

Hackensack University Medical Center files lawsuit to keep the Pascack Valley Hospital license from expiring

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Hackensack University Medical Center filed a lawsuit Monday seeking an extension of the Dec. 28 expiration date for the license of Pascack Valley Hospital.

The suit, filed in state Superior Court in Hackensack, claims that a 2008 law to keep development permits from expiring on projects stalled by the recession applies to the license of the Westwood hospital, which shut down two years ago.

The hospital made the same argument to the state Health Department earlier this month. The matter is now under review by state Attorney General Anne Milgram.

Hackensack needs state approval to open a full-service 128-bed hospital in Westwood. The plan is opposed by Englewood Hospital and Medical Center and The Valley Hospital in Ridgewood, which claim the region doesn't need another hospital.

The lawsuit was filed against the state Health Department, Health Commissioner Heather Howard and Valley and Englewood hospitals. Hackensack claims the Permit Extension Act of 2008, sponsored by Sen. Paul Sarlo, D-Wood-Ridge, applies in this case, which would extend the deadline to Jan. 1, 2011.

"Our opponents have put legal barrier after legal barrier in our way in hopes of letting the clock run out," Hackensack spokeswoman Anne Marie Campbell said in a statement Monday.

"The residents of this region overwhelmingly voted yes to this project and we want to make sure their voices are heard," she said. "They deserve access to quality health care and we deserve to go before the State Health Planning Board and state our case."

A spokeswoman for The Valley Hospital questioned the timing of the lawsuit.

"This represents a desperate attempt by Hackensack to put its own needs above sound regional health care planning," said the spokeswoman, Megan

Fraser.

Fraser asked why the hospital was taking this action now and said: "They must have believed that the Department of Health's decision was not going to go their way. This should not be about legal maneuvers. It should be about ensuring the best health care system for all those who live in Bergen County."

Hackensack applied to the state in July 2008 for a certificate of need to transfer ownership of Pascack Valley's operating license and to reopen the hospital as Hackensack University Medical Center North at Pascack Valley, according to the lawsuit. It has operated a satellite emergency department at the site for 14 months.

When it appeared state Health Department staff were prepared to recommend rejection of the proposed hospital, Hackensack asked for a six-month hold on the application. That lasts until Jan. 7. However, the license is set to expire on Dec. 28 — the date set by former state Health Commissioner Fred Jacobs when the hospital closed due to bankruptcy.

Hackensack is banking on the support of Governor-elect Chris Christie, who promised at an August campaign rally in Westwood to support the reopening of the hospital.

In the lawsuit, Hackensack's attorney, Michael R. Cole of DeCotiis, FitzPatrick, Cole & Wisler, cited examples in which the Health Department extended the deadlines of other health care facility licenses under the Permit Extension Act. In October, the department extended a license that was about to expire for South Jersey Specialty Hospital Inc. and, last month, it granted another license extension, this time for a long-term-care facility, The Commons at Washington Glen. Both of those licenses were set to expire in November but were extended until July 2010, according to Hackensack's lawsuit.

While Hackensack's application was on hold, the hospital pursued multiple efforts to resolve Englewood's objections to the reopening, including a proposal that would have brought Englewood between \$3.8 million and \$6.4 million in additional revenue each year, the lawsuit stated.

One of the issues the state evaluates in reviewing requests for licenses is the economic impact a new facility will have on existing hospitals. Concerns were raised about Englewood's financial situation and, according to the lawsuit, Hackensack took steps to address those issues.

However, Englewood "never seriously entertained this proposal," Hackensack's attorney wrote.

Maria Margiotta, a spokeswoman for Englewood, said the legal action "is another strong-arm tactic that ignores the community-focused, not-for-profit health care mission which we have successfully provided to all of our communities for over 120 years."

"None of HUMC's partnership proposals provided a clear benefit to Englewood Hospital or the communities we serve," she said.

Englewood has proposed to HUMC during several meetings that the Westwood location be developed into a medical complex that would bring new and needed outpatient medical services as well as tax revenues and new jobs to Northern Valley communities, Margiotta said.

A spokeswoman for the Health Department declined comment because "the matter is the subject of pending litigation."

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