen Stokley (Representing Commissioner Jennifer Velez, Department of Human Services)

Excused Absent:

Catherine Ainora, Vice Chairperson  
Dr. Sharol A. Lewis  
Dr. Jorge L. Vereza

Staff:

John Calabria  
Ruth Charbonneau  
Jamie Hernandez  
Melissa A. Raksa, DAG

CALL TO ORDER

Dr. Judy Donlen, Chairperson opened the meeting at the Department of Health and Senior Services, Suburban Shopping Center, 25 Scotch Road, Ewing, New Jersey on Thursday, September 6, 2007.

**MOTION SUMMARY**

1. Approval of January 8, 2008 minutes  
**Motion – Ms. Olszewski, Second – Dr. Barone**
2. Approval of Certificate of Need Application for the Closure of Greenville Hospital  
**Motion – Dr. Donlen, Second – Mr. Kane**
3. Approval of Motion for Adjournment (Voice Vote)

February 7, 2008  
VOTING RECORD

<b>VOTING BOARD MEMBER</b>	<b>ROLL</b>	<b>1</b>	<b>2</b>	<b>3</b>
Dr. Donlen	X	Y	Y	Y
Ms. Ainora	-	-	-	-
Mr. Kane	X	Y	Y	Y
Ms. Olszewski	X	Y	Y	Y
Ms. Bentley-McGhee	X	A	Y	A
Dr. Barone	X	Y	Y	Y
Mr. Baker	X	Y	Y	Y
Dr. Lewis	-	-	-	-
Dr. Vereza	-	-	-	-
Mr. D'Oria – non voting member	X	-	-	-
Ms. Stokely – non voting member	X	-	-	-
Total	6	5-Y	6-Y	5-Y
Total Absent	3	0-N	0-N	0-N
		1-A	0-A	1-A
		0-R	0-R	0-R

**KEY:    Y=YES    N=NO    A=ABSTAIN    R=RESCUE**

1 NEW JERSEY STATE HEALTH PLANNING BOARD

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HELD AT: The National Conference Center  
4 at the Holiday Inn  
399 Monmouth Street  
5 East Windsor, New Jersey  
6

IN ATTENDANCE:

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JUDY DONLEN, RN, DNSc  
8 JORGE L. VERA, M.D.  
JAMIE HERNANDEZ, STAFF  
9 EILEEN C. STOKLEY, DHS REPRESENTATIVE  
MATTHEW D'ORIA, DHSS REPRESENTATIVE  
10 JOSEPH A. BARONE, PHARM.D.FCCP  
CONNIE BENTLEY McGHEE, ESQ.  
11 MELISSA H. RAKSA, DAG  
MICHAEL J. BAKER, ESQ.  
12 SUSAN E. OLSZEWSKI  
HENRY KANE

13

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15 HELD ON: Thursday, February 7, 2008

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17 REPORTED BY: Tracey L. Pinsky, CCR, RPR

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1 DR. DONLEN: Good morning. I'm  
2 calling the meeting to order and Jamie will read  
3 the beginning opening statement.

4 MS. HERNANDEZ: This is a formal  
5 meeting of the State Health Planning Board.  
6 Adequate notice of this meeting has been published  
7 in accordance with the provisions of Chapter 231,  
8 Public Law 1975, c-10:4 of the State of New Jersey  
9 entitled, "Open Public Meeting Act". Notice was  
10 sent to the Secretary of State, who posted the  
11 notice in a public place. Notices were forward to  
12 seventeen New Jersey newspapers, two New York  
13 newspapers, two wire services, two Philadelphia  
14 newspapers, and the New Jersey Public Broadcasting  
15 Television Station.

16 Madam Chair, can I take roll?

17 DR. DONLEN: Please.

18 MS. HERNANDEZ: Mr. D'Oria? Mr.  
19 Kane?

20 MR. KANE: Here.

21 MS. HERNANDEZ: Ms. Olszewski?

22 MS. OLSZEWSKI: Here.

23 MS. HERNANDEZ: Ms. Bentley-McGhee?

24 DR. DONLEN: She is here, but out of  
25 the room.

1 MS. HERNANDEZ: Dr. Barone.

2 DR. BARONE: Present.

3 MS. HERNANDEZ: Dr. Lewis? Mr.

4 Baker?

5 MR. BAKER: Here.

6 MS. HERNANDEZ: Dr. Vereza? Dr.

7 Donlen?

8 DR. DONLEN: Here.

9 MS. HERNANDEZ: We have six members

10 of the board present. This does constitute a

11 quorum.

12 DR. DONLEN: Do we need Connie for

13 the quorum?

14 MS. HERNANDEZ: I didn't count her.

15 DR. DONLEN: Do you need her for the

16 quorum?

17 MS. HERNANDEZ: Yes, I do.

18 DR. DONLEN: We won't start the

19 business. I'll just do the introductions. We did

20 see her?

21 MR. KANE: Do you want me to go get

22 her?

23 DR. DONLEN: Yes, if you don't mind

24 getting her. Did Ruth go get her?

25 I can give some introduction about

1 why we're here, but we won't take business until  
2 the last person -- until one of our members that  
3 makes up the quorum is here.

4           We met about the CN to -- for the  
5 closure of Greenville Hospital of the original  
6 meeting November 1st. At that time we had heard  
7 all the testimony, and we had heard testimony in  
8 public hearing in the Jersey City prior to that.  
9 We had public hearings at the meeting, and we also  
10 had a presentation by the Department of Health and  
11 Senior Services about the application. The way  
12 we left it at that point was that we were not  
13 ready to make a decision because there was an  
14 offer on the part of the city that they might be  
15 able to come up with sufficient money and a plan  
16 for operating the hospital. And the applicant  
17 Jersey City Medical Center agreed to meet and to  
18 begin to discuss that prospect.

19           At that time we said that the  
20 maximum amount of time would be six months that  
21 they could have to look at it; but that if any  
22 time prior to that that it was not possible to  
23 develop that plan, that Jersey City Medical  
24 Center, the applicant, could come back. So it is  
25 my understanding that that's where we are at with

1 this issue at this point.

2 Does anybody have any other

3 additions or understanding --

4 MS. OLSZEWSKI: Judy, we did say

5 that 90 days of no action had been taken by the

6 officials that the medical center could come

7 back --

8 DR. DONLEN: That's why here we are.

9 In other words there was a maximum amount of time,

10 but they could come back at any time prior to

11 that, that's why we are here today, that certainly

12 is under that time.

13 One of the members that is here

14 today was not at the last meeting, but the whole

15 entire group has had full access to the public

16 hearing information, the meeting that was held in

17 November, all of the answers to questions, et

18 cetera; so that we are all on the same wavelength,

19 as far as where we are at this moment, having the

20 information, being ready to move forward without

21 revisiting all of the previous issues. There is

22 some things we need to talk about today, but I

23 want to make sure everybody is on board that we're

24 not going to re-visit the previous issues. Yes?

25 When we get to the approval of the

1 minutes -- I think we already did approve the  
2 minutes. We approved the minutes for that meeting  
3 at the last meeting, and everybody agreed at that  
4 point. But, obviously, people who had been at the  
5 meeting will abstain.

6           Our final member is here so now we  
7 have a quorum I can stop stalling. So that's  
8 where we are at this moment. So our plan for  
9 moving forward today is to go along with the order  
10 of business that we will -- we will find out if  
11 there is a commissioner's report, but when we get  
12 back to the CN application, we're going to have a  
13 department presentation to update the -- what's  
14 going on since November 1st. And we are going to  
15 have the applicant's presentation. And prior to  
16 the applicant's presentation we have a couple of  
17 elected officials that we have agreed to hear  
18 from, because they were also involved in what has  
19 happened in the short term since we last met.

20           Anybody who has any cell phones or,  
21 perhaps, beepers, although I don't think so, could  
22 you turn them off so that we're not disturbed.

23           Okay. Matt, before we move onto to  
24 the business, do you have a commissioner's report?

25           MR. D'ORIA: I do. Since our last

1 meeting in January, two hospitals have filed  
2 foreclosure, one is actually closed, Barnegat  
3 Hospital is closed and Paterson on Friday. St.  
4 James and Columbus in the City of Newark have  
5 filed applications to close. And St. James is  
6 actually beginning the shutdown process. So there  
7 will be three additional CN's before this board my  
8 estimate is between the next four and six months.  
9 So -- and, also, to point out Reinhardt Commission  
10 Report which the Governor had asked for to deal  
11 with the hospital crisis in this state was issued  
12 in mid-January. And the report indicated, among  
13 many other things, that the hospital industry in  
14 New Jersey is in crisis, particularly in the  
15 northeastern part of the state for a variety of  
16 reasons.

17           And I'm trying to get you guys in to  
18 meet with the commissioners, so the board and the  
19 commissioners can have a frank discussion about  
20 the Reinhardt Report and its recommendations.

21           DR. DONLEN: Yeah, I should probably  
22 add as the chairperson's report I did meet with  
23 the commissioner last week, and part of the  
24 discussion was about having heard the -- be able  
25 to come and talk to us about the Reinhardt

1 Commission, particularly because as you had heard  
2 as we were everything the subcommittee meetings,  
3 the discussion of the closures and the role of the  
4 board in closures and role of the CN was something  
5 that was addressed by one of the subcommittees,  
6 and it looks like it was maybe two of them, and  
7 there was some recommendations around that. So  
8 nothing clear about what would be the role of the  
9 board, but I got the impression that the  
10 commission was interested in talking to us about  
11 how we view the process and how it might be  
12 thought of as they look at developing regulations  
13 that they need to related to that.

14 MR. D'ORIA: Okay.

15 DR. DONLEN: Okay? Any questions?

16 All right. Then the order of  
17 business for today is Certificate of Need  
18 application for the closure of Greenville  
19 Hospital. John Calabria is going to present -- you  
20 all should have received revised recommendations,  
21 and John is going to address that and a few other  
22 things.

23 MR. CALABRIA: Thank you, Dr. Donlen.

24 Good morning, members of the board. Our  
25 presentation will be relatively brief. The

1 State's staff recommendation, which you have,  
2 remain the same from the November meeting. The  
3 conclusions remain the same. The recommendations  
4 or conditions remain the same. We did do some  
5 recalculations of the numbers on Appendix 4 of the  
6 average daily census, and we updated those  
7 numbers. There is approximately 50 additional  
8 average daily census among the dozen or so  
9 hospitals that are listed on that page, which is  
10 minimal in terms of that number of hospitals for a  
11 year.

12           So the state's staff recommendation  
13 is that hospital has made a case for closure. The  
14 case they made is similar to other hospitals that  
15 this board has seen, the rationals they have  
16 included for closing, and so the state's staff  
17 recommendation still remains the same. I'll be  
18 happy to answer any questions, if I could.

19           DR. DONLEN: We may have some  
20 questions.

21           MS. OLSZEWSKI: John, just a quick  
22 question, with St. James closing that takes a  
23 number of beds --

24           THE WITNESS: We actually calculated  
25 the number of licensed beds among all the

1 hospitals that were there, and we took out the  
2 number of beds at St. James and Columbus,  
3 approximately, still 600 bed differs between the  
4 number of beds and the average daily census.

5 MS. OLSZEWSKI: Okay. Great. Thank  
6 you.

7 DR. DONLEN: Any other questions?

8 All right. My suggestion is that  
9 before we hear from the applicant that we hear  
10 from the elected officials, or would you rather  
11 hear from the applicant first? Anybody have any  
12 preference?

13 Okay. Mayor Healy is on the list.

14 MAYOR HEALY: Good morning,  
15 everyone, and thanks for allowing us to come down  
16 and make our case once again. We were here  
17 November 1st, obviously we have put our position  
18 on the record, we opposed the closing. I won't go  
19 into all the details that I went into, I'll spare  
20 you from the three months ago, I'm sure it's all  
21 in the record. And you're all here and you  
22 remember it. I'll condense it a little bit.

23 This hospital is very important to a  
24 good portion of Jersey City; as you know, we have  
25 about a quarter million citizens. This is the

1 southwest section of our city, and also the  
2 northern part of Bayonne. And when you combine  
3 that, you are talking about at least 120,000  
4 people. There really is no hospital close. I  
5 know there is a hospital two miles or two and a  
6 half miles away. Bayonne Hospital is on the  
7 southeast side of Bayonne. This hospital is at  
8 least two, probably three, miles away. It's on  
9 the western side of our city. The medical center  
10 is about two and a half miles away. And driving  
11 around Jersey City is not easy. Unless you are  
12 going at 12, 1, 2 o'clock in the morning, there is  
13 always traffic in our cities.

14           In addition -- in addition, it's an  
15 area where we have a lot of working class people  
16 they rely on. What I'm asking you to do, if this  
17 board is somewhat inclined -- and we don't want  
18 you to grant this application -- if you are so  
19 inclined or considering granting this application,  
20 I'm going to ask this board to recommend that no  
21 action be taken by the commissioner for 120 days,  
22 I think that's within your discretion. The reason  
23 I'm asking you that is we have a couple of offers.  
24 The reason we wanted the time from you is that we  
25 felt it was some hope that some entrepreneur, a

1 provider of medical service would be interested in  
2 coming in, taking over this operation, and  
3 continuing an emergency room and some out-patient  
4 treatment. And we thought that would be important  
5 for our citizens in Jersey City, and that this  
6 whole population base of about 120,000 that are  
7 served by this hospital.

8           What has occurred in the last three  
9 months is a couple of offers did come in. My  
10 Deputy Mayor Bili Tayari spoke with a lot of  
11 different people, but I know of three. There is a  
12 group of doctors that are interested. Okay. And  
13 that's why I'm asking for that 120 days. That may  
14 be enough time for this to bear fruit. There is  
15 also two hospital concerns, one is Mount Sinai  
16 Hospital, the other that I met personally with was  
17 Christ Hospital. To me, they offered a genuine  
18 and a -- a genuine and a group that had the  
19 wherewithal to come in and knowledge to come in  
20 and take over this operation for the emergency  
21 rooms, and they had other ideas what they were  
22 going to do with the floors above. But, at any  
23 rate, I do believe that if given 60 or 90 days for  
24 us, we could come back to you with either we have  
25 something viable or we don't. And that's why I'm

1 asking you not -- not make any recommendation  
2 about closing this hospital to the commissioner.  
3 I'd ask you to hold off the 120 days.

4           So that's what I'm asking this board  
5 to do. I think it's a reasonable request. And  
6 other than that I have nothing to say. I leave it  
7 to your good judgment.

8           DR. DONLEN: We will talk about that  
9 in the process, but what I understand you to say  
10 is you'd either like us to take no action now, or  
11 take action that would ask the commissioner to  
12 wait on final action, if we were?

13           MAYOR HEALY: If you are so inclined  
14 to grant the application, I would ask you to put a  
15 stipulation in there to the commissioner to not  
16 take any action for 120 days, which I believe is  
17 within your discretion.

18           DR. DONLEN: We will discuss it.  
19 Just so you know, we can make recommendations to  
20 the commissioner, but it's the commissioner's  
21 final decision, so none of our recommendations are  
22 binding, but we will talk about that. Okay?

23           THE WITNESS: Thank you very much.

24           DR. DONLEN: Senator Cunningham.

25           SENATOR CUNNINGHAM: Good morning.

1 I'm actually going to defer my opportunity to our  
2 Jersey City Deputy Mayor, Bili Tayari, but I  
3 wanted to put on the record to publically  
4 acknowledge our councilwoman Viola Richardson and  
5 our two freeholders, Jeff Dublin and Bill O'Dea  
6 who are with us today.

7           And, most importantly, I think it is  
8 -- you should recognize and acknowledge the Jersey  
9 City residents who came down this morning, these  
10 are the people who are going to be most affected  
11 by your decision today. And it's important that  
12 you know that they are here. Thank you.

13           DR. DONLEN: We did recognize some  
14 of them that were at the public hearing as well as  
15 the last hearing. So we are getting to be good  
16 friends.

17           MAYOR HEALY: Two other people that  
18 should be mentioned, they were here last time and  
19 they couldn't be here today, the council people  
20 who represent that district, and that would be  
21 Councilman Michael Sottolano, Councilwoman Mary  
22 Spinello, they all agree with this side of the  
23 room, and they were all asking that this hospital  
24 remain open.

25           DR. DONLEN: After we hear from the

1 deputy mayor, if any of the other elected

2 officials want some time, that's fine with us.

3           MAYOR HEALY: They can't be here,

4 they are at a funeral mass. That's why they are

5 not here. They stand with us.

6           DEPUTY MAYOR TAYARI: Good morning

7 I'm deputy mayor Bili Tayari. The first thing we

8 wanted to do is thank you, the board, for

9 exercising your actions on November 1 in

10 accordance with New Jersey Administrative Code

11 8:33-4.7, Item B, on that date what was clearly that

12 we are here to address is the December 21st letter

13 that was issued by the Liberty Healthcare

14 Corporation by its former chairman, Mr. Harwood,

15 addressing non-performance by the city of Jersey

16 City. You basically put forth a motion on that

17 date dealing with the issue of financing. And at

18 that time we was told by Liberty Healthcare, and

19 it's in your minutes, that the city could not be

20 trusted. And therefore a 90-day stipulation was

21 placed upon that proposal. And simply in your

22 proposal you dealt with the issue of, one, that

23 the city had to provide the financing in the sum

24 of 1.5 million dollars, nothing said in what form

25 that that financing would take place. That was

1 the first thing.

2           The second part, you stipulated that  
3 there must be in place a community advisory body  
4 created by Liberty Healthcare Corporation. I'm  
5 sure you will be told today that such a body has  
6 been created, I'm here to tell you as an appointee  
7 of the mayor, and I can also speak for councilman  
8 Sottolano, who is here not here today, we have  
9 objected to the so-called community advisory body  
10 made up of four vice president of the Liberty  
11 Healthcare Corporation and then two appointees,  
12 and no community contacts at all.

13           We want to go specifically to the  
14 minutes because the matter of the letter of  
15 December 21st addresses compliance and  
16 non-compliance. By 49 days on December 19th the  
17 Jersey City city council passed a resolution that  
18 if you will look at -- and I'm sure Mr. Matt  
19 D'Oria has probably provided you with copies of  
20 that resolution, there is a couple of whereases  
21 that are very important. The first whereas speaks  
22 directly to where the money is concretely  
23 designated to come from. The second whereas talk  
24 about the financing, which you proposed in your  
25 motion, in your minutes, and I think that was Page

1 208 and Page 209, if you look at your minutes.  
2 Said very concretely that they could be in the  
3 form of, one, a loan, and if the Jersey City  
4 Liberty Healthcare Corporation could prove that it  
5 fiscally could not accept a loan, then the second  
6 part of that it would be given as a gift i.e. a  
7 grant.

8 Now, that is stated very clearly in  
9 the resolution. That was done within 49 days of  
10 the 90 days stipulation in your motion. So,  
11 therefore, we were in compliance. In regards to  
12 the financing, which is all that your motion  
13 called for, not the form, and we the city of  
14 Jersey City offered two forms of financing. The  
15 second part, if you will look at your minutes  
16 again, and I think that is on Page 200, Liberty  
17 Healthcare Corporation acquiescent and adopted  
18 your proposal by agreeing to both parts of the  
19 motion and offering the 90 days stipulation;  
20 therefore, when you adopted the resolution  
21 unanimously, and I think it was your chairman in  
22 the minutes, if you look again on Page 208, the  
23 chairman made explicit and clear what the motion  
24 is and what the motion entailed. And, again, the  
25 CEO who has been terminated who represented the

1 Liberty Healthcare Corporation on behalf of the

2 Liberty Healthcare Corporation agreed to that.

3 So, again, we were in compliance.

4           The other thing you had the right to

5 do, according to N.J.A.C. was to at least give the

6 six months extension. We began to immediately

7 reach out to corporate groups, to doctor groups,

8 we shared this information with Liberty Healthcare

9 Corporation. The only thing they had to do was to

10 sit down and open up their books i.e. any

11 information that was necessary. There was a group

12 that actually came from Pennsylvania that showed

13 some interest that we the city went to seek. As

14 the mayor stated we sought other groups there that

15 has been shared with the Liberty Healthcare

16 Corporation, again, being in compliance.

17           So this plan that somehow or another

18 we the city didn't come forward with, we have

19 stayed in constant communications since November

20 1st sharing this information.

21           DR. DONLEN: Can you wind it up?

22           THE WITNESS: Yes, ma'am. If you

23 look at your transcript -- and I want to go to

24 back to something the mayor said. The hospital is

25 being forced to close, employees are being forced

1 to leave, they -- discrepancies was cited in the  
2 Certificate of Need, you the board should at least  
3 advise Liberty Healthcare Corporation that until  
4 the six months is over they should not be forcing  
5 employees out of the hospital. They do not have  
6 any place to hire people at other facilities. And  
7 work with us in opening up their books. And,  
8 again, we have remained in compliance. You  
9 adopted that, and Liberty Healthcare Corporation  
10 agreed to that.

11 DR. DONLEN: Any other elected  
12 officials to speak?

13 COUNCILWOMAN RICHARDSON: Viola  
14 Richardson. I am the, I guess, chair of the  
15 coalition to save Greenville Hospital. I yielded  
16 my time over because I understood that we were not  
17 able to speak, so some of the points I gave to  
18 Bili. My concern is that this hospital not be  
19 rewarded for violating a trust. They asked for --  
20 they said they would accept whatever we gave, the  
21 1.5 million, we did that. They said they didn't  
22 want it. There have been tactics used to close  
23 this hospital to make it unsafe so that residents  
24 won't go. And I'm concerned about that. I'm  
25 concerned about people being forced out, employees

1 being forced out.

2           If they are going to go to medical  
3 center, they have to go now, okay. If you take  
4 nurses who are in the intensive care unit, if you  
5 take them out of the intensive care unit, you've  
6 rendered the intensive care unit at Greenville  
7 null and void. They are just too many things  
8 going on that I think that you really need to take  
9 a look at. If we've done what we agreed to do, I  
10 think these people should not be rewarded for not  
11 following, you know, their course that they agreed  
12 to do.

13           We have some people who are on  
14 dialysis, and this hospital deals with some people  
15 who are getting treatment. The problem is, is in  
16 the area of the dialysis centers at that capacity,  
17 they can't take anybody else. The hospitals are  
18 not doing dialysis, only Greenville was doing it  
19 in the area. Some of these patient are indigent  
20 patients, and the area centers that deal with  
21 those people who are dialysis are at their  
22 capacity for indigent care. What happens to those  
23 people, I'm really concerned about that.

24           I'd like to thank you all for  
25 hearing us out. And I'd like to thank the

1 citizens of Jersey City. And I want you to know  
2 that these are just some of the people. We have  
3 people who are working every day that could not  
4 take the time to come, but we are here because we  
5 know that you have a heart, we know that you have  
6 jobs to do, but we also know that you are fair  
7 people. And we are just asking you to be fair,  
8 that these people not be rewarded for not  
9 following through on a commitment. I'm with the  
10 mayor that if you are so inclined to close this  
11 hospital, that at least you give us the 120 days.  
12 And in some ways I understand that you can't  
13 instruct Greenville to -- you can't instruct  
14 Liberty Health to open up their books, but how  
15 else can we get a buyer. The real deal is that  
16 they don't want the competition, that's the  
17 reality of the situation. The parent does not  
18 want the child to live. Okay. If the parent is  
19 dying, the parent says the child has to die, too,  
20 and -- but all we need is an opportunity to have  
21 another -- or other people who might be interested  
22 in doing this hospital, but they have to get the  
23 information so that they can make a viable  
24 decision. They can't -- if they can't get  
25 information from the hospital, they can't make a

1 viable decision.

2 I thank you so much for your time.

3 DR. DONLEN: Anybody else?

4 MR. O'DEA: Bill O'Dea, freeholder,

5 District 2. Six months we asked for, three months

6 in the process. The city lived up to what they

7 said they were going to do. The hospital has not

8 acted in good faith in putting together this

9 community for this advisory committee that was

10 going to involve I think you should take no action

11 today. I think you should allow the rest of the

12 six months to go on before any action is taken. I

13 think you should direct the hospital to begin to

14 act in good faith in fully implementing this

15 committee, that this committee should be an active

16 committee, that this committee should have the

17 opportunity to receive, review, report back to you

18 and to the commissioner on viable offers and

19 options for this hospital. The gentleman

20 mentioned earlier Barnart, St. James, Columbus,

21 Greenville, do you see a pattern? Paterson,

22 Newark, Jersey City, those emergency rooms are the

23 first and only lines of health care for thousands

24 and thousands of individuals. And every time you

25 allow one of those emergency rooms to close, you

1 are putting a death sentence on the poor and  
2 indigent of these cities, because they have no  
3 where else to go. If you go and listen to your  
4 presidential debates for the amount of time health  
5 expense are discussed for universal health care,  
6 you will realize how important this issue is. I  
7 understand you are a planning group, you're not  
8 the commissioner, you're not the governor, but you  
9 do have to weigh in on these things. If you don't  
10 give us the additional time, the six months that  
11 were asked for, the city lived up to its  
12 commitment, allow the additional three months,  
13 direct the hospital to make this committee a real  
14 committee, require them to seriously entertain  
15 offers. From all I've seen about the Christ  
16 Hospital offer, it's real, you can't allow any  
17 hospital because of financial problems to seek to  
18 create monopolies, because those monopolies put at  
19 risk the lives of the poor and indigent in our  
20 cities. That's not what this should be about.  
21 It's not like making cars, these are peoples'  
22 lives.  
23           So all I would ask you is, you made  
24 a decision three months ago, it was a six-month  
25 decision. You allowed them to come back, they

1 have come back. All we ask is that give the  
2 additional three months. The city lived up to its  
3 commitment, and now require that this committee  
4 that's been created, maybe change the membership  
5 of it, because there is no community  
6 representation on it, require that they seriously  
7 receive and entertain the offers, and then let  
8 them come back here. And let's all hope and pray  
9 that we can come back here with a legitimate offer  
10 that will keep the hospital open and at a minimum  
11 keep the emergency room open. Because, like I  
12 said, every time an urban emergency room closes,  
13 we are basically telling people they are going to  
14 die, because they have no where else to go.  
15 Anywhere else they go, they will be turned away.

16           MR. DUBLIN: My name is Freeholder  
17 Jeff Dublin, I'm the chairman of the freeholder  
18 board in Hudson County. And I'm here today to ask  
19 that you keep this hospital open. The city has  
20 done everything that you asked them to do in  
21 November, but you have to have two willing  
22 parties. The one willing party is Jersey City,  
23 the unwilling party is Liberty Health. And they  
24 need to come to the table, and truthfully come to  
25 the table, opening their books, so we can go out

1 and give the potential buyer to take over these  
2 services. Councilwoman talked about dialysis. My  
3 father is on dialysis for many years. The new  
4 dialysis place in Jersey City is where no  
5 transportation can get to. At least if you are on  
6 dialysis, you have an option. You have an option  
7 to go to Greenville, because transportation could  
8 connect you to that hospital.

9           And then we have a big  
10 transportation problem in Jersey City, and the  
11 only bus that could potentially take you to the  
12 nearest hospital, they are talking about ending  
13 that line. And I believe hospitals,  
14 transportation, in urban areas, it has been sold  
15 out on us. And we are asking you to be good  
16 citizens, good people that represent people that  
17 make good decisions for people to not be the  
18 scapegoat for Liberty Healthcare. Don't be a  
19 scapegoat.

20           This community board, how can you  
21 put a community board when you have controlling  
22 interests when people's on your payroll. So you  
23 are going to make the decisions where your check  
24 is being cashed. So you shouldn't do that. If  
25 you say, get some community involved, then let the

1 community be involved, because the community is  
2 the one that's using this hospital, that's their  
3 first source of resources when something goes  
4 wrong. And I know, you know, a while ago Jersey  
5 City got rid of the death penalty, but closing  
6 that hospital you're bringing it back. So please,  
7 please, make the right decision for the people in  
8 that area. Because, remember, transportation is  
9 being a big problem in Jersey City, and closing  
10 the hospital is all over urban areas, and we are  
11 here to ask you today, please, there's a plan on  
12 the table, and at that November meeting you said  
13 money and a plan, we have been working on that,  
14 but they are unwilling. They are unwilling to  
15 come to the table and be truthful. And I'm going  
16 to ask you again, don't let them -- don't let you  
17 be the scapegoats for them. We ask you, please,  
18 hear the people, people of Jersey City, hear the  
19 mayor, hear the elected officials, this is a big  
20 concern or we wouldn't be here.

21           Thank you and God bless everyone. I  
22 know the senator earlier passed up her time, but  
23 she should have a chance to speak, because she  
24 represents a large part of that district also, and  
25 the reason --

1 DR. DONLEN: The senator didn't pass  
2 up her time, she had the three minutes, I watched  
3 it. But she can have a few more minutes. She  
4 said she was going to defer her time, but then it  
5 was three minutes. I watched her time.

6 SENATOR RICHARDSON: Thank you.  
7 There isn't really much more than I can say that  
8 has not been said. But I do have to ask you  
9 again -- you know, when we turn around and we see  
10 these people who came down on a bus early this  
11 morning, these people, some of them are on  
12 medication, some of them are not necessarily well,  
13 they are all patients of Greenville Hospital. But  
14 they came down because they are committed to  
15 keeping their hospital open. And when I  
16 acknowledged them before, it wasn't just to be  
17 nice because they are here, it is to reiterate  
18 that these are the faces of the people who would  
19 be most hurt. These are the faces of the people.  
20 They represent those people. And they are just a  
21 small portion of them.

22 When we ask you to give us the  
23 additional time, we are basing it on the fact  
24 that, one, we are right, because as Deputy Mayor  
25 Tayari pointed out, we upheld our end of the

1 agreement. And if we upheld our end of the  
2 agreement, then we certainly not should not be  
3 punished for those who did not uphold their end of  
4 the agreement.

5           We are in a situation in our city  
6 where chairman of the freeholder board, Jeff  
7 Dublin, just mentioned, the bus situation -- well,  
8 it is a far more serious situation than what he  
9 said, he alluded to it. We are in a situation  
10 where we are fighting with New Jersey Transit now  
11 to keep the lines available. The people who use  
12 those buses are the people who are sitting here.  
13 Those are the people who will need those buses to  
14 take them all the way down to the medical center.  
15 It is not an easy process, it's getting harder day  
16 by day, because we are fighting to keep lines on.  
17 And we don't know when they are going to end. I  
18 know the certificate of needs of Liberty talked a  
19 little bit about the light rails, believe me, the  
20 light rails are not anywhere near where most of  
21 these people live. That's the reality. We have  
22 to be realistic in what we are doing here. And I  
23 know that your job is to follow what the Governor  
24 has mandated to be fiscally conservative. We are  
25 talking not about numbers, we are talking about

1 people. And the reality is we are living in urban  
2 areas where hospitals are closing. We are  
3 fighting for schools. We are fighting for  
4 everything. The least we can do for our citizens  
5 is to be able to offer them health care. The very  
6 least that we can do is offer people the  
7 opportunity to get help when they need it, and it  
8 starts here. And I'm going to end right here.

9 DR. DONLEN: We're revisiting some  
10 of the old stuff, so.

11 SENATOR RICHARDSON: Well, sometimes  
12 we have to revisit it, so.

13 DR. DONLEN: Well, we have it all.  
14 I mean, we really need to move on.

15 SENATOR RICHARDSON: Okay. We need  
16 to move on, but we also need to look at these  
17 people while you're doing it.

18 DR. DONLEN: We will.

19 I just want to clarify a few things  
20 in terms of the board and the understanding of our  
21 motion the last time. Can you keep the voices  
22 down, the transcriber really needs be able to hear  
23 us and take notes, so any background noise we're  
24 going to just interrupt and wait until it goes  
25 down so that she can get all of the transcript,

1 because that's really important, that's what I  
2 have here.

3           One of the last things that we said  
4 before we ended the meeting after the motion was  
5 taken was that we really didn't want to give the  
6 community false hope. We agreed to suspend our  
7 activity because the city identified that they  
8 would have the money, and they wanted to be in a  
9 position to have some discussion.

10           Jersey City Medical Center was never  
11 agreed -- was never, from my perspective, very  
12 hopeful about 1.5 million dollars would really be  
13 able to have them stay in operation. We said  
14 specifically at the end of it that we weren't sure  
15 that there would really be a hospital there in 90  
16 days, and that they should go back and look at  
17 what could be developed in a way of a plan if that  
18 money was available. And that money looked more  
19 like just money that would get through the  
20 planning process and let them keep the doors open  
21 while they were looking at it.

22           So I don't want to mislead anybody.  
23 Yes, it said 120 days it could come back with a  
24 plan for keeping it open. We did leave the door  
25 open to come back earlier if the money wasn't

1 available or if there wasn't a way for them to  
2 look at operating it with the money and they  
3 weren't able to agree to use the money that you  
4 could come back. So I just want you to understand  
5 that we can't make somebody do -- agree to do --  
6 agree to operate a facility that they don't have  
7 the financial ability to do that. So, although,  
8 1.5 million dollars was a very good offer, it  
9 might not be enough. And that's what we are going  
10 to hear from the applicant at this point. But in  
11 terms of what the motions were, I think that's  
12 where we were. Is that agreeable?

13 MS. OLSZEWSKI: I'd just like to  
14 hear the rest, so we can discuss the question  
15 later.

16 MR. BAKER: I have my thoughts on  
17 that, but I'll wait.

18 DR. DONLEN: Anybody else.

19 (No response.)

20 DR. DONLEN: We will hear from the  
21 applicant.

22 MR. SCOTT: Hi. I don't think any  
23 of you have met me yet. My name is Joe Scott.  
24 I'm the new president and CEO for Liberty Health.  
25 I started actually on January 1st. This is a very

1 difficult thing for us to do to actually close a  
2 hospital, and certainly not something that any  
3 hospital CEO wants to do. But the fact of the  
4 matter is that we are in a position where we  
5 support the community from a health care  
6 perspective, and this is a vital opportunity for  
7 us to make sure that we continue to provide those  
8 services.

9           I provided for you a testimony, and  
10 I'm just going to go over some of the highlights  
11 of that. But before I do that, I would really  
12 like to thank the mayor and the elected officials  
13 who really came out and supported the community.  
14 They believed that they are doing the right thing  
15 for this hospital and for the community. We have  
16 taken a different stand, but I do want to  
17 recognize them and thank everyone who's helped us,  
18 that truly does show support for the community. I  
19 think what we need to do as a health care system  
20 is identify where we can provide health care  
21 services to that community in the most appropriate  
22 setting. That is our job. We are health care  
23 experts. That's what we want to do for the  
24 community. And we want to be there for the  
25 community and partner with the mayor and the

1 elected officials. So regardless of the outcome,  
2 I hope that that's what ends up coming of our  
3 partnership as we move forward.

4           We've always been committed to the  
5 community. It's been our mission to serve the  
6 patients of all of Jersey City, and we are going  
7 to do that with or without Greenville. So I want  
8 that to be very clear to the Commission that that  
9 is our commitment.

10           On behalf of our board of trustees I  
11 want to thank you for the opportunity to continue  
12 the certificate of need application to close  
13 Greenville Hospital. We've previously submitted  
14 extensive information to the application. We  
15 provided written testimony and answered board's  
16 questions. The staff of the Department of Health  
17 and Senior Services, as you heard today, and  
18 before the last meeting, recommended accepting our  
19 application. Much has happened since our last  
20 meeting on November 1st, but many things remain  
21 the same.

22           Since our last meeting the New  
23 Jersey Commission on Rationalizing Health Care  
24 Resources has defined essential hospitals for the  
25 community and viable hospitals, and made it clear

1 that not all hospitals will receive support. To  
2 quote from the report, the state currently faces  
3 an oversupply of hospitals beds that is manifested  
4 in every market areas of the state, but most  
5 pronounced, and they actually talk about the  
6 Newark/Jersey City area.

7           The Commission also identified small  
8 to medium hospitals as those most likely to be  
9 financially distressed. With less than 80 beds,  
10 an average daily senses of 40 patients, Greenville  
11 Hospital, in our opinion, leads to a list of  
12 hospitals that do not meet essential criteria.  
13 Taken in context, this report generally supports  
14 our Certificate of Need application for Greenville  
15 Hospital. Also during this time, Liberty Health  
16 has continued to sustain Greenville Hospital of a  
17 cost of almost four million dollars a year.

18           To give you a little idea about what  
19 we do at Liberty Health, you know, we have Jersey  
20 City Medical Center, which has an open heart  
21 surgery program, is a level two trauma center.  
22 What many of you may not know about the other  
23 community services that we provide, and it's  
24 preserving those services that is most important  
25 for our community.

1           Each year Liberty Health sees more  
2 than 200,000 total visits to outpatient programs,  
3 200,000. It doesn't come cheap to be able to  
4 provide 200,000 worth of outpatient business.  
5 These include dental visits, eye clinic visits,  
6 visits for primary and specialty care, visits for  
7 outpatient lab work. We have rehabilitation. Our  
8 behavioral health program last year saw more than  
9 49,000 visits, that included the full range of  
10 counseling services, addiction services,  
11 residential and outpatient services. Our  
12 commitment is to the community. It has been for  
13 over a hundred years. Our goal is to ensure that  
14 patients are cared for in the most appropriate  
15 setting. And I can't stress that enough. It is  
16 the most appropriate setting that's important  
17 here.

18           All these medical services are  
19 extensive, vital, and often unique. If Liberty  
20 Health Care did not provide them, we believe many  
21 of these services would not exist today. So it  
22 truly is a matter of priority. Unfortunately,  
23 this is not true for Greenville Hospital. The  
24 vast majority of the surrounding community does  
25 not use it. It offers no vital medical services

1 that are not offered at other hospitals within the  
2 area. And I'd like to talk a little bit about the  
3 1.5 million dollars. The State Health Planning  
4 Board deferred action on the Greenville Hospital  
5 application because the City of Jersey City  
6 offered 1.5 million to offset operational losses  
7 to keep the hospital open. I want you to be very  
8 clear that this issue went before our board in  
9 December after the offer was made by the City.  
10 The board fully reviewed it. I'm new from the  
11 outside. I had an opportunity to fully review the  
12 financial issues surrounding Greenville. And I  
13 truly agree with the board, and the board fully  
14 vetted this issue, that no matter -- no amount of  
15 money was going to save Greenville in the long  
16 run. And I think that that's the most important  
17 point.

18           We can continue to subsidize  
19 Greenville Hospital for four million. Right now  
20 we are in a situation where many of our employees  
21 are leaving. I know someone said we are forcing  
22 employees out, we are not doing that. We are  
23 working with our employee staff to have them work  
24 at other facilities. We are not forcing employees  
25 out. That being said, many employees, realizing

1 that Greenville is getting ready to close, are  
2 beginning to leave and we're now having to use  
3 temporary staff to fill in. That temporary staff  
4 costs more and more money. This is a no win  
5 situation in terms of being able to continue to  
6 provide those service.

7           Someone mentioned something about  
8 safety. Our number one priority at Liberty Health  
9 is patient safety. We want to make sure that we  
10 continue to provide a safe environment for our  
11 hospital, and we continue to submit to do that,  
12 regardless of the situation and regardless of the  
13 costs. I think it is important for you to know  
14 that we did have an inspector come in from the  
15 Department of Health who took a look at our  
16 facility, and did not find any issues, and, in  
17 fact, recently as a week ago or two weeks ago.

18           So we are continuing to provide a  
19 safe environment. It is costing us more and more  
20 money. And we are in a very difficult situation  
21 and it's not something we want to continue at that  
22 hospital.

23           At the last hearing we mentioned  
24 that we discussed possible uses for Greenville  
25 Hospital, including working with the three

1 federally qualified health centers. The centers  
2 are not interested in pursuing this for many  
3 reasons, including the capital costs associated  
4 with renovating and maintaining the building. We  
5 believe today we need a new roof, there's asbestos  
6 in the building that needs to be abated. The cost  
7 of all of that, including plumbing, new windows,  
8 is over six million dollars. No federally health  
9 qualified clinic has the ability to be able to  
10 come in and renovate that building for that kind  
11 of money.

12           We have had an overture to  
13 purchase the facility from some of the physicians  
14 of Greenville Hospital. They actually met with  
15 our executive committee on January 17, 2008. We  
16 take seriously the doctors' stated interest to  
17 purchase the hospital, and provided them with data  
18 necessary to perform their due diligence. In  
19 return we asked them to provide documentation of  
20 their financing and their offer for purchase. So  
21 far we have received no proposal.

22           As I said, members of our board have  
23 extensive information regarding this financial  
24 analysis. As I said, I have personally taken a  
25 fresh perspective on this analysis, making sure

1 that all those numbers are accurate. As the  
2 health care experts, we believe this situation is  
3 not attainable.

4 In addition, representatives from  
5 the State Department of Health and Senior Services  
6 and HUD participated in weekly and biweekly  
7 meetings throughout an 18-month long analysis that  
8 we had with Well Spring Partners. This analysis  
9 was not performed in isolation. As information  
10 and decisions were made, we provided information  
11 to all public officials and had many meetings with  
12 officials to answer their questions.

13 At the last meeting there was also  
14 extensive discussion on transportation.  
15 Transportation is not a problem for Greenville  
16 residents who are experiencing emergency. An  
17 emergency -- let me tell you a little bit about  
18 our EMS service. Liberty Health EMS service  
19 through its performance improved initiative,  
20 monitors call capacity and has developed a  
21 predictive model that improves response time.  
22 This process has become a model for the nation.  
23 In fact, I'm so convinced that this model is the  
24 best in the nation, that we're applying for the  
25 Ernest Competent Award with the Joint Commission

1 which recognizes programs that measurably improves  
2 patient care and outcomes. As a result of this  
3 initiative from our EMS, we have seen reduced  
4 response time as well as improved mortality rates.

5           The major transportation issues seem  
6 to relate to medical visits and primary care. To  
7 respond to this issue we're preparing a brochure  
8 that will be mailed to every home in the  
9 Greenville community. We're preparing this  
10 brochure with the assistance of the community  
11 advisory board of the community leaders. This  
12 advisory board is charged with identifying other  
13 issues which we can and should think about as  
14 Greenville Hospital is closed.

15           In conclusion, this is truly a heart  
16 wrenching decision. No hospital administrator  
17 ever wants to close a hospital. Given the  
18 financial condition, physical plan, ability to  
19 expand, decreasing community need, a new facility  
20 less than three miles away, we have no choice. We  
21 simply do not have the financial capacities to  
22 support two hospitals in such close proximity that  
23 share the same service area.

24           We developed this plan with great  
25 reluctance and it's been vetted thoroughly. It

1 maintains both financial integrity of Liberty  
2 Health and all the facilities we talked about  
3 today and outreach program and provides for the  
4 long-term health care needs and interest of the  
5 entire region.

6 I thank you for your time. Many  
7 members of the Liberty Health board are here,  
8 including our board chairman, Lynn Shundler, and  
9 our vice chair, Robert Margolis. We also invited  
10 George Whetsell, principal from Well Spring  
11 Partners who did much of the financial analysis of  
12 the whole Liberty Health Care System. And Sean  
13 Hopkins, senior vice president for health  
14 economics from the New Jersey Hospital  
15 Association. They are here to offer their  
16 thoughts and opinions of the Greenville Hospital  
17 closure, and we'll be happy to answer any of your  
18 questions. Thank you.

19 DR. DONLEN: Could the  
20 representative from Wells Spring talk to us a  
21 little bit about the financial liability, when it  
22 was done, and if it's been updated based on the  
23 most recent extension.

24 MR. WHETSELL: My name is George  
25 Whetsell, W-h-e-t-s-e-l-l, I'm the managing

1 director with Wells Spring Partners, we are a  
2 health care performance improvement consulting  
3 firm. We specialize in working with hospitals and  
4 health systems. We were engaged by Liberty Health  
5 in the summer of 2006.

6           And maybe to back up a step, at the  
7 time we were engaged we were involved with Liberty  
8 Health board senior management, HUD, which ensures  
9 the over 200 million dollars in debt for the  
10 construction of Jersey City Medical Center, and  
11 the State Department of Health, and the Health  
12 Facilities Financing Authority. One of the things  
13 we need to recognize, based on the analysis we  
14 did, is that the Liberty Health System, Jersey  
15 City Medical Center, Greenville, and Meadowlands  
16 faces a financial crisis of astounding proportion.  
17 It is solely dependent on state funding and will  
18 be dependent on supplemental state funding for the  
19 foreseeable future for system to maintain viable.  
20 So it's not just Greenville that is financially  
21 distressed and at risk, the whole system is in  
22 distress.

23           DR. DONLEN: Is that primary because  
24 of the payer mix?

25           MR. WHETSELL: It is almost totally

1 because of the payer mix. The system serves about  
2 64 percent of its patients from Medicaid and  
3 charity care as we reported in multiple venues.  
4 The funding for the charity system Medicaid does  
5 not cover the cost of care, and no matter how  
6 efficient we can make the health system, you can't  
7 make ends meet.

8           The Jersey City serves more Medicaid  
9 and charity patients than any other hospital in  
10 the state on a proportion basis, and the state  
11 recognized this. We worked with Matt, Heather  
12 Howard, Commissioner Fred Jacobs, he was the  
13 commissioner representative of HUD. So it's been  
14 a very collaborative effort to figure out how to  
15 fix the system. But we are talking about on an  
16 order of magnitude basis of 65-million-dollar  
17 deficit for the health system.

18           Now, what we have done over the last  
19 18 months is, we have closed about 32 to 33  
20 million of that, so we're about half. And we  
21 still face 32 to 34 million deficit in the state  
22 in the current budget year helped to close that  
23 gap. And, of course, we have the budget season on  
24 us shortly to see whether they will do that again.

25           On the particular analysis of

1 Greenville, that analysis was done during the  
2 January to early April time frame of 2007. And it  
3 was first presented to the steering committee for  
4 the project of the executive committee of the  
5 board in late April of 2007. And then it was  
6 shared with the full Board in May of 2007. We  
7 have -- the findings are pretty overwhelming, you  
8 know, Greenville Hospital loses money no matter  
9 how you cut the data.

10 I know there have been questions  
11 about how the overhead costs are allocated from  
12 Liberty Health to the various hospitals, we  
13 investigated that early on. We looked at multiple  
14 methodologies. Any methodology you would use,  
15 comes out with about the same numbers. The  
16 allocation methodology are fair and consistent  
17 with how overhead costs are allocated in other  
18 health systems around the country. The fact is,  
19 Liberty Health System has a very lean overhead  
20 structure, so the same people in corporate  
21 management positions are also in management  
22 positions at Jersey City Medical Center, so they  
23 are wearing two hats. We have benchmarked the  
24 health system from a productivity standpoint using  
25 actual benchmarks, and we have improved

1 productivity. Staffing levels throughout Liberty  
2 Health System were reduced very significantly over  
3 the past 18 months.

4           The labor productivity is at the  
5 best corps town level of performance. We also did  
6 a non-labor cost reduction project and reduced  
7 non-labor costs. We also tuned up all the revenue  
8 cycle billing and collection coding and  
9 documentation systems. We have improved the  
10 bottom line by about \$32 million, but there is  
11 still a gap. Now --

12           DR. DONLEN: Let me ask you a  
13 question before I lose it. The \$32 million at  
14 closure was that with the anticipation of closing  
15 Greenville at a certain point, or is that taking  
16 into consideration the ongoing operations at  
17 Greenville?

18           MR. WHETSELL: At this point the 32  
19 million does not include the benefit of closing  
20 Greenville. We did calculate that benefit, but we  
21 can't really count it until it's done. And there  
22 will be a time where I'm asked to wind it down  
23 and --

24           DR. DONLEN: I was wondering whether  
25 it was projection or we were really at it right

1 now?

2 MR. WHETSELL: No, basically we are  
3 at the 32 million now. There are some other  
4 programs and services being looked at that will  
5 produce some additional savings, and Greenville  
6 closure is one of them.

7 DR. DONLEN: Okay. I'm sorry, I  
8 interrupted.

9 MR. WHETSELL: I think the other  
10 comment I would make is as we did the analysis,  
11 one of the most significant things that we found,  
12 as we did a very thorough analysis of patient  
13 origin, market share, and competition throughout  
14 Hudson County and Hudson County hospitals, and the  
15 way that hospitals do their planning we typically  
16 define a primary service area where the vast  
17 majority of population uses the hospital and  
18 secondary service area. The primary service area  
19 for Greenville Hospital is represented by two zip  
20 codes, one where Greenville Hospital is located  
21 and one next to it. They represent the vast  
22 majority of people that go to the hospital come  
23 from those two zip codes, and only those two zip  
24 codes. Those two zip codes are also served by  
25 Jersey City Medical Center. And, in fact, as data

1 shows, the State of New Jersey data that we used,  
2 more people from those two zip codes, more than  
3 twice as many people from those two zip codes, go  
4 to Jersey City Medical Center than use Greenville  
5 Hospital for services.

6 For the patient origin data that the  
7 state provides, of all the patients that sought  
8 hospital care from those two zip codes, 15 percent  
9 went to Greenville, 85 percent sought care at some  
10 other hospital.

11 DR. DONLEN: Is this inpatient care  
12 or outpatient?

13 MR. WHETSELL: Yes, inpatient care.

14 DR. DONLEN: I just wanted to  
15 clarify.

16 MR. WHETSELL: For hospital-based  
17 inpatient care, 85 percent of the people that  
18 sought care from those two zip codes went to  
19 another hospital, some Jersey City, some Christ,  
20 some Bayonne, some to Manhattan, and some to  
21 suburban hospitals.

22 DR. DONLEN: And most of those are  
23 things that are directed by the physicians, it  
24 didn't come through the emergency room.

25 MR. WHETSELL: Right. Right.

1 DR. DONLEN: We got it. We got it.

2 Anything else?

3 MR. WHETSELL: I'll take other

4 questions if you have some.

5 DR. DONLEN: It's our questions.

6 It's our discussion. We have heard all of your

7 input. We will reflect it. Sit down. Please sit

8 down. Doctor, please sit down. Escort him out.

9 Escort him out.

10 MR. WHETSELL: Are there any other

11 questions?

12 DR. DONLEN: I don't think so. We

13 may call you back. I have another question before

14 I get back to the applicant.

15 Matt, the rationalization report

16 talked about essentiality of hospitals as well as

17 the ability to fund, in other words, it was a

18 mixture between an underserved population they

19 served essentialness of it, and whether or not it

20 was able to survive. So remind me of the two

21 words, essentiality and --

22 MR. D'ORIA: The financial distress.

23 DR. DONLEN: Profitability and

24 non-profitability, in that case. Did we have any

25 indication in terms of how hospitals would be

1 graded in that environment, how this kind of a  
2 hospital that served primarily two zip codes and  
3 has a small inpatient status and small inpatient  
4 beds?

5 MR. D'ORIA: I don't think you're  
6 going to like our answer. We have been asked this  
7 question since the Reinhardt Commissions report  
8 came out, because every hospital is concerned  
9 where they fit on that grid. What we have told  
10 folks is that grid is dynamic, the closures of  
11 other hospitals around the area impact that, so as  
12 do the profitability changes that occur from year  
13 to year. So it's a very fluent analysis that's  
14 done and it's a point in time. So we have not put  
15 out that kind of data. We will not put out that  
16 kind of data --

17 DR. DONLEN: But we need to be  
18 thinking in terms of Baoyne which is one of the  
19 things that was on chopping block when we saw this  
20 in November, Bayonne has been spared, and we  
21 assume that's going to move forward.

22 I'm blocking. Representative from  
23 the hospital association. Sean. You know, I was  
24 thinking Scott, and I knew that was wrong.

25 Give your name for the --

1 MR. HOPKINS: Sean Hopkins with the  
2 New Jersey Hospital Association.

3 DR. DONLEN: Sean, I know the  
4 hospital association has been watching this and  
5 has been looking at the commissions report, and in  
6 terms of have you been looking at it, is there any  
7 position that the hospital association has been  
8 taken on this type of thing or this one  
9 specifically?

10 MR. HOPKINS: Well, I think -- is  
11 your question, are you speaking specifically about  
12 reaction to the report, or are you speaking  
13 specifically about the reaction to what's in  
14 your --

15 DR. DONLEN: The report -- this  
16 hospital closure in the context of what would be  
17 the report's recommendation.

18 MR. HOPKINS: I think the reaction  
19 to the report is that we feel the commission did a  
20 wonderful job with exploring a significant number  
21 of issues that are pertinent to health care in New  
22 Jersey. We feel that more work needs to be done  
23 on what the appropriate solutions are to the  
24 issues that are raised, and we certainly are  
25 willing to go ahead and working collaboratively

1 towards identifying and defining what those  
2 solutions might be.

3           In particular, talking about the  
4 general environment, that really drove what was  
5 the genesis of the report was the environment in  
6 New Jersey. And I can tell you that in my 25  
7 years in health care in New Jersey that this is  
8 the worst that I have seen the finances of  
9 hospitals in general in New Jersey in that entire  
10 time.

11           At the close of 2006, looking at  
12 audited financial statement information, the  
13 average operating margin for a New Jersey hospital  
14 was six-tenths of one percent, 42 hospitals were  
15 losing money from operations. Through nine months  
16 of 2007 we have an average margin that's razor  
17 thin at one half of one percent on average, 47  
18 percent of hospitals operating in the red. Some  
19 of the things that were identified earlier, what  
20 are the causes, root causes, of those issues,  
21 chronic underpayments from many of the  
22 governmental payers. On average, Medicaid  
23 reimburses hospitals, about 69 percent of their  
24 costs for providing inpatient services, Medicare  
25 about 89 percent of their costs for providing

1 inpatient services, and the charity care program,  
2 which predominantly supports the working uninsured  
3 only covers, in totality statewide, about 55  
4 percent of hospital's actual costs for providing  
5 care to that population.

6           In my first 22 years in New Jersey,  
7 I never saw one hospital bankruptcy declared. In  
8 the last 15 months I've seen five hospitals  
9 declare bankruptcy. When a hospital essentially  
10 makes the decision that it is in the best interest  
11 financially in the broader spectrum, the broader  
12 scope of things, to close down an individual  
13 facility, what I have found is that that decision  
14 is not made lightly. There's a thorough and  
15 thoughtful evaluation that is a process that is  
16 worked through before that decision occurs. But  
17 what I have also found is that once that decision  
18 is really made that the longer the process is  
19 elongated, that you continue to bleed valuable  
20 sources out of the system that could be dedicated  
21 towards other caregiving opportunities. And so an  
22 orderly closure really seems to be a more  
23 appropriate course of action than elongating that  
24 process and running the risk of bankruptcy, then  
25 we get into creditors, who's first in line, who's

1 last in line, who were secured creditors, who are  
2 not secured creditors, et cetera. That's really a  
3 general sense of what the environment is.

4 DR. DONLEN: Thanks. Anybody have  
5 any questions?

6 I'm going to ask the applicant to  
7 come back up. Your losses, we heard the loss --  
8 the gap has been closed to maybe about 35 million,  
9 32 million.

10 MR. SCOTT: Yes.

11 DR. DONLEN: How much -- what  
12 percentage of the charity that has been delivered  
13 have you been seeing in terms of being reimbursed,  
14 what kind of charity cares did you have relative  
15 to the charity care that you deliver, or what you  
16 have on the books.

17 MR. SCOTT: Well, there was that  
18 subsidy last year for \$34 million that helped  
19 close that gap from the state.

20 DR. DONLEN: Right.

21 MR. SCOTT: And that was  
22 specifically because of our large percentage of  
23 indigent patients.

24 DR. DONLEN: But under the normal --  
25 assuming that was a one time only, under the

1 normal type of reimbursement that --

2 MR. SCOTT: What is our  
3 disproportionate share of funding --

4 DR. DONLEN: And the usual  
5 calculation that's been done, was the 34 million  
6 that was a one time only, or was that your regular  
7 charity care reimbursement last year?

8 MR. SCOTT: It's not a reoccurring.

9 MR. D'ORIA: I can help with this.

10 DR. DONLEN: I may not be very clear  
11 on the question, but you get the gist.

12 MR. D'ORIA: Yes, they received last  
13 year charity care 89 million dollars. Their  
14 documented charity care was in the neighborhood of  
15 fifties. I'm reluctant to quote number, because  
16 we are on the record. I prefer to give the board  
17 the exact numbers. The way the formula for  
18 charity care was done last year, it was a  
19 transition, we had been using calendar 2002 data,  
20 which did reflect the current utilization of  
21 charity care, and updating that there was big  
22 winners and losers, so the idea was last year the  
23 budget to try and build corridors in so that no  
24 one hospital lost more than 10 percent, and no one  
25 hospital gained more than 20 percent. So that was

1 a transition year.

2           The upcoming year is -- everything  
3 is on the table. The Governor's made that clear.  
4 The environment is not good, as Sean's indicated,  
5 and we are holding our breath waiting to see what  
6 the budget is going to include.

7           DR. DONLEN: Right. So, obviously,  
8 whether -- even with the closure of Greenville you  
9 will be, in addition to your payer mix, you'll  
10 have a significant portion of charity care that  
11 you'll be delivering before we ever start the  
12 reimbursement?

13           MR. SCOTT: That's correct.

14           DR. DONLEN: Can you estimate --

15           MR. SCOTT: We are projecting that  
16 to be, again, about 30 million. In the Well  
17 Spring Report, the subsidy that they had said that  
18 we would need in order to continue operations for  
19 Liberty as a whole was that \$34 million over a  
20 period of five years.

21           DR. DONLEN: Okay.

22           MR. SCOTT: So that's where we stand  
23 today. Certainly we are going to look at every  
24 single thing that we do and every penny that we  
25 spend as we move forward. Because as Matt said,

1 it's a tough year financially every where.

2           You know, this is not unique to New  
3 Jersey. I came from Florida and they had \$2.5  
4 billion shortfall with the state. Where they were  
5 going after it was not the schools, they were  
6 going after health care. So this is not a unique  
7 situation, it's a national crisis.

8           DR. DONLEN: In terms of services,  
9 Greenville had already closed -- did not have  
10 obstetrics and pediatrics?

11          MR. SCOTT: That's correct.

12          DR. DONLEN: How long ago was that  
13 moved to -- there is not a lot of inpatient peds  
14 anyway, so -- and you haven't had obstetrics for a  
15 while.

16          MR. SCOTT: For a long time.

17          DR. DONLEN: All right. So that  
18 that -- those serviced had already been supplied  
19 by other hospitals in the area?

20          MR. SCOTT: Including Jersey City  
21 Medical.

22          DR. DONLEN: And we did talk the  
23 last time about emergency room admissions. If  
24 there was a satellite emergency room there, I  
25 think you were talking about the high risk care,

1 the people who have the highest risk problems,  
2 they have always been directed to the medical  
3 center?

4 MR. SCOTT: Well, I think if anyone  
5 suffering a heart attack, they immediately come to  
6 the medical center, because that's where they  
7 can --

8 DR. DONLEN: And that's what -- and  
9 the immobilizing intensive care unit pretty much  
10 ensure that, that's not a decision made by the  
11 ambulances?

12 MR. SCOTT: Absolutely. That's  
13 correct. They are looking at creating a stroke  
14 center at the medical center so those patients  
15 will automatically come. I pulled the census on  
16 Monday, 29 patients came to our ER in a 24 hour  
17 period.

18 DR. DONLEN: At?

19 MR. SCOTT: At Greenville, 29  
20 patients. So we are sustaining that with medical  
21 staff coverage 24 hours, nursing coverage, support  
22 staff, that's just we can't --

23 (At this time a conversation ensued  
24 with a member of the audience.)

25 DR. DONLEN: I have some other

1 questions, but I'll let the -- we will get to the  
2 plan in a minute, but I just wanted to make  
3 sure -- go ahead.

4 MR. BAKER: I noted in your prepared  
5 testimony that you said that you spoke with the  
6 doctors who are interested, you take that  
7 seriously, and you've provided them necessary data  
8 to perform the due diligence, I assume that's  
9 financial data --

10 MR. SCOTT: They had a series of  
11 questions that they were asking, and we actually  
12 responded to each one of those questions. I have  
13 a copy of it if you'd like to see it.

14 MR. BAKER: Actually, I was more  
15 interested if you could get it to the folks of the  
16 city, any analysis that the city has conducting,  
17 they have that same data. And I also ask you if  
18 you would make available financials, the basic  
19 financials, that get reported to the state or that  
20 are otherwise public to city officials.

21 MR. SCOTT: Those are available, and  
22 that has been our intention all along, that those  
23 were in our report, they were in our application,  
24 they have been available. There were, though, a  
25 specific set of questions that a consultant that,

1 I think, was working with the city and physician  
2 had asked. And we went through and we answered  
3 every one of those questions and provided that  
4 last week to the physicians. But we have not  
5 received anything back at this point in time.

6 MR. BAKER: If the city doesn't have  
7 that, they can ask for that and you will provide  
8 it.

9 I also noted that you indicate that  
10 there may be some ability for supplemental  
11 transportation services to allow access to primary  
12 care. One of my concerns is that there is this  
13 emergency network for transportation and there are  
14 other facilities for emergency services nearby,  
15 but access to primary care is not just  
16 availability but the ability to get to those  
17 services.

18 MR. SCOTT: Sure.

19 MR. BAKER: Can you tell me what  
20 your thoughts are or have you had discussions with  
21 the city?

22 MR. SCOTT: I believe we have talked  
23 about transportation issues. There are several  
24 federally qualified health care centers that  
25 provide primary care in the area also. But we are

1 continuing to work on those transportation issues  
2 and make sure people know about what  
3 transportation options are available at this point  
4 in time. So we are going to communicate that  
5 information.

6 MR. BAKER: I'm sorry, I was about  
7 to say, usually we require certain things in these  
8 closings, but this isn't a usual situation. We  
9 have only been doing it for a year or so, but one  
10 of the things that we often suggest is that the  
11 applicant develop a transportation plan,  
12 particularly for the access to primary care  
13 services, and that would be submitted to the  
14 department for the department's review and  
15 blessing before you close, is that something --

16 MR. SCOTT: Yes, we are prepared to  
17 do that.

18 MR. BAKER: Also, with regard to  
19 notification of the community, I note that it's  
20 something I spoke about last time, you're going to  
21 prepare a brochure --

22 MR. SCOTT: That's correct.

23 MR. BAKER: -- to be mailed to the  
24 two zip codes you referenced?

25 MR. SCOTT: That's correct, to the

1 Greenville community.

2           MR. BAKER: I also suggest that if  
3 there is a decision to close, that that be  
4 something that can be more of a permanent nature.  
5 I know when I get a brochure, I look at it, and I  
6 read it, and usually if I leave it out on the  
7 table for more than an hour, my wife throws it  
8 out. So something that maybe in a refrigerator  
9 magnet, so that the residents will know the  
10 numbers to call and addresses, and it's the  
11 reminder there, because in an emergency situation  
12 when you're not feeling well, the last thing you  
13 want to do is shuffle through the papers on the  
14 table to find the brochure.

15           MR. SCOTT: Great suggestion, we  
16 will be happy to do that.

17           MR. BAKER: If the commissioner does  
18 decide to allow the closure of the hospital, I'm  
19 using your consultant's term, what would be the  
20 wind down time horizon from the day the  
21 commissioner said you can close.

22           MR. SCOTT: Well, we would like to  
23 close -- if the decision -- I'm not sure when the  
24 decision would be made, but we anticipate within  
25 30 days we'd like to close the facility.

1           MR. BAKER: Can I ask Matt a  
2 question?  
3           Matt, I think it might have been the  
4 councilwoman mentioned some concern that the staff  
5 was leaving, and the applicant indicated they are  
6 going on their own to seek other jobs, but what  
7 does the department do -- or what can the  
8 department do in these circumstances to make sure  
9 that staffing levels are being met and safety is  
10 being met during this time period?

11          MR. D'ORIA: Unfortunately, I think  
12 one of the applicants mentioned we have been up  
13 there a few times. We will continue to have the  
14 presence, not only there, but in any hospital  
15 that's in jeopardy of closing. And we will be  
16 there through the process to make sure patients  
17 are transferred safely when they are transferred,  
18 and that their medical records are available to  
19 them, et cetera. So the state role is essentially  
20 that in the closure.

21          MR. BAKER: Thanks. My last  
22 question for the applicant, a number from not only  
23 the community are going to lose health care  
24 resource, but a lot of folks are going to lose  
25 their jobs, and we always try to address

1 outplacement services for the employees that will  
2 be losing their jobs, can you talk about what your  
3 plan is?

4 MR. SCOTT: Sure. We actually have  
5 been working with the employees over the last --  
6 since we made the decision. There have been job  
7 fairs that we have actually participated with with  
8 the employees. The employees have been there for  
9 a long time, they have a retirement benefit that  
10 they will receive, and there's also a severance  
11 for those employees. Many of the employees are  
12 working at other medical centers, both Meadowlands  
13 and at Jersey City Medical Center, and some of the  
14 offsite locations that we have. So we have  
15 actively been working with the employees to place  
16 them throughout our system.

17 MR. BAKER: What is that severance  
18 benefit, depending on how many years.

19 MR. SCOTT: Yeah, it is one week a  
20 year.

21 MR. BAKER: If the board does --

22 MR. SCOTT: And just many of the  
23 employees there are there for a very long period  
24 of time. I was struck when I first went there the  
25 number of people that worked there for so many

1 years. So it's particularly difficult for them.

2 MR. BAKER: Would you be amendable,  
3 if the board so decides, to have a condition that  
4 you provide the department with an outplacement  
5 program or schedule --

6 MR. SCOTT: Absolutely.

7 MR. BAKER: -- during the course of  
8 the time between now and you close?

9 MR. SCOTT: Absolutely.

10 MR. BAKER: That's my questions.

11 DR. DONLEN: Who wants the mic next?  
12 Do you have any questions, Connie?

13 MS. BENTLEY-McGHEE: Good morning.  
14 What I was wondering, based upon the letter that  
15 was sent December 21st -- and I realize that was  
16 before you actually came on board -- but what I'm  
17 wondering is, who was involved in any discussions,  
18 if anybody, between Liberty Health and the city?  
19 Because we were here November 1st, and I think the  
20 city had to act extraordinarily quick, quickly,  
21 because the resolution was out on the table by  
22 December 19th, I don't even know what day of the  
23 week that was, but two days later there is a  
24 decision as referenced in your letter of December  
25 21.

1 MR. SCOTT: Sure. And Lynn, do you  
2 want to talk about the board meeting where they  
3 discussed that issue. Because I think that's  
4 really what you're getting to.

5 MS. SCHUNDLER: My name is Lynn  
6 Schundler, I'm the chairman of Liberty Health, and  
7 as you've heard from a number of our presenters,  
8 this decision to close the hospital was made over  
9 many, many, many, many years. And it was not  
10 something that we went into lightly. And at the  
11 time that the meeting was here, that was a  
12 recommendation or an offer of the city, but it was  
13 incumbent upon the board to take that under  
14 review, which we did immediately. And our duty of  
15 care is to the whole community, and that is the  
16 constituents we were considering. I know the  
17 offer was made in good faith, but it wasn't  
18 something that we could do, because every day that  
19 the hospital continued to be open, we were  
20 jeopardizing services that would be made available  
21 to others. So the decision was made formally back  
22 in April, and the decision to write that letter  
23 was made after, you know, right after we had seen  
24 the resolution, and, again, after having reviewed  
25 and analyzed the data and the situation for over

1 many, many, many years.

2 MS. BENTLEY-McGHEE: I understand  
3 what you are saying, but in looking at the  
4 demographics of the room and an understanding that  
5 the advisory board that was created may not have  
6 had community input, what I'm wondering is if  
7 you've decided or had the thought over a number of  
8 years to close the hospital, what communications  
9 was there between your organization and the city,  
10 between November and the date you had the board  
11 meeting, so there could be some discussion and  
12 some input because we -- I think we took a lot of  
13 time November 1 just to try and understand and to  
14 be able to make an informed decision based upon  
15 the information that was given to us, so I'm  
16 wondering other than just your board meeting and  
17 making a decision where was the communication?

18 MS. SCHUNDLER: We have met with  
19 representatives from the city several times. I,  
20 myself, have gone, we've gone with the previous  
21 CEO, we met with Mr. Tayari, we've met with  
22 Senator Cunningham, and we've met with Viola  
23 Richardson on a few occasions. We --

24 MS. BENTLEY-McGHEE: Let me  
25 interrupt you. I'm talking about from the time

1 that we decided as a board to give more time  
2 really based upon the fact that the city came  
3 forward with we have \$1.5 million to extend. Was  
4 there communication there so that --

5 MS. SCHUNDLER: Yes. John Doyle,  
6 who's the hospital representative also --

7 MR. DOYLE: What is the question?

8 MS. BENTLEY-McGHEE: I'm wondering  
9 about the communication that went on from the time  
10 of our board meeting of November 1, 2007 and the  
11 city actually passing a resolution on December 19,  
12 to extend the money.

13 MR. DOYLE: There were two efforts;  
14 we had a meeting in the medical center office with  
15 the previous CEO, the deputy mayor, and his  
16 associate, and I think it was a good open  
17 discussion on some future steps. Those meetings  
18 became truncated as part of the process of  
19 completing the interview process for new permanent  
20 leadership for the hospital. In late December I  
21 sent a letter down to the mayor's office asking  
22 for representatives on a community advisory  
23 committee with a focus and a mission of the  
24 committee to focus on a transportation plan and  
25 communication plan that was based on the remaining

1 time left in the original six-month period  
2 outlined in the November 1 hearing. And the mayor  
3 graciously appointed the deputy mayor and  
4 councilman from the area to participate on the  
5 committee, as you know, representatives of the  
6 community. We have had three meetings since that  
7 committee was formed. We have another one  
8 scheduled for next week.

9 MS. BENTLEY-McGHEE: Focusing on the  
10 numbers, and I heard some numbers today, perhaps,  
11 I missed them before, I didn't remember \$6 million  
12 for a roof or asbestos, whatever it is that you  
13 needed to do, you know, the capital improvements  
14 that you needed to make. What I'm thinking is, my  
15 understanding was you had a little over the \$3  
16 million of debt, and I'm of the impression that  
17 the one and a half million dollars would at least  
18 have kept you afloat until some of the options  
19 that were put out there could be explored during  
20 this 90-day period or, essentially, 120-day period  
21 that we have. And it just seems like that that  
22 didn't happen. I'm not sure.

23 MR. DOYLE: There was some  
24 exploration of various options, we prepared a list  
25 of the options or contacts that we've heard of,

1 and turned them over to the deputy mayor and --

2 MS. BENTLEY-McGHEE: I'm just  
3 thinking with all these other numbers that you are  
4 throwing out in terms of what you needed, that if  
5 that had been known beforehand, maybe the one and  
6 a half million dollars might not have been  
7 offered, I don't know. I'm just wondering --

8 MR. SCOTT: Number one, I gave the  
9 \$6 million, I think we have to put it into  
10 context. One of the questions was, could we take  
11 a federally qualified health care center and have  
12 them go over to that facility. One of the things  
13 we realized in order to keep that facility going  
14 on an ongoing basis, it needs a new roof, asbestos  
15 abatement, windows; so in the context of having  
16 someone come in there and take over that facility  
17 for another use, we believe it's prohibited given  
18 those costs associated with that.

19 DR. DONLEN: Connie, I think from  
20 the standpoint that that was the first time I  
21 heard the number too, but going back to the  
22 transcript the \$ 1.5 million came late in the  
23 process, we were in the process of looking at  
24 closing it, and that was -- approving the closure,  
25 and that's all they had come forward with. When

1 they said the money, the 1.5 might be available,  
2 the idea was that they look at developing a plan,  
3 you know, that that 1.5 would float them to look  
4 at developing a plan for either keeping it as a  
5 hospital or other uses. So I guess that the costs  
6 of what could be the other uses would then uncover  
7 all the other costs that would be involved in that  
8 as far as developing a plan. We didn't ask them  
9 that day what would it cost to keep it running --

10 MS. BENTLEY-McGHEE: I understand.

11 And that's kind of the thinking that I have, that  
12 there would be communication and some plan would  
13 be developed; and if it couldn't be developed,  
14 that there would be notice to the city and time so  
15 that, perhaps, maybe even the resolution wouldn't  
16 have to come forward, that's what I'm --

17 MR. SCOTT: And, again, I started on  
18 January 1st, so that kind of all preceded me. The  
19 first thing that I did when I got there was meet  
20 with the group of physicians from the Greenville  
21 medical staff to talk about what their interest  
22 was. One of the things they said to me during  
23 that meeting was, well, why don't you just give us  
24 the facility? Well, there is more to it than just  
25 giving the facility that we were looking for them

1 to take over the facility from a financial  
2 perspective.

3           They requested at that point in time  
4 to set up a meeting with our executive committee,  
5 and that executive committee met with them the  
6 next week. So, again, trying to figure out  
7 whether or not there was some viable option for  
8 Greenville Hospital during those first couple of  
9 weeks in January. We continued -- we gave them  
10 the information, the other information, the  
11 financial information, we have never received  
12 anything back.

13           There are a couple other interested,  
14 someone mentioned Westwood from Pennsylvania, I  
15 have been there, I've reached out to them, they  
16 never returned my call. So I don't think they are  
17 interested in the facility at this point in time.

18 And I believe there was one other person who was  
19 actually working with the physicians who we've  
20 never heard back from. He met with us with the  
21 doctors on that one day, but we never heard  
22 anything back.

23           And Christ Hospital, I don't know  
24 what the issue with Christ Hospital. Yesterday I  
25 talked with Peter Kelly about a transfer issue,

1 and he did not mention anything to me about  
2 Greenville or any of the financials or anything  
3 else, so I don't know where they are with that  
4 process. Peter is the CEO of that facility.

5 MS. BENTLEY-McGHEE: Thank you.

6 DR. DONLEN: Do you have any  
7 questions?

8 MR. KANE: As far as Christ  
9 Hospital, are there any representatives from  
10 Christ Hospital here that want to address the  
11 board?

12 (No response.)

13 MR. KANE: There seem to be some  
14 dissatisfaction from some of the elected officials  
15 that your community board had outreach to them.  
16 I'd like to address a question to the deputy mayor  
17 were you made aware of these meetings that they  
18 referenced, did you attend those?

19 DEPUTY MAYOR TAYARI: After the  
20 November 1st meeting there was a meeting with the  
21 executive staff of Mayor Healy's administration,  
22 and a decision was made to make me the point  
23 person for this issue working with other staff.  
24 On December 13th the mayor received a letter  
25 asking him to submit the names of two people that

1 he would recommend to sit on the community  
2 advisory body that on November 1st this board  
3 mandated.

4           We went -- I don't know when the  
5 first meeting was, myself and Councilman Sottolano  
6 went to that meeting and immediately to our  
7 surprise we were looking for the rest of the  
8 community group. In walks four vice presidents of  
9 the Liberty Health Care Corporation. Immediately  
10 myself -- in fact, Councilman Sottolano spoke  
11 first and raised disagreement. I reiterated that  
12 on behalf of the mayor that we too were  
13 disappointed in the fact that this was being  
14 called a community advisory board. Community  
15 advisory board of six members, only two persons  
16 that was not of Liberty Health Care Corporation  
17 were the two names that had come from the mayor.  
18 There had been no consultation, and the mayor and  
19 I are members of the Coalition to Save Greenville  
20 Hospital, which comprises each of the minister  
21 groups; The Minister Alliance, The Hudson County  
22 Baptist Ministers Conference, and the Black  
23 Liturgics Union, the NAACP, The Urban Leagues,  
24 Freeholders Dublin, Councilman Sottolano,  
25 Assemblyman L. Harvey Smith, State Senator Sandra

1 Cunningham, representatives of Congressman Sires  
2 and Congressman Payne's office are members of the  
3 coalition and doctors and patients.

4 Now, there was no communications  
5 with that coalition at all, and councilwoman Viola  
6 Richardson, who is chairperson, there was no  
7 communication with that coalition. We came back  
8 and shared that information, and we also came to a  
9 second meeting. At the second meeting we raised  
10 that concern again.

11 Last week Councilman Sottolano and I  
12 came to a meeting, what was said was that a member  
13 of the Liberty Health care board of directors had  
14 been added to the community -- so-called community  
15 advisory body to expand the group and make it  
16 seven. Councilman Sottolano spoke first again and  
17 raised where was the input of the mayor and the  
18 coalition, and even discussing an expansion. We  
19 was told, well, you know, we didn't think about  
20 that.

21 The second point was, again, when  
22 are our community people going to be contacted and  
23 made a part of this community advisory. That is  
24 the history starting with the December 13th letter  
25 and the three meetings that myself and the

1 councilman. The councilman and myself made it  
2 very clear that we saw ourselves being recommended  
3 by the mayor representing the mayor, and still  
4 thought that they would be members of the larger  
5 community, particularly from that coalition that  
6 represents everybody in the city of Jersey City.

7           MR. KANE: Okay. Thank you. Were  
8 there other questions that you had on the  
9 financial -- from a financial aspect? You seemed  
10 to express dissatisfaction with the hospital's  
11 forthcoming for the information that they gave to  
12 you? Did you -- do you know if they have copies  
13 of the information you gave to the physicians  
14 groups, whether it was the same information given  
15 to the city?

16           DEPUTY MAYOR TAYARI: Mr. Kane, I  
17 can speak to that, before Mayor Healy, gave me  
18 this assignment -- let us be honest, again, for  
19 the historical record. There has been references  
20 that there was meetings with myself, Councilman  
21 Sottolano -- at that time Senator Cunningham was a  
22 candidate for office -- and Councilwoman Viola  
23 Richardson, we were struggling around the issue of  
24 the closure, or the proposed closure of the  
25 pediatrics unit at Jersey City Medical Center,

1 which is a part of the Liberty Health Care  
2 Corporation. During those discussions the \$34  
3 million concern was raised and the mayor requested  
4 certain information and made offers of assistance,  
5 which we all new publically had been refused.

6           There was a meeting that then  
7 candidate for New Jersey Senate Ms. Cunningham  
8 arranged that included myself, Freeholder Dublin,  
9 Councilman Mike Sottolano, and a representative of  
10 the Liberty Health Care Corporation board, and  
11 some of his vice presidents to discuss how we can  
12 have -- and I'm sorry, Mr. Kirby, who was then  
13 CEO -- an agreement was reached that we would have  
14 a community outreach meeting two weeks after that  
15 meeting, I think that was in March, if my memory  
16 served me correctly. In two weeks there would be  
17 a pulling together of the entire community to  
18 discuss, not only the pediatrics concerns, but the  
19 broader health care concerns of the Liberty Health  
20 Care Corporation. That was never done.

21           Afterwards, when I came on board,  
22 the mayor asked in his office, I think at that  
23 time Mr. Kirby was still the CEO, Mr. Hartwood was  
24 then the chairman, Ms. Schundler was in attendance  
25 at that meeting, and several of the mayor's

1 administrative staff, including myself. There was  
2 financial documents that were requested to be  
3 provided in 30 days. I think we received them in  
4 45 days or shortly thereafter, but it was  
5 basically information that was in the Certificate  
6 of Need. It was more detailed information that  
7 was requested that we never received.

8           Also, we keep hearing a lot about  
9 what was given to the doctors, we have not  
10 received that information that was given to the  
11 doctors. But let me also say we knew that after  
12 the Pennsylvania group we shared with Liberty  
13 Health Care Corporation that other corporate  
14 entities were interested, we had reached out to  
15 Goldman Sachs, and everybody in this room knows  
16 who Goldman Sachs is, to help us evaluate the  
17 financial wherewithal of anybody who was  
18 interested. We shared with Liberty Health Care  
19 Corporation other entities, one of them whom has  
20 bought Mountainside Hospital in Montclair, New  
21 Jersey, that there were people interested in  
22 buying, not asking for a freebee, but actually in  
23 buying.

24           The attorney told me and Councilman  
25 Sottolano at one of those so-called community

1 advisory meetings that, well, we need to make sure  
2 that people can come here who have financial  
3 credibility and can meet our offer. We said if  
4 you are not telling us what the offer is, and  
5 providing the information that is necessary, how  
6 can people come in here and legitimately purchase  
7 the hospital. These are not theories, these are  
8 not summations, these are actually facts that took  
9 place.

10 MR. KANE: Thank you. Did you want  
11 to reply to any of those about extending  
12 information.

13 MR. SCOTT: As I said, when I first  
14 came on board I met with the doctors, I heard from  
15 them. They were not so much interested in  
16 purchasing the facility as us turning the facility  
17 over to them, which was not a viable option. I  
18 asked them at that meeting, please, show us that  
19 you have the financial wherewithal to be able to  
20 support moving forward and purchasing the  
21 hospital. After that we went through the  
22 questions that they had submitted to us. And I  
23 actually have a copy, and I'll be happy to give a  
24 copy to the mayor also, with a list of the  
25 questions as well as all the information that they

1 were asking for in order for them to do their due  
2 diligence. We have not heard back from them since  
3 we sent this letter to them. And I -- that's what  
4 I would comment on. Our vice chair would like to  
5 add something.

6 MR. MARGOLIS: Good morning, my name  
7 is Robert Margolis. I'm the vice chair of the  
8 board.

9 So we are very clear in terms of a  
10 perspective purchaser of this facility, we, after  
11 long and hard look at all of the data, after  
12 bringing in a national expert at great expense to  
13 review all of our financial data, to help us  
14 reform our entire system, came to the conclusion  
15 that the hospital is not available -- is not a  
16 viable business entity. We certainly within the  
17 -- we are well aware of the population that we  
18 serve, and we think that it's important that our  
19 fiduciary obligation is to serve the entire  
20 community. We think we can do it best, as we  
21 said, at the Jersey City Medical Center and with  
22 our Meadowlands facility.

23 We are willing, if someone is  
24 interested in purchasing this building and think  
25 they have an ability to run, whether it's a

1 hospital, a school, a business, build a building,  
2 whatever they think is an economic, the highest  
3 and best use, we are willing to listen to anybody.  
4 The problem is, we don't think you can run a  
5 hospital here, we have not been able to. We have  
6 been, since the, I think, 1989 subsidizing an  
7 operation that's a failed operation.

8           So that's the perspective I think  
9 that we have in terms of the economics of this  
10 building. No one has come forward and said to us,  
11 we will offer you one dollar, any money for the  
12 facility. And for anybody at this point, if  
13 anybody wants to come forward that has two things,  
14 one, financial credibility; and, two, an offer  
15 that we can measure against the market, you know,  
16 we are happy to do that. But we don't think that  
17 -- we understand how the doctors in the community,  
18 and that's where they practice, that it would be  
19 easier for them to practice in Greenville; having  
20 said that, we have offered to the doctors at  
21 Greenville to bring their patients to the other  
22 facility and serve them less than three miles  
23 away.

24           DR. DONLEN: Can you just hold off.  
25 If we have questions, we'll ask you. But I can't

1 have everybody addressing us. Have a seat.

2 MR. BAKER: Whoever wants to answer.

3 What are your plans if you close for the fiscal

4 plan for the building, the land.

5 MR. SCOTT: We would sell the

6 facility.

7 MR. BAKER: You don't have to

8 disclose who or how much, but do you have offers?

9 MR. SCOTT: We had a broker look at

10 the building and give us some options. He was

11 actually getting back to us this week, but we

12 don't know the fair market value for the actual

13 physical plan of the building is.

14 MS. OLSZEWSKI: Mr. Scott, I have a

15 question. It seems from listening in November and

16 listening tonight that, and probably a lot of

17 people who are here in the area who have chosen

18 Greenville in those two area codes, that one of

19 the reasons they chose Greenville is because

20 that's the place they can get to transportation

21 wise; and I've heard you say that to handle the

22 transportation issue you're simply going to

23 establish a list of the available means of

24 transportation for these folks; but if the

25 transportation were available for Jersey City, I

1 think they would be possibly going there,  
2 especially with all the medical specialties. So,  
3 you know, my concern is, how are these people who  
4 need -- and it sounds like part of this is  
5 outpatient or regular primary care -- but how are  
6 they going to get someplace where they can get  
7 that care, that just telling them what's available  
8 now isn't going to do it, because it doesn't do it  
9 today?

10 MR. SCOTT: I think it does do it  
11 today. 85 percent of the people that live in  
12 Greenville.

13 MS. OLSZEWSKI: I'm saying for the  
14 other 15 percent of the people going to Greenville  
15 Hospital today, the transportation available  
16 doesn't seem to be addressing their needs.

17 MR. SCOTT: And one of the things we  
18 should certainly consider is, what are the  
19 transportation needs of that 15 percent; but,  
20 again, when I pulled the census and I look at the  
21 number of people who are even coming to the  
22 emergency department, on Monday there were 29  
23 people in a 24-hour people, there are not a lot of  
24 people out there that are using that facility  
25 today. But from a transportation perspective, one

1 of the things that I would recommend that we do is  
2 set up a transportation hotline that will  
3 communicate through the community. And we will  
4 assist people in getting to Jersey City Medical  
5 Center, if that's what is required.

6 We certainly have EMS available, as  
7 I said. I believe they are the national standard  
8 for emergency transportation, and in an emergent  
9 situation, we are able to handle those patients.  
10 I think the other transportation issue is  
11 something that we can address as we move forward.  
12 And we will be able to offer support from the  
13 medical center as we kind of go through this  
14 issue.

15 DR. DONLEN: I had limited  
16 experience with Jersey City with my aunt and uncle  
17 both live there. When my uncle was ill, he got  
18 care at Christ Hospital, and they did not drive,  
19 and I know a van was able to pick him up and bring  
20 him in for treatments and stuff like that. I  
21 think that maybe working collaboratively with the  
22 other providers in the city that might be able to  
23 take a look at what Liberty services are  
24 available. I do understand also the reimbursement  
25 for the same clients, the Medicaid clients for

1 those services is low and it adds to the losses as  
2 well, but I think that that's something that  
3 should be looked in.

4 MR. SCOTT: Maybe we can use the  
5 grant from the City for 1.5 million for  
6 transportation. I actually do live in Jersey  
7 City. I moved there January 3rd.

8 DR. DONLEN: What he was speaking  
9 about was advances for the people needing to use  
10 Jersey City Medical Center. So that's what the  
11 discussion we were having. It might have gotten  
12 too low for people to hear what were talking  
13 about. But my suggestion is that as you look at  
14 developing a plan and that you are going to  
15 communicate some ability to identify or subsidize  
16 van service that might be able to -- people might  
17 be able to notify, if it's a non-emergency, if  
18 they have visits or come in the following day.

19 MR. SCOTT: I think our board  
20 members are just expressing that we need to work  
21 together with the city to make that happen.

22 DR. DONLEN: That's fine, but I  
23 think that going beyond -- you know, Jersey  
24 Transit isn't going to respond, so having another  
25 plan to look at it.

1 I think that -- you know, I  
2 understand how that -- I mean, it is a credit to  
3 the -- Liberty that the community values  
4 Greenville as much as it does, obviously, it feels  
5 very -- it feels like that that's a very essential  
6 hospital to all of you, and we completely  
7 understand that. We have had way too many public  
8 hearings like this in which communities do  
9 identify how essential services are.

10 We have to look at essentiality in a  
11 different way. What one thing it says to us is  
12 when there is 61 patients in a hospital as opposed  
13 to it's a hundred bed hospital, which is not very  
14 efficient to run, and it's got 61 inpatients.  
15 When you look at 29 emergency room visits when  
16 another hospital could easily absorb those visits  
17 if the people could get there. When you look at  
18 the fact that many of the emergency room visits  
19 don't result in hospitalizations, then you have to  
20 begin to look at -- or if they do result in  
21 hospitalizations, are the services, the specialty  
22 services that are needed available at Greenville,  
23 and more and more, being a small hospital, that's  
24 not something that's available.

25 That's the balance that we have to

1 look at, and that's one of the things that came  
2 out of the committee was that the cost containment  
3 committee -- I guess I'm calling it wrong, that's  
4 an old one, this is a rationalization committee,  
5 but the idea that you look at is it distressed,  
6 obviously, this is a distressed hospital, but it's  
7 a distressed system. And in order to both  
8 preserve the system, we need to look at the  
9 essentiality of each of the satellite sites or the  
10 divisions of it. And I think that that's been the  
11 hard balance for them to be -- the Liberty Health  
12 Center to be looking at the same time the  
13 community's take on that is that it's very  
14 essential. We hear that all the time; and if  
15 there was a pot of money to be able to infuse into  
16 hospitals, obviously, this would be one that you  
17 would want us to do it, but it's not, we don't  
18 have a pot of money. And the idea how you run a  
19 hospital based on limited resources and limited  
20 payment for services when you don't have a lot of  
21 insured patients to help subsidize that is a  
22 terrible dilemma for you to be in, and worse for  
23 us, because we understand the problem on both  
24 sides.

25 Anybody have any comments? I do

1 understand the issue about the community input. I  
2 guess that what I'm hearing, and other people may  
3 disagree, is that as the money was becoming  
4 available, the idea of what kinds of a plan could  
5 be developed, with that money just being a bridge,  
6 was you were running into dead ends, that if the  
7 federally qualified health centers were to be  
8 enticed to come in, it would take a lot more than  
9 1.5 million, which none of us had a way of knowing  
10 November 1.

11           If the -- if there was a buyer, you  
12 have an asset, you have a fiduciary responsibility  
13 given all the money you've gotten from the state  
14 and the public payers, that that asset needs to be  
15 treated as an asset to be able to help continue to  
16 care for the patients that you care for. It's not  
17 a bankruptcy. So that that asset really needs to  
18 be treated with fair market value, which means  
19 that somebody has to be able to come in and buy  
20 that at fair market value with the idea that they  
21 are going to be able to sustain it. And the  
22 payers mix doesn't have a lot of hope of that. So  
23 as you were trying to develop a plan, there  
24 weren't many takers to participate in that plan.

25           MR. SCOTT: I've been here since

1 January 1st, but we have repeatedly asked people  
2 to bring information to us, if they do have a  
3 viable plan. And we have not received any.

4 DR. DONLEN: What's he's talking  
5 about in terms of a viable plan, is what we asked  
6 them to do, which was to participate in either  
7 continuing to operate it or transfer it. And you  
8 haven't gotten anybody that's come forward that's  
9 been able to say that they take the transfer. Has  
10 there been any discussion about prisoners or the  
11 VA?

12 MR. SCOTT: You know --

13 DR. DONLEN: If he doesn't know it,  
14 then I'm going to turn it over here. You need to  
15 let us have the meeting. Sit down.

16 MR. SCOTT: And I don't know the  
17 answer to that. I do know that there was some  
18 discussion about the VA. And --

19 DR. DONLEN: If you don't have that  
20 answer, I'm going to ask over here. But on  
21 November 1st, there was some discussion about  
22 whether or not those would come about.

23 DEPUTY MAYOR TAYARI: First of all,  
24 immediately we met, as you know, with Freeholder  
25 Bill O'Dea, who is present today, Freeholder, now

1 Chairman Dublin, who are present today, put that  
2 on their official record. But immediately the  
3 mayor asked me to meet with the county executive  
4 and chief of staff. And the county executive and  
5 chief of staff said that if at any time there were  
6 any buyers of Greenville Hospital, they would be  
7 more than willing to finance an inmate unit there.  
8 In regards to the Veterans Administration  
9 services, we met directly with Senator Lautenberg,  
10 directly with Senator Menendez, they have began to  
11 at least research that.

12           In regards to other providers  
13 outside -- I mean, buyers interested, I want to  
14 say, outside of the doctors we have shared that we  
15 have, one, an interested buyer who bought Mountainside  
16 Hospital; two, other interested buyers who  
17 have been recommended to us through corporate  
18 entities. And as you heard earlier, that there  
19 was an interest by Christ Hospital to begin some  
20 discussions. I don't know what occurred between  
21 Christ Hospital and Mr. Scott yesterday, but I do  
22 know that there has been no willingness, as Mr.  
23 Margolis stated, to bring in those corporate  
24 entities with the fiscal wherewithal, with the  
25 financial wherewithal, and even with the health

1 care wherewithal.

2 Mayor Healy had made it very clear  
3 to me and other staff members we were not in  
4 discussions with people who wanted giveaways. I  
5 would also like to reiterate for the fact Mr.  
6 Margolis at one time during 2007 had lunch with  
7 myself and Mrs. Cunningham, who was then a  
8 candidate, who is now state senator, there was  
9 some discussions about the interest in moving  
10 forward in this county matter.

11 I want to say your agreement -- your  
12 motion was very clear about a community  
13 partnership in moving forward to develop a  
14 comprehensive with the elected officials and the  
15 city. And we have not seen this. It's not an  
16 attack, this is a discussion of fact. And I want  
17 to keep it there. The mayor has made it very  
18 clear to me and all of us, we are not operating  
19 out of emotionalism, but once we begin to put the  
20 word out, and we went through Goldman Sachs, let  
21 me reiterate, and at least had five interested  
22 groups, and we shared that information. No, Mr.  
23 Scott was not present, but Mr. Dole is aware of  
24 this information. And all we wanted to know was  
25 what kind of process could we start, so that these

1 entities could come to the table and have the type  
2 of business discussion that we definitely support.  
3 And the community has been supportive of that,  
4 because all of these actions that have been taken  
5 by me on behalf of the mayor has been shared with  
6 the coalition, and the mayor has even had press  
7 conferences where he's made that very clear.

8 DR. DONLEN: You'll still have the  
9 asset, you'll still have the building.

10 MR. SCOTT: Right.

11 DR. DONLEN: Let me just verify this  
12 with you, because I think we went through this for  
13 the past half hour. See, things have been  
14 happening shortly enough that I can still recall  
15 them. That if the commissioner agreed to have --  
16 let Greenville -- to grant the application and  
17 Greenville was closed as an inpatient hospital --  
18 acute care hospital, the idea of the sale of that  
19 building and the new owner, even if it was  
20 transferred as an operating entity, or it was  
21 transferred as a closed entity, the new owner has  
22 to come in for a license, either has to come in  
23 for a CN for transfer of ownership or for a CN to  
24 reopen a hospital, right?

25 MR. D'ORIA: That's correct. The

1 condition that was placed on Pascack allowed --  
2 essentially negated the need for a call which  
3 would take, as the board certainly knows, perhaps  
4 years. So it was condition to facilitate, if a  
5 buyer came in, an immediate transfer of ownership.

6 DR. DONLEN: So given the suggestion  
7 of the 120 days, I mean, we could say that even if  
8 the commissioner chooses to close it, that the  
9 idea of the ability to reopen with a new owner be  
10 something that they don't move forward on in  
11 selling the business for any other purpose with  
12 120 days?

13 MR. D'ORIA: Yes.

14 DR. DONLEN: That would still allow  
15 the development of a plan of bringing forward of  
16 other buyers, you have fair market value, and if  
17 it was something it could be operated as a -- if  
18 there was a buyer who believed they could operate  
19 it as an acute care hospital or anything that  
20 needed a license, ambulatory care, long-term care,  
21 they could bring it in at that point?

22 MR. D'ORIA: Correct.

23 MR. SCOTT: Just to comment, because  
24 I don't want to have a misconception --

25 DR. DONLEN: I just wanted to know

1 if it was possible, then we want to hear from you.

2 MR. SCOTT: That's certainly a board  
3 issue in terms of whether or not that could be the  
4 action that the board would take. As you know,  
5 the last time I think the acting CEO made a  
6 comment about 1.5 million when, in fact, that  
7 truly is a board decision that needs to be  
8 vetted --

9 DR. DONLEN: We could put a limit on  
10 -- we could put a limit on what the closure meant.  
11 I think in terms of whether or not you were able  
12 to close that, would be contingent on not  
13 transferring the ownership for another purpose up  
14 to a certain point in time.

15 MR. SCOTT: The only comment that I  
16 make is the board needs to make that decision. So  
17 as the CEO I can certainly bring that  
18 recommendation from this board to our board, but  
19 that is something that needs to be fully vetted.  
20 And in fact --

21 DR. DONLEN: I think our  
22 recommendation would be that. And I don't know if  
23 the board has any sway over the commissioner, but  
24 it might be that the commissioner considers your  
25 board's action before making any final action. We

1 would put in as a recommendation, if the timing is  
2 such -- we may put in recommendations all the time  
3 that turn out to be you can't do that, but nobody  
4 can tell us here that we can't do it.

5 MR. D'ORIA: My only caution is to  
6 Mr. Scott's point about the board. We need to get  
7 this stuff on the record for the commissioner to  
8 consider. If it's not on the public record, then  
9 she can't consider that in her deliberations on  
10 the closure. So I'm trying to think to how would  
11 such a board recommendation be put on the record,  
12 and I hope one of our counsels can help me on  
13 that, they don't have to answer right now, but  
14 hopefully before the end of the meeting how that  
15 might work.

16 DR. DONLEN: You mean -- the way I'm  
17 understanding is, we often ask the applicant if  
18 they are agreeable to a condition, and so we have  
19 to have some agreement mand the CEO is not in a  
20 position to give us that agreement without board  
21 action?

22 MR. D'ORIA: Correct.

23 DR. DONLEN: If it's not a  
24 condition, but a recommendation, and we ask  
25 whether or not the board members who are here

1 would be willing to -- the board members of the  
2 hospital would be willing to go back and discuss  
3 that, they don't have to agree to it, but it would  
4 be something that they would consider.

5 MR. D'ORIA: Yes.

6 DR. DONLEN: We are just putting it  
7 out there. I'm not asking anybody to agree right  
8 now, but it's something for us to consider.

9 MR. MARGOLIS: We will consider  
10 anything. We will meet with anybody at any time.  
11 We have in the past when it's been requested. I  
12 just wanted to make clear, we have made a  
13 determination -- our board has made a  
14 determination that we do not have a viable  
15 hospital that can serve the community. We don't  
16 see how it can function as a hospital. We are  
17 certainly willing to sell the building to --  
18 whether it's for a hospital or anything else, you  
19 know, our facility, our asset, we have  
20 responsibilities, not only to our board, not only  
21 to the community, not only to our corporation, but  
22 to the mortgage holders --

23 DR. DONLEN: Can I ask a question?

24 If you were in a position to -- if the  
25 commissioner agreed to let you close it and you

1 had that letter within a month, within 30 days,  
2 and you talked about 30 days wind down, six months  
3 from November 1st brings you out to the beginning  
4 of May, May 1st, are you telling me that it's not  
5 possible for you to hold off on any transfer for  
6 another purpose before May 1.

7 MR. MARGOLIS: I don't think there  
8 is any -- I don't know -- I cannot imagine that  
9 there is a buyer out there --

10 DR. DONLEN: You and I may not be  
11 able to imagine that, but there are people here  
12 who want a good faith -- I guess, this is not -- I  
13 understand that your board has made that decision.

14 MR. MARGOLIS: I cannot imagine we  
15 would sell this hospital for any purpose by May  
16 1st. I don't think the transaction could take  
17 place, even if someone came in tomorrow and said  
18 -- because there -- we'd have to go through a  
19 whole process, a reasonable --

20 DR. DONLEN: So all they'd ask for  
21 is the ability that it not be considered for an  
22 acute care hospital be extended to the 120 days  
23 that we had originally given, and we are just  
24 asking --

25 MR. MARGOLIS: I, of course, am not

1 empowered to make that, but we would certainly  
2 take that back to the board.

3 DR. DONLEN: Okay. And, again, you  
4 know, I mean, there is -- I'm not asking you to --  
5 you know, whether or not somebody else's offer to  
6 operate it as a viable hospital is something you  
7 need to consider. I mean, it's an asset that you  
8 need to be in a position to transfer, and we just  
9 wanted to think about whether or not the idea of  
10 the full time that they ask for to produce the  
11 other buyers who might come and talk to you once  
12 you have the -- what you say you are waiting for  
13 in terms of --

14 MR. MARGOLIS: Just remember, we are  
15 -- every week that goes by we are losing  
16 substantial money we want to put into the  
17 community --

18 DR. DONLEN: We are trying to look  
19 at a way to cut your losses in terms of operation  
20 while not shutting off the door if there are other  
21 option, that you don't have to continue to operate  
22 it while waiting for those other options to come  
23 through. That's what I'm talking about.

24 MR. D'ORIA: Madam, Chair, again, I  
25 think the board needs to be clear when it goes

1 down that road exactly what constitutes a  
2 legitimate offer. Having been doing this for a  
3 long time now, we have seen letters of intent, you  
4 know, letters of commitment signed as a purchase  
5 agreement, there are levels of this, and I just  
6 think for the board's consideration they need to  
7 establish what certain threshold levels  
8 constitutes an offer in this case.

9           MR. MARGOLIS: And very frankly,  
10 there are two parts of any offer to purchase this,  
11 one would be the demonstrated ability of the group  
12 to fulfill their obligation and a binding  
13 agreement in order to purchase, otherwise -- I  
14 take Mr. D'Oria's comment seriously -- otherwise,  
15 it wouldn't mean anything. Certainly, as the  
16 chair would also reiterate what I said, we would  
17 be willing to take back the suggestion to our  
18 board that we not dispose of the asset before May  
19 1st. I don't think that's realistic under any  
20 circumstance.

21           DR. DONLEN: I don't either.

22           MR. MARGOLIS: Unless you want to  
23 buy it.

24           DR. DONLEN: I'm looking, I'm  
25 looking right now. We need to take a break. Do

1 you need paper soon? I'm going to ask the board  
2 members for a short break of 10 minutes; is that  
3 okay?

4 (Recess at 12:07 p.m.)

5 (Resumed at 12:20 p.m.)

6 DR. DONLEN: All right. We are back  
7 on the record. Does anybody have any questions  
8 from the board to any of the constituents?

9 One of the things that -- you're  
10 right, one of the things that I did want to do was  
11 John -- is he still here? We have recommendations  
12 already from the department, and I'd -- some of  
13 the things have come up, so I'd like to talk to  
14 you about the condition, and then talk to the  
15 applicant about them as well.

16 We will be revisiting the conditions  
17 based on what we already had, but one of them is a  
18 comprehensive plan shall be placed into effect to  
19 ensure continuous treatment of patients currently  
20 receiving dialysis at Greenville Hospital, which  
21 would include placement, record transfer and  
22 transportation, if needed. This plan shall also  
23 contain a mechanism to ensure patient choice.  
24 This plan should be provided to the department  
25 within ten business days of this approval. What

1 is your understanding of the volume of dialysis  
2 patients we are talking about?

3 MR. CALABRIA: There are a number of  
4 patients that are having difficulty being placed  
5 right now, indigent patients. The applicant  
6 probably can answer that volume question better --

7 DR. DONLEN: But you've been  
8 monitoring it already?

9 MR. CALABRIA: We've been monitoring  
10 working with Liberty. We've been trying to assist  
11 in placing patients, and there's still some  
12 difficulty in placing some of the questions.

13 MR. SCOTT: Our plan is move back to  
14 Jersey Medical Center and be able to treat those  
15 patients. Again, dialysis is a big issue. These  
16 are people who do not have insurance who won't  
17 qualify for insurance, but we do have a plan in  
18 place --

19 DR. DONLEN: You don't have dialysis  
20 at Jersey City?

21 MR. SCOTT: We do do dialysis for  
22 those patients -- you know, this is an age-old  
23 issue, it's a national problem. You know, people  
24 come here, show up in our emergency department and  
25 need dialysis. And then our discharge plan has to

1 be which you have to come through the emergency  
2 department if you can't find dialysis with any of  
3 the companies in the area. So there are ten  
4 patients right now at Greenville who fit that kind  
5 of description, we are going to have them --  
6 provide that service over at Jersey City Medical  
7 Center.

8 DR. DONLEN: You haven't had  
9 difficulty with the medical center patients  
10 finding placement?

11 MR. SCOTT: No, no, we do. They  
12 actually end up coming back through the emergency  
13 department and we actually do the dialysis in the  
14 ER, but because there is a large number of  
15 patients, we are doing something.

16 DR. DONLEN: Do you know when  
17 that --

18 MR. SCOTT: We actually met  
19 yesterday to talk about the area and how we're  
20 going to do that on a temporary basis.

21 DR. DONLEN: So that will be --

22 MR. SCOTT: We absolutely will take  
23 care of that.

24 DR. DONLEN: Thank you.

25 MR. CALABRIA: We will work in the

1 like respectively with Liberty to ensure that that  
2 occurs.

3 MR. KANE: Including transportation.

4 MR. SCOTT: That's correct.

5 DR. DONLEN: That was the next thing  
6 I wanted to talk about. We had mentioned it, but  
7 there isn't a specific recommendation on  
8 transportation, John?

9 MR. CALABRIA: No, we didn't put one  
10 on this one, because of the close proximity to the  
11 facility, but we've used it on others. If you  
12 certainly --

13 DR. DONLEN: Yeah, I think it's come  
14 out in our plan, and I think that we would want to  
15 add a condition that you develop a transportation  
16 plan working with, in this case, a community  
17 advisory committee. I would ask you to identify  
18 not just the mayor's office but a representative  
19 or leadership of the Save Greenville Hospital that  
20 they can put some people on, particularly  
21 families, perhaps, of people who are on dialysis,  
22 as well as people with chronic conditions who use  
23 the emergency room now. So that you can talk  
24 about the needs for transportation and not a plan  
25 that's dependent upon Jersey Transit or the light

1 line.

2 MR. SCOTT: Correct. Thank you.

3 DR. DONLEN: So that will be a  
4 condition on here specifically that you develop a  
5 transportation plan not dependent upon public  
6 transportation with input from representation of  
7 Greenville of the families of patients with at  
8 least one, somebody with chronic illness, somebody  
9 with dialysis.

10 MR. SCOTT: Okay.

11 DR. DONLEN: And broader.

12 THE WITNESS: We will do that.

13 DR. DONLEN: Does anybody have  
14 anything else to add to that?

15 MR. BAKER: We're primarily talking  
16 about the plan addressing access to primary care,  
17 OB, and other outpatient services such as  
18 dialysis.

19 DR. DONLEN: Yeah, I think it is  
20 really -- if there is not a hospital there, an  
21 emergency room there, and people need to get to  
22 the medical center in a non-emergency situation,  
23 what kind of transportation plan would be in  
24 place. And it's not going to be, you know -- I  
25 mean, clearly it's going to be something that is

1 general, not -- it doesn't have to be client  
2 specific, but it does need to be something that  
3 will allow people to get to appointments, get to  
4 clinics, get to dialysis.

5 MR. SCOTT: We are committed to  
6 making that happen.

7 DR. DONLEN: Is that okay with you?

8 Okay. And the next thing is if we  
9 are going to put a condition related to in the  
10 event -- if we are looking at a motion for  
11 closure, I would like it to include a condition  
12 that would relate to the request for 120 days,  
13 original 120 days, from November 1st, which would  
14 take us to May 1st in my counting, right?

15 MR. BAKER: 160.

16 DR. DONLEN: Wasn't it 120?

17 MR. BAKER: It was six months back  
18 in November, so that would get us to May, 120 now  
19 gets us to June.

20 DR. DONLEN: Oh, okay. Fine, June  
21 1st.

22 MR. BAKER: Yes, I actually had  
23 points on that.

24 DR. DONLEN: Why did we get to 180?  
25 They were asking for 120.

1 MR. BAKER: The original  
2 recommendation was 180 days from November 1st,  
3 which would take us to May 1st. Today, though,  
4 they are asking for 120 days, which is the period  
5 that the commissioner has to make the decision, so  
6 that was the difference, so I'm only suggesting  
7 120. I think that's what you are suggesting.

8 DR. DONLEN: I was suggesting back  
9 to our original date. I'm not really anxious to  
10 go beyond our original date.

11 MR. KANE: What's the difference?  
12 30 days?

13 DR. DONLEN: Uh-huh. But it is an  
14 asset to the organization. We are looking at, you  
15 know, what others things they are really tied up  
16 with not doing anything with it until they get a  
17 bona fide offer for any amount of time we put on  
18 it, I think that's something we have to consider.

19 MR. BAKER: My thoughts at first is  
20 that when I suggested, and the board agreed to,  
21 the 180 days, it was because we thought that there  
22 was a genuine sentiment from the community, from  
23 the elected officials that they would work very  
24 hard, one, to come up with the money; and, two,  
25 come up with solutions. And I think the city and

1 the community have done just that. They came  
2 forward with the money. I see the resolutions  
3 that they adopted does comply with our request.  
4 They got three, somewhat, credible proposals that  
5 they are talking about. And I understand we can't  
6 make the applicant take the money, if you think  
7 it's not in the interest of your organization, I'm  
8 not going to attribute any ill motives to that,  
9 you are doing what you think is in the best  
10 interest of your organization. I think it is  
11 absolutely accurate to say the mayor and the  
12 council and the other elected officials did  
13 exactly what they said they would do.

14         First, the thought of keeping the  
15 original 180 days and stopping on May 1st, it  
16 makes sense, however, I think there's been a loss  
17 of at least 30 days in momentum when the hospital  
18 said, no, we are not going to consider it. I'm  
19 going to imagine that not much has been done  
20 between the town and the hospital since that time,  
21 so that maybe there may be a loss of 30 days. So  
22 while all we are doing is making a recommendation,  
23 if the commissioner wants to do 90 days, if the  
24 commissioner wants to approve it tomorrow, she  
25 certainly can. But I'd still like to say that we

1 recommend to the commissioner that she withhold  
2 taking final action on this Certificate of Need  
3 for closure until the full 120 -- take advantage  
4 of the full 120 day period.

5 DR. DONLEN: Are you suggesting that  
6 the applicant continue to operate with the kind of  
7 losses they are having out until June 1st?

8 MR. BAKER: Yes.

9 DR. DONLEN: Okay. I can't support  
10 that. I think that one of the things that what I  
11 had suggested is that similar to Pascack Valley  
12 that we recommend that the CN -- that it be able  
13 to be reopened as an acute care hospital without a  
14 CN call up until a given time. And that would --  
15 the time would be one issue and the validity of  
16 what the offer would be in terms of a signed offer  
17 for the fair market value by a bona fide buyer  
18 that came to the hospital and gave that offer.

19 I think that requiring the system to  
20 operate the hospital as an acute care hospital  
21 with 29 emergency room visits a day and less than  
22 61 beds filled is going to bleed the system at a  
23 point at which they are already are looking at a  
24 \$30 million deficit. And we are looking at  
25 putting the entire system at jeopardy for that.

1 We know there is not going to be -- well, it's  
2 unlikely that the charity care costs subsidy is  
3 going to go up this year. And I think that from  
4 our standpoint of ensuring access to everyone in  
5 Jersey City to adequate care, we need to make some  
6 decision about whether or not this is really a  
7 hospital that we should have them continue to keep  
8 open at the bleed that they have. A million and a  
9 half was really for planning costs. So the loss  
10 has far exceeded that in the period of time. So I  
11 can't support -- I won't be supporting that  
12 motion. I think we need to be looking at an  
13 approval to close with a condition that the  
14 Certificate of Need to reopen can be submitted  
15 without a call by a period certain. And that it  
16 would have to be tied to an offer that the  
17 hospital accept it that was reasonable costs --  
18 that match the fair market value of the asset.

19 MR. KANE: I just want  
20 clarification. I thought Michael's recommendation  
21 was just to encourage as a provision, not actually  
22 make it a condition, but encourage the Governor  
23 to --

24 DR. DONLEN: Commissioner.

25 MR. KANE: Excuse me, Commissioner

1 to use her 120 days, so we are saying to them we  
2 only have the right -- the ability to recommend to  
3 the commissioner, just to recommend to her to  
4 allow it to be open 120 days, given they  
5 demonstrate a good faith effort by the --

6 DR. DONLEN: The city, I think, has  
7 demonstrated a good faith effort. I guess the  
8 question is where are the buyers? The buyers have  
9 produced themselves to the seller, to the hospital  
10 outside of the doctors group, and I think that  
11 that's what has to happen. And, you know, giving  
12 longer time and making a recommendation that the  
13 hospital not be allowed to close under the  
14 conditions that we really haven't seen anybody  
15 else approach the buyer, approach the seller,  
16 approach the hospital, really does look at, you  
17 know, we are forcing them to stay open when there  
18 may never be an offer.

19 MR. KANE: That's going to be up to  
20 the commissioner.

21 MS. BENTLEY-McGHEE: I wanted to  
22 make the comment that I think the beauty of this  
23 whole system in terms of us being an advisory  
24 board, is that we simply make a recommendation.  
25 I'm in favor of allowing as much time as we may

1 legally for the hospital to continue. I realize I  
2 can't make a business decision for you, you've  
3 made that already. But the commissioner does have  
4 the power to accept or reject or modify our  
5 decisions. And she's done that -- he did that  
6 before, okay, and she may do it in the future. So  
7 I think that given the good faith efforts that I  
8 see or have seen by the city, I mean, what was it,  
9 November 1st the offer came out, the offer  
10 certainly was accepted in terms of a monetary  
11 incentive to help bring about something, orderly  
12 continuance, orderly closure, or whatever, but  
13 there was a good faith effort to do something for  
14 the community.

15           Whatever happened during the  
16 interim, the city did come up with its resolution.  
17 The resolution, the monies were rejected, that's a  
18 business decision. But I think in fairness, and  
19 given the fact that the community advisory board  
20 -- and maybe community advisory board is not -- I  
21 shouldn't tack on the name community, but the  
22 community was to be a part of it. I would think  
23 in good faith at least we continue with trying to  
24 work things out. I mean, I've got hope, okay.

25           DR. DONLEN: I would offer that you

1 are making a business decision. I mean, that's  
2 the point I'm trying to make with this board. Is  
3 that, you know, this is a tough decision. And  
4 putting it forward with the recommendation that  
5 the commissioner wait 120 days kicks this can down  
6 the road, we are not accepting responsibility, we  
7 are giving the community, I believe, unwarranted  
8 hope that this hospital can continue. And we are  
9 really not looking at the fact that our job is to  
10 look out for the whole system. We are supposed to  
11 do this planning in a way that says, yes, this is  
12 a difficult decision, but from the standpoint of  
13 the viability of other resources in that  
14 community, forcing this system to keep this  
15 hospital open is a business decision. We are  
16 talking about them losing \$4 million for the offer  
17 of 1.5 per planning. The staff is leaving because  
18 they heard the place is going to close. 29  
19 emergency room visits is nothing, you know, people  
20 are finding other ways, and we are saying that the  
21 commissioners should wait. Now, if we believe  
22 that the commissioner is not going to wait, and  
23 we're just saying do that to leave, we're leaving  
24 the community with a very different expectation  
25 than they should have. So they made their

1 decision. They decided that they need to close  
2 it. And, you know, I think that saying they  
3 should stay open to wait for offers, I think the  
4 compromise of the CN is there, and offers if they  
5 come to this Liberty administration, that they  
6 want to buy, someone wants to buy the building to  
7 reopen as an acute care hospital between now and  
8 June 1, they don't lose money every day  
9 continuing to run it for very low inpatient volume  
10 and very low ER volume. So they still have the  
11 ability to open it for it to run as a hospital  
12 without it needing to be run for four months by an  
13 organization that's already got \$30 million  
14 deficit.

15 I think -- you know, it doesn't make  
16 sense to me that we would think that that was a  
17 fiscally and appropriately access oriented  
18 decision because of the rest of the needs of the  
19 people in Jersey City.

20 MR. SCOTT: Point of clarification,  
21 because I think you keep talking about the average  
22 daily census; from January 1st to today, the  
23 average daily census of that hospital is 44  
24 patients, it's even less.

25 DR. DONLEN: So I'm overstating it.

1 MS. BENTLEY-McGHEE: Thanks for  
2 helping me keep focused that this is a business  
3 decision. And I want it to be understood that  
4 that's the foundation upon which I'm really making  
5 my comments. Because in terms -- I haven't had  
6 any forensic accounting of your -- of Liberty  
7 Health, you know, Care, so I don't know what your  
8 numbers are. I only have what you give. And I  
9 know that today you've given additional numbers.  
10 I only know what's presented. So that's how I  
11 base my business decision based upon the business  
12 information that I'm given. And based -- and  
13 given that, I think that it would be fair to go  
14 along with an extra 30 days, the 120 days, you may  
15 not want to do that.

16 MR. SCOTT: I don't agree with you,  
17 but I do think my responsibility is to look at the  
18 bigger picture for the community. That's not a  
19 good option for us.

20 DR. DONLEN: What are you losing per  
21 month running the hospital now?

22 MR. SCOTT: Close to \$300,000 a  
23 month.

24 DR. DONLEN: 300,000 a month, so  
25 four months we're looking at over a million

1 dollars lost.

2 MR. SCOTT: That's correct.

3 MS. OLSZEWSKI: I have a question,  
4 because it sounds like we think we -- there is  
5 something on the board that if a buyer showed up  
6 tomorrow with the money, that there would be a  
7 smooth transition of the operation of the medical  
8 center, and with the licensing swing over to the  
9 new entity, you know, the medical center wouldn't  
10 need to close for the new one to come in and open  
11 up, is that really an appropriate assumption here?  
12 John, do medical centers when they are -- in this  
13 case, when there is -- there would be a buyer, can  
14 you actually --

15 MR. CALABRIA: There would be a  
16 transfer of ownership certificate need  
17 application, obviously, as we've done in other  
18 cases, we would expedite that to the greatest  
19 extent that we possibly could. Whether that could  
20 all happen in four months is not clear to me right  
21 now. It would depend on who the potential buyer  
22 would be and, you know, how well they do their  
23 application and their due diligence with us.

24 MS. OLSZEWSKI: Seems to me in any  
25 case, the highest probability would be that the

1 medical center would close and then possibly  
2 reopen.

3 MR. CALABRIA: There would be a new  
4 buyer, that certainly would be a possibility, yes.

5 DR. DONLEN: I'm going to take a  
6 stab at the motion, and I'm -- I would like to  
7 offer a motion that we approve the application for  
8 Greenville Hospital to be closed with an  
9 additional recommendation that the Certificate of  
10 Need for acute care services at Greenville  
11 Hospital be able to be reissued up until June 1st  
12 without a call if a buyer is identified that is  
13 acceptable to the seller because of the ability to  
14 execute a contract at fair market value with the  
15 appropriate vetting of their ability to come  
16 through with the -- with the money for the sale,  
17 et cetera, that the deal could be completed, there  
18 is a likelihood that the deal can be completed and  
19 so the CN would be open until June 1st, there  
20 wouldn't be a need for a call if a buyer was found  
21 during that period.

22 After June 1st it would mean, this  
23 isn't part of the condition, but just as part of  
24 the discussion, after June 1st, it wouldn't  
25 preclude a buyer coming forward, but we haven't

1 made any recommendation about the CN being issued  
2 without a call. Matt, does that --

3 MR. D'ORIA: That certainly comports  
4 with our regulations.

5 DR. DONLEN: Okay.

6 MR. KANE: Subject to that  
7 recommendation --

8 DR. DONLEN: You know, as part of  
9 the motion, accepting all of the recommendations  
10 that we had reviewed previously at our last  
11 meeting, and the two -- and the one that we added  
12 today about transportation.

13 You look like you have a question?  
14 Anybody want to off a second.

15 MR. KANE: Second.

16 MS. OLSZEWSKI: No. I also felt  
17 that the community advisory group, which we -- was  
18 really not specified in the conditions, needs to  
19 be a condition. Transportation was conditioned.

20 DR. DONLEN: What point? I mean,  
21 what we are talking about now is what we can put  
22 on this buyer -- on this seller -- I mean --

23 MS. OLSZEWSKI: As part of the  
24 conditions overall for the closure, I think we  
25 need to add a condition about a committee advisory

1 group. We cannot discuss that until we finish

2 with the other issue, but I --

3 DR. DONLEN: I guess I'm asking --

4 we are already talked about a community advisory

5 group for transportation. What role would a

6 community advisory group play at this point? This

7 is a motion for closure.

8 MS. OLSZEWSKI: No, I understand.

9 And I'm sorry, I should be more specific. The

10 community advisory group, we mentioned the term

11 "community advisory group", and we have nothing

12 around what that should consist of. In this case,

13 the medical center feels they formed one and the

14 city feels they definitely did not form one,

15 because two members -- two political --

16 DR. DONLEN: That's exactly what I'm

17 talking about. That advisory group was related to

18 the idea that they would -- that the hospital or

19 the medical -- or the health services would be

20 involved in the continuation of services there.

21 MS. OLSZEWSKI: So you feel that the

22 existing five, seven member committee is adequate

23 for the transportation issue?

24 DR. DONLEN: No. No. I put

25 specifics on the transportation issue when I

1 talked about the transportation issue, that's what  
2 I was trying to say. That advisory committee I  
3 said should clearly include representatives from  
4 not just the mayor's office, not just elected  
5 officials, but the group, the Save Greenville  
6 Hospital group, to include beyond that also at  
7 least representatives of the families with a  
8 chronic illness and with dialysis.

9 MS. OLSZEWSKI: Okay. Thank you. I  
10 misunderstood that.

11 DR. DONLEN: That advisory group,  
12 because of the concerns about how the other one  
13 was, I was much more specific about, and that's  
14 the group that should help to determine, you know,  
15 what transportation is needed, and the best way to  
16 do it, and the other part of the condition was  
17 that it should not be relying upon public  
18 transportation, and that should be submitted to  
19 the department within.

20 MR. CALABRIA: Normally we ask for  
21 those within 30 days.

22 DR. DONLEN: Within 30 days.

23 MR. CALABRIA: If I might, I think  
24 Mr. Baker had previously suggested two other  
25 conditions, one about a refrigerator and the other

1 was about employee.

2           MR. BAKER: But sticking with the  
3 community advisory board, I'd like to broaden your  
4 suggestion, which was a good one in November, and  
5 a good one today, to -- I think there is a need  
6 for the community to be involved in the transition  
7 from closing probably for about six months after  
8 closure, if it does close, there are going to be  
9 communication issues, transportation issues, there  
10 are going to be emergency service issues.

11          DR. DONLEN: Related to the  
12 communication plan and all that.

13          MR. BAKER: I suggest that the  
14 community advisory board be expanded that its  
15 purview run for six months from closure, that it  
16 include not only the issues that Judy talked about  
17 with regard to dialysis and other services and the  
18 makeup that you suggested, Judy, but that it also  
19 deal with the various transition issues with the  
20 community and transportation. And I think we just  
21 did it at our last meeting, we actually suggested,  
22 as you did, some folks who should be on that  
23 committee, so I'm going to suggest that their  
24 condition be that there are hospital  
25 representatives, that it have a physician

1 representative who is not an employee of the  
2 hospital, that there be a designee of the mayor  
3 and council, and that there be community  
4 representatives who are not affiliated with the  
5 hospital, true community representatives. And I'd  
6 also like to see one representative from the  
7 employees, rank and file employee, I don't know if  
8 this is a union shop, but someone from the union  
9 representative to serve on that committee. There  
10 are going to be a number of job placements and  
11 transportation and other issues, so I'd expand it  
12 to that.

13           Judy, to add to your condition about  
14 the Certificate of Need, sort of staying alive to  
15 see if there is a buyer, I'd also like to suggest  
16 that the requirement be that the hospital not  
17 enter into a binding contract to sell or lease the  
18 improvements prior to June 1st. I'm a lawyer, so  
19 I think like that all the time.

20           DR. DONLEN: That's much better.

21           MR. BAKER: So we wouldn't want you  
22 to -- the license to stay open for 120 days and  
23 find out that you have already signed a binding  
24 agreement with someone to sell the property. So  
25 I'd like to add --

1 DR. DONLEN: I think they understood  
2 that that's what I was trying to do, but you've  
3 been more clear. And you wanted the refrigerator.

4 MR. BAKER: Yeah, with regard to the  
5 notification requirement, that include information  
6 with regard to the hotline, addresses, for  
7 available both emergency and primary care, and  
8 outpatient services, and it be something that's  
9 durable, maybe that can stick to a refrigerator.  
10 We talked about the transportation plan. I think,  
11 John, you have that. We talked about the  
12 committee advisory board. I'd like the applicant  
13 to submit within 30 days is your usual time plan  
14 for submitting plans.

15 MR. CALABRIA: That's general.

16 MR. BAKER: Job outplacement service  
17 plan to the department, and I'd also like to help  
18 the city in its efforts to within ten days, a  
19 requirement of ten days of this, that the  
20 applicant provide to the city the answer to the  
21 physicians due diligence question, audited  
22 financials for 2006. 2007, when do you expect  
23 those will be in?

24 MR. SCOTT: By the end of this  
25 month.

1 MR. BAKER: Audited financials for  
2 2007 to the City when they come in.

3 MR. SCOTT: They already have a  
4 draft.

5 MR. BAKER: If you have a capital  
6 assessments or engineering assessment of the  
7 capital improvement plan or needs for the facility  
8 if you can give that to the city as well.

9 DR. DONLEN: But the onus is on a  
10 buyer to come to them.

11 Anything else?

12 DR. BARONE: Judy, I'd like to make  
13 a comment, just to the staff recommendations in  
14 terms of an outreach efforts shall be in place --  
15 shall be placed into effect to ensure all  
16 residents, especially the medically indigent, have  
17 access and that a self-evaluation of this effort  
18 shall be conducted on a yearly basis. I think  
19 some of what we heard today, is that there may not  
20 be as good a connection as possible between the  
21 institution leadership and the leadership in the  
22 community, I urge you really to develop a very  
23 solid outreach program so that the people that are  
24 indigent don't feel further disenfranchised from  
25 the health care system. And I would suggest, if

1 possible, maybe modifying -- instead of on a  
2 yearly basis, maybe because of the issues and  
3 because of the implementation of more community  
4 input, we, perhaps, get a self-assessment within  
5 the first six months so that we have two  
6 evaluations in the first year, and then yearly  
7 afterward. I would hate to wait an entire year,  
8 and I think nobody wants to wait a year to find  
9 out that this transition is not working smoothly.  
10 So I think within six months a progress report,  
11 and another six months, and then yearly for four  
12 years as you stated here.

13 DR. DONLEN: Okay.

14 MS. HERNANDEZ: I'm going to call  
15 role. Ms. Ainora?

16 DR. DONLEN: Not here.

17 MS. HERNANDEZ: Mr. Kane?

18 MR. KANE: Yes.

19 MS. HERNANDEZ: Ms. Olszewski?

20 MS. OLSZEWSKI: Yes.

21 MS. HERNANDEZ: Ms. Bentley-McGhee?

22 MS. BENTLEY-McGHEE: I'm voting yes,  
23 but I -- I'll say yes. I think my comments have  
24 been on the record enough already.

25 MS. HERNANDEZ: Dr. Barone?

1 DR. BARONE: Yes.

2 MS. HERNANDEZ: Dr. Lewis?

3 DR. DONLEN: Not here.

4 MS. HERNANDEZ: Mr. Baker?

5 MR. BAKER: Yes.

6 MS. HERNANDEZ: Dr. Vereea?

7 DR. DONLEN: Not here.

8 MS. HERNANDEZ: Dr. Donlen?

9 DR. DONLEN: Yes.

10 MS. HERNANDEZ: We have six yeses.

11 DR. DONLEN: Motion passed. Thank

12 you very much. Before anybody moves, I just found

13 out today that this is the last meeting for me

14 Melissa Raksa, she is our DAG, she's served us

15 extremely well. We've put her in very difficult

16 positions at times, and she served with grace

17 under pressure. She is the one that has the

18 hardest time in a public meeting trying to keep

19 ahead of us and keep us out of trouble. We very

20 much appreciate it. Good luck with your new

21 position, and you'll -- there are big shoes for

22 someone to fill.

23 MS. RAKSA: Thank you.

24 DR. DONLEN: Thank you very much.

25 And I wish I had known before, but thank you very

1 much. And we didn't approve the minutes for the  
2 January 8th meeting. I jumped right into the work  
3 today, so could I have a motion for approval for  
4 the January 8th minutes.

5 MS. OLSZEWSKI: I so move.

6 DR. DONLEN: Somebody second?

7 DR. BARONE: Second.

8 MS. HERNANDEZ: Ms. Ainora? Mr.  
9 Kane?

10 MR. KANE: Yes.

11 MS. HERNANDEZ: Ms. Olszewski?

12 MS. OLSZEWSKI: Yes.

13 MS. HERNANDEZ: Ms. Bentley-McGhee?

14 MS. BENTLEY-McGHEE: Abstain.

15 MS. HERNANDEZ: Dr. Barone?

16 DR. BARONE: Yes.

17 MS. HERNANDEZ: Dr. Lewis? Mr.

18 Baker?

19 MR. BAKER: Yes.

20 MS. HERNANDEZ: Dr. Vereza?

21 DR. DONLEN: Not here.

22 MS. HERNANDEZ: Dr. Donlen?

23 DR. DONLEN: Yes.

24 MS. HERNANDEZ: We have five yeases,  
25 motion moved.

1 DR. DONLEN: Thank you. Thank you  
2 all very much. We appreciate all the time and  
3 effort that you put into coming. People from the  
4 community, we hope that, as you move forward with  
5 plans, that you really do get the kind of support  
6 you need to continue to have access. And if the  
7 commissioner does vote to approve the closure of  
8 the hospital, we hope that you do wind up with a  
9 good access to primary care as well. Thank you.

10 Meeting adjourned.

11 (12:53 p.m.)

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1 CERTIFICATE

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3 I, Tracey L. Pinsky, a Certified  
4 Court Reporter and Notary Public of the State of  
5 New Jersey, do hereby certify that the foregoing  
6 is a true and accurate computer-aided transcript  
7 of the hearing as taken stenographically by and  
8 before me at the time, place and on the date  
9 hereinbefore set forth.

10 I do further certify that I am  
11 neither of counsel nor attorney for any party in  
12 this action and that I am not interested in the  
13 event nor outcome of this litigation.

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24 Certified Court Reporter  
XI00219700  
25 Notary Public of New Jersey  
My commission expires 12-9-12