

Pascack Valley Hospital fight continues

Wednesday, July 28, 2010

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Governor Christie says he still believes Pascack Valley Hospital should reopen, but a new legal appeal has been filed by two hospitals to kill the application for a full-service hospital in Westwood.

"My position philosophically has not changed since the campaign," Christie told The Record editorial board earlier this month. "I think Pascack should be reopened."

However, he added, "Governor Corzine and [former Health] Commissioner [Heather] Howard set up an exquisite set of handcuffs to try to prevent that from happening before they left office."

Plans for reopening the facility as a 128-bed community hospital, in a joint venture involving Hackensack University Medical Center and LHP Hospital Group Inc. of Plano, Texas, are mired in court proceedings.

The legal situation became more complicated last week when the two hospitals that oppose the reopening filed a new appeal.

Lawyers for The Valley Hospital in Ridgewood and Englewood Hospital and Medical Center asked the Appellate Division of Superior Court to require the state health department to declare the deadline for reactivating the license expired.

They argued that the two-year grace period allowed at the time the Westwood hospital closed ended on Dec. 28.

"Valley is uncertain of its rights and therefore seeks a declaration from this court confirming the expiration of the ... application so that Valley may know how to proceed," read the filing by Gage Andretta and Frank R. Ciesla of the firm Wolff & Samson.

Englewood's spokeswoman, Maria Margiotta, said: "According to the law, both the certificate of need and the extension to transfer the license to reopen an acute-care hospital in Westwood have now expired." Englewood wants to confirm the expiration "so that we may continue to plan for and provide the future health care needs of the community."

Robert Garrett, HUMC's president, said through a spokeswoman, "We totally disagree with their position and will be responding shortly."

HUMC's attorneys previously argued that the deadline was automatically delayed by the Permit Extension Act, a law designed to help construction projects that had difficulty obtaining financing during the recession. Howard, Gov. Jon Corzine's health commissioner, disagreed last December and declined to extend the deadline.

In January, the case was sent to the Appellate Division of Superior Court. No date has been set for oral arguments, pending the receipt of additional documents by the court, said Tammy Kendig, a judiciary spokeswoman.

At the same time, HUMC officials asked the state health department to reactivate their application to reopen the hospital. Previously, they had asked for a six-month deferral. The health department did not

act on the January request, noting that the case was in the courts.

On Tuesday, the health department declined to comment on the new appeal. "The matter is pending before the court," said Donna Leusner, the department's communications director.

Christie said he hoped to resolve the situation soon.

"I have the commissioner of health [Poonam Alaigh] working with all the interested parties to see what we can do," he said, and "if we can do something in a way that's completely sustainable.

"I'd like to get the issue resolved, and we're working hard to get it resolved," he added.

Westwood Mayor John Birkner Jr. said he was "happy to hear it," but wished the governor had responded to a six-page letter sent by mayors of Pascack Valley and Northern Valley towns months ago. "We've been working real hard on this issue for a real long time," he said. "It's of paramount public importance."

Meanwhile, two recent bond ratings for local hospitals each took notice of the implications of the potential reopening.

Fitch Ratings gave a stable A-minus rating to HUMC and noted that "the addition and expansion of services at the former Pascack Valley Hospital is increasing [HUMC's] presence in the northern portion of its service area." That referred to the satellite emergency department and laboratory and imaging services available at the renamed Hackensack University Medical Center North at Pascack Valley.

Further growth would be expected if permission is given to reopen the entire hospital, "which management believes has a high likelihood of being granted," the ratings service said.

Moody's Investors Service gave Holy Name Medical Center a stable Baa2 rating, and noted that the Teaneck hospital had benefited from Pascack Valley's closure with an uptick of 750 patients last year because of the transfer of the Korean Medical Program. The potential reopening "adds an element of uncertainty to this already crowded market," the Moody's analysis said, "although management has been informed that the Korean Medical Program will stay at Holy Name and not move back to Pascack Valley."

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