

## NEW JERSEY LEGISLATURE

February 10, 2020

Governor Phil Murphy  
Office of the Governor  
125 West State Street  
Trenton, NJ 08625

Governor Murphy,

As you are aware, the CarePoint Hospitals in Hudson County – Bayonne Medical Center, Christ Hospital, and Hoboken University Medical Center – have been offered for sale for over a year. The Department of Health has had weekly calls with CarePoint to monitor the hospitals' financial viability. As the fastest growing county in the state and one of the most densely populated in the country, Hudson County remains in need of multiple acute care facilities to assure the health and safety of our residents. As you are aware, Hudson County has added an estimated 60,000 new residents and grown 9% in the past ten years.

It now appears that Christ Hospital is on the verge of bankruptcy and petitioning for closure and that Bayonne Medical Center is only a few weeks behind. The impact of closing one or more of these facilities on the Hudson County community would result in a devastating loss of health care access for thousands of individuals and families. We believe that Hudson County needs all three facilities to stay open and fully operational.

At this point, it is clear we need you and your administration to take aggressive action to assure the survival of these hospitals and access to quality health care for the residents of Hudson County.

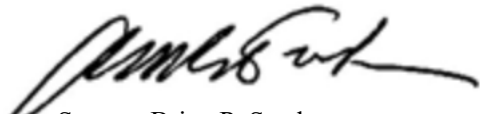
We are asking your administration to take the following actions:

1. Appointment of state monitors for Bayonne Medical Center and Hoboken Medical Center (on February 5<sup>th</sup>, a monitor was appointed for Christ);
2. Appointment of receivers for Christ Hospital and Bayonne Medical Center;
3. Order the Department of Health to enjoin any closing without a certificate of need;
4. Ensure the Department of Health takes action nullifying the sales of all real estate involved in the above transaction under *N.J.A.C. 8:33-3.3(f)*, and for the Department to support an anticipated directive from the County of Hudson striking from the public record as *void ab initio* any document recorded to memorialize the transfer of real estate ownership or the transfer of shares in any entity owning such real estate;

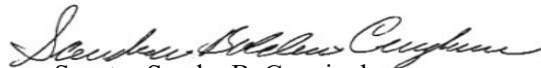
5. In March 2019, NJ State Commission on Investigations reported that at least \$158 million was syphoned from the CarePoint owners into shell companies operated by those very same owners. Considering these and other allegations about irregularities that have since surfaced, we request that the Department of Health, Department of Banking and Insurance, and Attorney General investigate the operations of Clover Health and Alaris Health (both of which companies are owned and operated by CarePoint owners) to determine if similar actions that threaten to compromise patient care or are otherwise violative of regulations are underway. The near bankruptcy of the CarePoint hospitals is directly related to the decision by ownership to withdraw unreasonably large sums from their operations for personal profit at the detriment to services and the health care available to Hudson County residents. It is equally clear that Mr. Avery Eisenreich, who quite ironically cites through counsel the SCI report liberally throughout his counterclaims against his CarePoint partners, is no innocent oppressed minority shareholder, as he knowingly and willingly acquiesced to the questionable practices involving the management companies.
6. Support our proposed legislation to clarify the eminent domain powers of public entities concerning real properties that contain acute care hospitals when such hospitals are at imminent risk of closure or have filed for relief under federal bankruptcy laws and streamline the condemnation process.

Only swift, decisive leadership can avert placing hundreds of thousands of our constituents and the public health in a state of unacceptable risk.

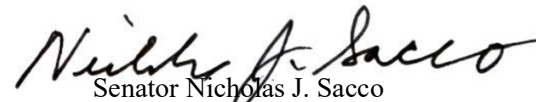
Sincerely,



Senator Brian P. Stack



Senator Sandra B. Cunningham



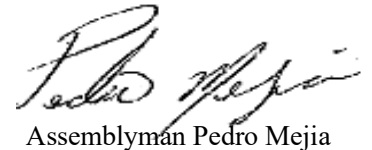
Senator Nicholas J. Sacco



Assemblyman Raj Mukherji



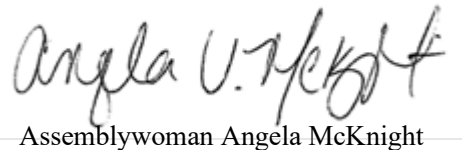
Assemblyman Nicholas Chiaravalloti



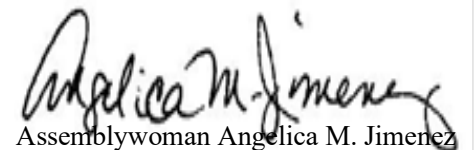
Assemblyman Pedro Mejia



Assemblywoman Annette Chaparro



Assemblywoman Angela McKnight



Assemblywoman Angelica M. Jimenez

