NJMHMC, LLC d/b/a HUDSON : REGIONAL HOSPITAL and NJBMCH, : INC., Plaintiffs, : v. CAREPOINT HEALTH SYSTEMS, INC.; : HUDSON HOSPITAL OPCO, LLC; HUMC • OPCO, LLC; IINN, INC.; CH 750 PARK : LLC; CH CASTLE LLC; SB HOBOKEN PROPCO, LLC; ACHINTYA MOULICK, M.D.; JAWAD SHAH, M.D.; ATIF BAWAHAB; and ALI MADHA, • Defendants.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION: CIVIL PART HUDSON COUNTY

DOCKET NO: HUD-L-001995-24

**CIVIL ACTION** 

## **ORDER DENYING PLAINTIFFS' ORDER TO SHOW CAUSE WITH TEMPORARY RESTRAINTS**

## FILED

June 6, 2024

Jeffrey R. Jablonski, A.J.S.C.

This matter having been brought before the Court by the Order to Show Cause With

Temporary Restraints filed by Plaintiffs NJMHMC, LLC d/b/a Hudson Regional Hospital

("HRH"), by and through its attorneys, DeCotiis, FitzPatrick, Cole & Giblin, LLP, seeking an

Order:

a) Enjoining and restraining CarePoint, its affiliates, and controlled subsidiaries from selling, transferring, assigning, encumbering, or otherwise alienating any assets related to Bayonne Medical Center, Christ Hospital, and Hoboken University Medical Center, including, but not limited to, the licenses held by CarePoint, its affiliates, and/or controlled subsidiaries to operate said hospitals;

b) Enjoining and restraining CarePoint, its affiliates, and controlled subsidiaries from taking any actions that are contrary to HRH's exclusive option and right of first refusal to purchase the real property on which Christ Hospital and Hoboken University Medical Center are respectively situated, including, but not limited to, the CarePoint Defendants' exercising of any options related to the purchase or sale of said property;

c) Enjoining and restraining CarePoint, its affiliates, and controlled subsidiaries from entering into any management or consulting agreements with a third-party, including Insight, in regard to Bayonne Medical Center, Christ Hospital, and/or Hoboken University Medical Center;

d) Injunctive relief unwinding any management and/or consulting agreements between CarePoint and any third-party, including Insight, that were entered into after the date on which the Term Sheet was executed and which concern Bayonne Medical Center, Christ Hospital, and/or Hoboken University Medical Center;

e) Injunctive relief requiring CarePoint, its affiliates, and controlled subsidiaries to take all steps necessary to secure regulatory approval from the State of New Jersey, Office of the Attorney General and New Jersey Department of Health relating to the transactions contemplated under the Term Sheet;

f) Injunctive relief requiring CarePoint, its affiliates, and controlled subsidiaries to reasonably cooperate with HRH in satisfying their joint obligation to complete due diligence on an expedited basis, specifically by providing all due diligence materials that have been requested by HRH;

g) Injunctive relief requiring CarePoint, its affiliates, and controlled subsidiaries to immediately execute the final definitive transaction documents, substantially in the form of the agreement attached to the Verified Complaint as Exhibit L, within 30 days;

h) Injunctive relief requiring CarePoint, its affiliates, and controlled subsidiaries to, upon execution of the definition transaction documents, immediately take all steps necessary to transfer all IJKG Opco, LLC's assets that are pledged to its landlord, 29 E 29 Street Holdings, LLC, including its license to operate Bayonne Medical Center, its payer contracts, the McCabe Ambulance contract (only as to Bayonne Medical Center), Medicare number, and union contracts, to a newly formed entity ("Bayonne Newco"), which will be 100% owned and controlled by HRH;

i) Enjoining and restraining all defendants from taking any actions inconsistent with the foregoing.

and the Court having considered the papers submitted and arguments of counsel:

IT IS on this <u>6th</u> day of June, 2024

**ORDERED** as follows:

1. Plaintiffs' Motion is denied in its entirety;

2. Plaintiffs have failed to demonstrate by clear and convincing evidence that they have a reasonable probability of success on the merits;

3. Plaintiffs have failed to demonstrate by clear and convincing evidence that the balancing of the equities and hardships counsels in favor of injunctive relief;

4. Plaintiffs have failed to demonstrate by clear and convincing evidence that they will suffer irreparable harm absent injunctive relief; and

5. Plaintiffs have failed to demonstrate by clear and convincing evidence that the public interest will not be harmed by the granting of injunctive relief.

**IT IS FURTHER ORDERED** that a copy of this Order shall be deemed served upon all parties upon being filed on eCourts.

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Hon. Jeffrey R. Jablonski AJ.S.C.

OPPOSED: [X]

UNOPPOSED: []

The relief sought by the plaintiff is denied for the reasons set forth on the record on June 6, 2024.