



Thank you for your interest in HCANJ Foundation's Advanced Standing Program. Enclosed you will find all the necessary materials you need to complete your package which includes:

- Advanced Standing Program Description
- Application for Advanced Standing
- Quality Measurement Guidelines
- Affidavit of Compliance
- Contract between your facility and the HCANJ Foundation
- Invoice

Please note that all materials, including payment in full, must be received in the HCANJ Foundation office by **January 25, 2013**. Please note: This is a firm deadline. If you do not submit your materials by that time, you can still participate in the program next year, but you will not be able to participate in 2013.

To assist you in completing your packet, please note the "Attachments" list at the bottom of the *Application for Advanced Standing*.

Please send all required materials to:

HCANJ Foundation Advanced Standing Program

4 AAA Drive, Suite 203

Hamilton, NJ 08691

If you have any questions, please contact Kathy Fiery at Kathy@hcanj.org or by phone at 609-890-8700.

4 AAA Drive, Suite 203, Hamilton, New Jersey 08691-1813 ∨ (609) 890-8700 ∨ Fax: (609) 584-1047

www.hcanj.org



Advanced Standing Program Description

The Health Care Association of New Jersey Foundation is collaborating with the Department of Health (DOH) on a voluntary program titled *Advanced Standing (AS)*. The program is open to all licensed assisted living residences and comprehensive personal care homes in NJ. To receive the Department's distinction of Advanced Standing, a facility must comply with all applicable local, state and federal regulations as well as submit quality data that reaches benchmarks established by a Peer Review Panel. Once all regulations are satisfactorily met and the quality measures meet the established benchmarks, DOH will make the final determination on Advanced Standing.

Compliance Visit

The HCANJ Foundation has hired staff to perform compliance visits to ensure that the New Jersey state licensing regulations are substantially met. DOH will provide follow-up surveys on a random sample of up to 10% of the facilities that participate in the 2013 program. In addition, any time a facility falls below DOH standards, such as poor performance on a complaint investigation, that facility can be removed for cause from the program by DOH. A facility participating in the AS program will not receive a routine survey by DOH.

Quality Data

The facility must submit quality data to the National Center for Assisted Living (NCAL), which is compliant with national standards established by NCAL. In order to determine if quality benchmarks are met, a facility must participate in the NCAL Quality Measure Survey which can be found at www.ncal.org. Although the facility must submit the complete data set, only certain quality indicators will be reviewed during each year of the AS program. The HCANJF consultant or HCANJ staff will verify that the survey has been submitted and that the quality benchmarks have been met.

For the 2013 program, the NCAL quality measures chosen by the Peer Review Panel are:

- Does the community have a family council that meets at least quarterly and encourages family participation?
- Does the community leadership meet regularly with the leaders of the family council?
- Do you have a formal on-going training program for all employees?
- Does the community measure resident and family satisfaction?

Please see the quality measurement guidelines for meeting this requirement.

To participate in the program a facility must sign a contract with HCANJF which specifies the program criteria, submit a signed affidavit of compliance and submit payment for the program in full during the open enrollment period.

A facility that is granted Advanced Standing by DOH will be able to advertise that designation and HCANJ members with Advanced Standing status will have a special designation on the HCANJ website.

Quality Measurement Guidelines

Quality Measure: Does the community have a family council that meets at least quarterly and encourages family participation?

Guideline: Meeting minutes are not necessary. However a record of the quarterly meeting dates, topics covered and attendees, including staff, are required for verification of meetings held.

Quality Measure: Does the community leadership meet regularly with the leaders of the family council?

Guideline: Family Council attendees should see a rotation of the facility leadership each quarter. Not all need to be present at each meeting; rather, it should vary from meeting to meeting.

Quality Measure: Do you have a formal on-going training program for all employees?

Guideline: Training modules should be established to educate all staff on areas not currently required in the assisted living regulations; in other words, above and beyond what is specified by regulation.

Quality Measure: Do you measure resident and family satisfaction?

Guideline: At a minimum, each resident (or their designated responsible party,) and their family as appropriate should be provided with a formal, written inquiry on their level of agreement with the following statements (using a 5 point scale):

1. Overall, I am satisfied with this community.
2. I would recommend this community to others.
3. Overall, staff shows genuine respect and treats me (for family: my loved one) with dignity.
4. Overall, I am satisfied with the way my (my loved one's) choices and preferences are met.
5. Management is timely in their responses to me (my loved one's) and my family's suggestions and concerns.
6. Staff recognizes and responds in a timely manner to changes in my (my loved one's) needs.
7. Overall, I (my loved one) feel(s) safe in this community.

A comment section should be included for additional feedback on each of the areas, above.

Feedback should be collected, and an action plan developed and administered, for areas that meet with low levels of satisfaction. Feedback should be provided to residents and families on the progress of the action plan.

Need assistance or additional help with any of the quality measures? In addition to Kathy Fiery, please feel free to call on:

Nancy Snyder – Brandywine Senior Living - snydern@brandycare.com

Eddie Empirio – Chelsea Senior Living - eempirio@cslal.com

Todd Aronson – Van Dyk Park Place - todd@vandykhealthcare.com

Paul Gedbaw – Emeritus Senior Living - Paul.Gedbaw@emeritus.com



Application for Advanced Standing Program

Date _____

Name of Facility _____

Facility Name as licensed by DOH (if different than above) _____

Address _____

Executive Director _____

Phone number of ED _____

Email address of ED _____

Date Facility was originally licensed _____

Number of beds _____

License No.: _____

Attachments:

Affidavit of Compliance Signed Contract Payment in full

4 AAA Drive, Suite 203, Hamilton, New Jersey 08691-1813 ♦ (609) 890-8700 ♦ Fax: (609) 584-1047

www.hcanj.org

New Jersey Department of Health and Senior Services
Division of Health Facilities Evaluation and Licensing

**AFFIDAVIT OF COMPLIANCE
ASSISTED LIVING RESIDENCES, COMPREHENSIVE PERSONAL CARE HOMES
AND ASSISTED LIVING PROGRAMS
MANDATORY STANDARDS COVERED BY THIS AFFIDAVIT
(ALL REFERENCES ARE TO N.J.A.C. 8:36)**

I, _____, Administrator of
_____, hereby state

that to the best of my personal knowledge and understanding, the facility is in substantial compliance with the mandatory standards enumerated in this statement except as follows:

Describe exceptions to compliance:

I acknowledge that I must provide prompt notification to the Director, Assessment and Survey, at the address below, should I become aware of any substantial change in compliance:

Director, Assessment and Survey
Division of Health Facilities Evaluation and Licensing
New Jersey Department of Health and Senior Services
PO Box 367
Trenton, NJ 08625-0367

Telephone Number: (609) 633-8993

I understand that a willfully false statement could result in enforcement penalties.

Signature of Administrator	Date
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3.1 (a)	7.4 (c)	18.1
4.1	7.5	18.2 (a) through (d)
5.1 (e)	9.1	18.3
5.1 (g)	9.2	18.4 (a) (b)
5.1 (h) through (k)	10.5 (b)	18.5
5.2 (b)	11.3 (a)	18.6 (a) (b)
5.5 (a)	11.6 (a) 3	19.2 (a)
5.5 (b)	11.7 (e)	19.2 (b)
5.6 (b) (1-7)	11.7 (f)	19.3 (a)
5.6 (c) and 9.3 (c)	11.7 (g)	19.4 (a) 1
5.7 (a) 1-8	14.1 (b)	19.4 (b) 1 and 2
5.8	14.2 (a) (b) (c)	19.4 (b) 3
5.9	14.3 (a)	20.2 (a)
5.10 (a) 1-6	14.3 (b)	20.2 (f)
5.11 (a) 1-7	14.3 (c)	21.1
5.13	15.3	21.2 (a)
5.14	15.4	22.1 – 22.7
5.15	15.6	23.1 – 23.18
5.16	15.7	
5.17		<u>8:43E</u>
5.18	17.2	6.1 through 6.6
6.1(a) (1-11)	17.3 (b) 8	10.1 through 10.5
6.3 (a)	17.4 (a)	
6.3 (b) (c)	17.6	
7.4 (b)	17.8	

Signature of Administrator	Date
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- 3.1 (a) Administrator and alternate is designated in writing.
- 4.1 Resident rights.
- 5.1 (e) Facility admission agreement.
- 5.1 (g) Facility adheres to all applicable Federal, State and Local laws.
- 5.1 (h) - (k) Compliance with 10% Medicaid occupancy if licensed on or after 9/1/01.
- 5.2 (b) Facility is not owned or operated by any person convicted of a crime.
- 5.5 (a) Written job descriptions.
- 5.5 (b) Staff licensure, certification and authorization as required.
- 5.6 (b) 1-7 Develop and implement orientation and education plan as required.
- 5.6 (c) & 9.3 (c) Staffing at level of care required by residents.
- 5.7 (a) 1-8 Policy and procedures developed, implemented and reviewed.
- 5.8 Resident transportation.
- 5.9 Written agreements for services not provided directly by facility.
- 5.10 (a) 1-6 Reportable events.
- 5.11 (a) 1-7 Required postings.
- 5.13 Admission and retention of residents.
- 5.14 Involuntary discharge.
- 5.15 Notification requirements.
- 5.16 Interpretation services.
- 5.17 Written transfer agreements.
- 5.18 Managed risk agreements.
- 6.1 (a) 1-11 Written resident care policies and procedures.
- 6.3 (a) Policies and procedure for handling monthly personal needs allowance.
- 6.3 (b) (c) Written records of personal needs accounts maintained.
- 7.4 (b) RN develops nursing practice policies and procedures.
- 7.4 (c) Health care policies and procedures are implemented.
- 7.5 Written policies and procedures to ensure quality care.
- 9.1 Qualifications of personal care assistants.
- 9.2 Qualifications of certified medication aides.
- 10.5 (b) Current diet manual available.
- 11.3 (a) Staff trained to supervise self administration of medications.
- 11.6 (a) 3 Pharmacy policy and procedures regarding self administration of medications.
- 11.7 (e) Medication destruction.
- 11.7 (f) Medication destruction witnessed.
- 11.7 (g) Unit of use crediting mechanism.

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- 14.1 (b) Written plan for emergency transportation.
- 14.2 (a) - (c) Emergency plans, policies and procedures developed.
- 14.3 (a) Fire drills.
- 14.3 (b) One joint drill with local fire department.
- 14.3 (c) Facility tests one pull alarm per month and documents result.
- 15.3 Confidentiality of resident records.
- 15.4 Record retention.
- 15.6 Residents' individual records.
- 15.7 Record of death.
- 17.2 Written housekeeping work plan and staff trained as required.
- 17.3 (b) 8 Annual electrical inspection.
- 17.4 (a) Solid waste procedure.
- 17.6 Water supply.
- 17.8 Written laundry service policies and procedures.
- 18.1 Infection Control Program.
- 18.2 (a) - (d) Infection control policies and procedures. Pneumovac and Flu vaccine requirements.
- 18.3 General facility infection control policies and procedures.
- 18.4 (a) (b) Mantoux testing for employees.
- 18.5 Staff trained in infection control procedures.
- 18.6 (a) (b) Regulated medical waste.
- 19.2 (a) Individualized Alzheimer's care.
- 19.2 (b) Criteria for admission to Alzheimer's unit.
- 19.3 (a) Mandatory staff training in Alzheimer's/Dementia care.
- 19.4 (a) 1 Staffing schedules for Alzheimer's unit available to public on request.
- 19.4 (b) 1 & 2 Alzheimer activity schedule and frequency, available to public on request.
- 19.4 (b) 3 Safety and security policies and procedures in Alzheimer's unit.
- 20.2 (a) Respite care policies and procedures.
- 20.2 (f) Pharmacist's policies and procedures for residents receiving respite services.
- 21.1 Quality Improvement Program.
- 21.2 Use of restraints.
- 22.1 – 22.7 CPCH
- 23.1 – 23.18 ALP

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- 6.1 – 6.6 Pain management.
- 10.1 – 10.5 Patient safety policies, committee, plan.

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 PHYSICAL ENVIRONMENT INSPECTIONS**

Date of Last Standard Survey: _____

Quarterly Fire Official Inspections since last Standard Survey:

Dates: _____
 Municipality: _____

Semi-annual Kitchen Suppression System Inspections and Maintenance since last Standard Survey:

Dates: _____
 Vendor: _____

Fire Alarm Detection System Tests and Maintenance since last Standard Survey:

Dates: _____
 Vendor: _____

Boiler or Heating System Inspections since last Standard Survey:

Dates: _____
 Inspector: _____

Electrical Inspections by a Licensed Electrician since last Standard Survey:

Dates: _____
 Electrician: _____

Elevator Inspections (if applicable) since last Standard Survey:

Dates: _____
 Inspector: _____

Quarterly Sprinkler System Tests and Maintenance since last Standard Survey:

Dates: _____
 Vendor: _____

Fire Drills conducted since last Standard Survey. *Complete grid below.*

Shift	Date	Shift	Date	Shift	Date

Identify drills performed for disasters other than a fire:

Identify joint drills with the local fire officials:

Drills conducted: In-house Out-sourced If out-sourced, Vendor: _____

Has every employee participated in at least one fire drill each year? Yes No

Signature of Person Completing Form	Date
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INSTRUCTIONS FOR COMPLETING ADVANCED STANDING PROGRAM AGREEMENT

On the first page:

- Fill in the date you are signing the contract and dated no later than January 25, 2013.
- Fill in the name of the entity that is the licensed operator
- And then the type of entity that it is (a NJ corporation, a NJ LLC, etc.)
- Whomever is legally responsible for signing your contracts sign page 8.

EXAMPLE:

ADVANCED STANDING PROGRAM AGREEMENT

THIS ADVANCED STANDING PROGRAM AGREEMENT (this "Agreement") is entered into as of January 4, 2013 (the "Effective Date") by and between **HCANJ FOUNDATION, INC.**, a New Jersey nonprofit corporation (the "Foundation"), having an address at c/o the Health Care Association of New Jersey, 4 AAA Drive, Suite 203, Hamilton, New Jersey 08691; and Happy Days Senior Living, a New Jersey LLC (the "Operator"), having an address at 22 Peach Lane Newark, NJ 07101 (the Foundation and the Operator, each, a "Party" and collectively, the "Parties").

ADVANCED STANDING PROGRAM AGREEMENT

THIS ADVANCED STANDING PROGRAM AGREEMENT (this "Agreement") is entered into as of _____, 20__ (the "Effective Date") by and between **HCANJ FOUNDATION, INC.**, a New Jersey nonprofit corporation (the "Foundation"), having an address at c/o the Health Care Association of New Jersey, 4 AAA Drive, Suite 203, Hamilton, New Jersey 08691; and _____, a _____ (the "Operator"), having an address at _____ (the Foundation and the Operator, each, a "Party" and collectively, the "Parties").

BACKGROUND

A. The Foundation has been authorized by the New Jersey Department of Health and Senior Services (the "Department") to offer to licensed New Jersey assisted living facilities, subject to, among other things, the prior approval of the Department, the opportunity to participate in the Program (as defined and more particularly described below).

B. The Operator is the current licensed operator of the assisted living residence located at _____, which is commonly known as "_____" (the "Facility").

C. The Operator wishes to apply to the Department for approval for the Facility to participate in the Program, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties intending to be legally bound, hereby covenant, acknowledge and agree as set forth below.

TERMS

1. Program Description.

A. Overview of Program. Pursuant to a Memorandum Agreement, dated January 5, 2012, between the Department and the Foundation (the "MOA"), the Department has agreed to permit the Foundation to offer a four-year Advanced Standing Pilot Program (the "Program"), pursuant to which the Department is offering New Jersey assisted living residences the opportunity to apply for and be granted "Advanced Standing." A Facility's Advanced Standing status is for a one-year period only and a Facility is required to comply with the entire application process described in Section 1.C, below each year it wishes to achieve or retain Advanced Standing. In order to apply for Advanced Standing, a Facility must have been

licensed for the two (2) immediately preceding years.

B. Peer Review Panel. In connection with the Program, the Foundation has established a Peer Review Panel that includes: (i) the Department's Assistant Commissioner of Health Facilities, Evaluation and Licensing, or his or her designee; (ii) the New Jersey Ombudsman for the Institutionalized Elderly, or his or her designee; and (iii) five (5) public members, each of whom meets certain educational and/or licensure requirements and who has recent assisted living or nursing home working experience. The Peer Review Panel will select certain quality indicators for the Program that have been developed by the National Center for Assisted Living ("NCAL") for use in its Performance Measure Survey (the "NCAL Survey"), each of which quality indicator will have required minimum benchmarks for the Facility to meet ("Benchmarks"). The Facility will be required to meet each of the Benchmarks in order to meet the Program requirements.

C. Application Process. Applications for the Program will be accepted only during each annual open-enrollment period ("Open Enrollment Period"). The dates of each Open-Enrollment Period will be posted on the Health Care Association of New Jersey's website as follows: www.hcanj.org. In order to apply, a Facility must deliver to the Foundation during the applicable Open Enrollment Period, the following items (collectively, the "Application Package"), completed and executed by an authorized person on behalf of the Operator,:

1. the Program Application;
2. the Affidavit of Compliance; and
3. this Agreement.

The executed Application Package must be accompanied by payment, in full, of the Program Fee (as defined in Section 3, below).

Any Facility that does not submit a complete, executed Application Package, together with the Program Fee, in full, to the Foundation during the Open Enrollment Period shall not be eligible to apply for Advanced Standing until the commencement of the next Open-Enrollment Period. The Foundation reserves the right to decline, at its sole discretion, to accept or process any Facility's Application Package. If the Foundation declines to process an Application Package, it shall return the Application Package and any Program Fee, in full, that the Facility has paid and this Agreement shall immediately and automatically terminate.

D. Review by Department. The Foundation shall forward to the Department for review the completed Program Application and Affidavit of Compliance that the Foundation accepts and agrees to process. The Department has agreed to review each Application submitted by the Foundation in order to determine the Facility's appropriateness for Advanced Standing and to advise the Foundation, within thirty (30) days of receipt, of its determination, which shall be final and not appealable. If the Department determines that the Facility is not eligible to apply for Advanced Standing, the Foundation shall refund the Program Fee, in full, to the Facility and

this Agreement shall automatically terminate.

E. Survey Process. If the Department determines that the Facility is eligible to apply for Advanced Standing, the terms and conditions set forth below shall apply.

1. Department Surveys. The Department shall not schedule a routine survey of the Facility for the twelve-month period (12) following such determination; however, the Department shall continue to investigate all complaints made against the Facility during that period. If the Facility fails to attain Advanced Standing or if the Facility loses Advanced Standing status, the Department shall return the Facility to its routine survey schedule.

2. NCAL Survey. The Facility shall respond to the NCAL Survey and the Foundation will obtain from NCAL the Facility's responses, which will be reviewed to determine if the Facility has met the Benchmarks.

3. Compliance Visits. A consultant retained by the Foundation, who will have a specified minimum level of administrative, clinical or regulatory experience with regard to assisted living residences (a "Consultant"), shall conduct a compliance visit of the Facility. The Consultant may be accompanied by another member of the staff of the Foundation or of the Health Care Association of New Jersey (the Consultant and other members, collectively, the "Staff"). Compliance visits during the first and fourth years of a Facility's participation in the Program shall be scheduled and, during the second and third years of the Program, shall be either scheduled or unscheduled, provided that the Facility shall have at least one (1) unscheduled compliance visit in a four (4) year cycle.

In connection with the compliance visit, the Facility shall provide the Foundation for review those relevant materials requested by the Consultant or other Staff, such as a copy of the Facility's policies and procedures and the like. The Foundation anticipates that, in the normal course, a compliance visit will be completed in one (1) day. If the Consultant determines that, due to conditions at the Facility, the compliance visit cannot be completed in one (1) day, he or she will advise the Facility and the Facility will have the option to either: (i) terminate the compliance visit; or (ii) agree to extend the compliance visit, as necessary, in which case the Facility shall be required to pay an Additional Program Fee (as defined in Section 3, below). If the Facility elects to terminate, rather than extend, the compliance visit (i) this Agreement shall immediately and automatically terminate and the Facility shall not be entitled to a refund of all or any portion of the Program Fee; and (ii) the Foundation shall notify the Department that the Facility has withdrawn from the Program and the Facility shall be returned to the Department's routine survey schedule.

4. Post-Visit Consultant Meeting.

(i) Regulatory Compliance. At the conclusion of the compliance visit, the Consultant shall meet with the personnel designated by the Facility to discuss the Consultant's findings and the corrective measures, if any, the Consultant determines the Facility must undertake in order to comply with all applicable regulatory requirements and/or to meet all

Benchmarks (“Regulatory Compliance”). The Consultant shall prepare at the meeting a written report of the foregoing (the “Compliance Report”) and, with the participation of the Facility personnel, determine a date by which the Facility agrees to implement any required corrective measures, which timeframe shall be included in the Compliance Report.

(ii) Verification Visits. If the Consultant determines that a visit to the Facility is required in order to verify that the Facility has satisfactorily implemented the corrective measures specified in the Compliance Report (a “Verification Visit”), the Consultant will notify the Facility and schedule a date for the Verification Visit, which will be conducted at no additional charge to the Facility. If, after the initial Verification Visit, the Consultant determines that an additional Verification Visit is required in order to verify the Facility’s compliance, the Consultant will notify the Facility and the Facility will have the option to (i) agree to the Additional Verification Visit, in which case the Facility shall be required to pay, in advance, an Additional Program Fee; or (ii) decline the Additional Verification Visit, in which case (a) this Agreement shall immediately and automatically terminate, (b) the Facility shall not be entitled to a refund of all or any portion of the Program Fee, and (c) the Foundation shall notify the Department that the Facility has withdrawn from the Program and the Facility shall be returned to the Department’s routine survey schedule.

(iii) Consulting Services. At the meeting, the Consultant shall also be available to consult with the Facility personnel in order to address any issues they may reasonably request regarding assisted living matters, such as best practices, regulatory issues and the like. The Consultant shall, if requested, prepare a written report, either at or after the meeting, of the consulting services (the “Consulting Services Report”).

5. Award of Advanced Standing. If the Consultant determines that the Facility has, in a timely manner, satisfactorily complied with the corrective measures specified in the Compliance Report, he or she shall notify the Staff. Provided the Staff verifies that the Facility has met all of its other obligations in order to be considered for Advanced Standing, including having responded to the NCAL Survey and having met all of the Benchmarks, the Foundation shall notify the Department that the Facility has complied with all Program requirements.

Within thirty (30) days after receiving notification of compliance, the Department has agreed to notify the Foundation whether it has bestowed on the Facility the distinction of Advanced Standing. Each Facility that is awarded Advanced Standing will receive a Program Certificate and be permitted to advertise that it has achieved Advanced Standing. In addition, the Department has indicated that it will update its website to indicate that a Facility has achieved Advanced Standing, and the Health Care Association of New Jersey will also update its website to indicate the Advanced Standing status of any member Facility. Despite the Foundation’s notification of the Department that the Facility has complied with all Program requirements, the Department retains at all times the right in its sole discretion to decline to award, and to withdraw at any time, Advanced Standing status to the Facility, which decision of the Department is final and not subject to appeal.

6. **Regulatory Compliance Dispute.** If the Consultant determines that the Facility has not timely (i) complied with all of the corrective measures specified in a Compliance Report; and (ii) met all of the Benchmarks, the Consultant shall promptly notify the Facility and the Facility may request, by written notification of the Foundation within five (5) business day thereafter, reconsideration of the Foundation's determination (the "Reconsideration Period"). Upon timely receipt of a written request for reconsideration, the Foundation shall schedule a meeting between the Facility's authorized personnel and one or more Staff (in lieu of, or in addition to, the Consultant that performed the compliance visit) to reconsider the Consultant's findings and/or the Consultant's determination of non-compliance with the specified corrective measures or failure to meet all of the Benchmarks. Within five (5) business days thereafter, the Foundation shall notify the Facility of the Foundation's determination upon reconsideration, which determination shall be final and not subject to appeal. If the Foundation determines that a Facility has failed to meet Program requirements the Foundation shall notify the Department, but not until the expiration of the Reconsideration Period or the Foundation's final determination upon reconsideration, whichever is later.

F. **Department Follow-Up Survey.** The Department has indicated that it will conduct follow-up surveys (a "Follow-Up Survey") of a specified percentage of Facilities that have elected to participate in the Program in order to ensure that the compliance visits are conducted by the Foundation in accordance with N.J.A.C. 8:36. Each Follow-Up Survey shall be conducted within sixty (60) days after the Facility's compliance visit and may, during the first year of the Program, involve up to twenty-five percent (25%) and, during the remaining years, up to ten percent (10%), of participating Facilities.

2. **Additional Program Requirements.** A Facility that has achieved Advanced Standing shall maintain, on-site, the following:

A. a copy of each Regulatory Compliance Report, for a minimum of four (4) years from the date of the Regulatory Compliance Report, which it shall make available to the Department, at its request, during any Department survey, including a Follow-Up Survey; and

B. a general statement of Program criteria and the Consultant's assessment of the Facility's compliance with such criteria, which shall be available to the public, upon request.

The Facility is not required to make the Regulatory Compliance Report available, or disclose its contents, to the public and is not required to maintain or provide to the Department a copy of any Consulting Services Report

3. **Program Fee.** The Foundation's fee to apply to participate in the Program is set forth on the attached **Schedule A** (the "Program Fee"). The Program Fee, shall be paid by check made payable to "HCANJ Foundation, Inc." and shall be submitted with the executed Application Package. If the Consultant determines that a compliance visit cannot be completed in one (1) day, the Facility will be obligated to pay an additional Program Fee in the amount set forth on the attached **Schedule B** (the "Additional Program Fee") for each additional hour the Consultant requires to complete the compliance visit. No Program Fee or Additional Program Fee shall be

refundable, in whole or in part, except as expressly provided in Section 4.H, below.

4. **Acknowledgement by Facility.** The Facility hereby acknowledges and agrees, as follow:

A. The Foundation is required to, and shall, notify the Department of the occurrence of the following:

1. a determination by the Foundation that any issues at the Facility of which the Foundation becomes aware in connection with the Program, including the compliance visit, pose a significant risk to patient health or safety; or

2. the withdrawal of the Facility from the Program.

B. Staff may visit, request documentation from the Facility or otherwise interact with the Facility as required in connection with the Program.

C. The Foundation retains the sole right to determine whether the Facility has timely complied with the requirements in any Compliance Report or otherwise achieved compliance with all Program requirements, including meeting all Benchmarks, paying any Additional Fees or failing to fully cooperate with the Consultant and other Staff, thereby unduly prolonging the process.

D. A Participating Facility shall remain subject to a Follow-Up Survey within sixty (60) days after the compliance visit and to complaint surveys by the Department, at any time.

E. The Department retains the right, in its sole discretion, to make the final decision of whether a Facility is awarded Advanced Standing and retains the right, at all times to revoke such status, and the determination of the Department shall be final and non-appealable.

F. The Facility's responses to the NCAL Survey will be provided by NCAL to the Foundation.

G. Although the MOA provides for a four (4) year Program, the Department and the Foundation have the right to terminate the Program with or without cause upon thirty (30) days written notice to the other party. If either the Department or the Foundation terminates the MOA (i) the Foundation shall notify the Facility and this Agreement shall automatically terminate; (ii) if the termination is by Foundation prior to the end of a Program year, the Foundation shall return to the Facility a pro rated portion of its Program Fee for that year; and (iii) if the Department terminates the Program, at any time, the Facility shall not be entitled to the return of any portion of the Program Fee.

H. Except as expressly provided in this Agreement in connection with: (i) a termination of the Program by the Foundation as set forth in Section 4.G.(ii), above; (ii) the Foundation's declining to accept the Facility's Application Package as set forth in Section 1.C,

above; or (iii) the Department's determination that the Facility is not eligible to participate in the Application process as set forth in Section 1.D, above, the Facility shall not be entitled to a refund of all or any portion of the Facility Fee.

I. The Foundation and the Staff are authorized by the Facility to communicate with the Department regarding the Facility as provided in this Agreement and in order to comply with all Program requirements.

5. **Facility Representations and Warranties.** The Facility hereby represents and warrants, as set forth below.

A. The Facility has been licensed for a period of at least two (2) years prior to the Effective Date.

B. There has been no material change in the Facility's physical plant since the Department and the New Jersey Department of Community Affairs (the "DCA") approved the Facility's architectural plans and specifications, that has not been subsequently approved by the Department and the DCA. For purposes of the Section 5.B, a "material change" shall mean any change that would require the prior approval of the Department and/or the DCA.

6. **Confidentiality.** The Foundation and the Association shall, and shall advise the Staff to, keep confidential and not disclose (including to the Peer Review Panel) the Facility's information that is contained in its NCAL Survey or Compliance Report, or of which the Foundation becomes aware in connection with the Consulting Services, except to the extent required to be disclosed under applicable law or as ordered by a court of competent jurisdiction.

7. **Release by Facility.** The Facility hereby unconditionally and irrevocably release the Foundation, the Health Care Association of New Jersey, and all of their respective members, officers, employees, independent contractors, agents and representatives, including all Staff, from and against any and all claims, demands, causes of action, liabilities, damages and costs whatsoever arising out of or relating in any way to the Program, including any determination of the Foundation or the Department regarding the Facility's eligibility to participate in the Application process or its failure to achieve or maintain Advanced Standing.

8. **Choice of Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey without regard to its principles of conflict of laws.

9. **Notices.** All notices and other communications required or permitted under this Agreement shall be in writing and delivered in person or sent by certified or registered mail, or federal express to the other Party at its address stated in the Introduction to this Agreement or such other address as may be specified to the other Party in the manner provided. Unless specified otherwise, any notice so given shall be deemed to have been given when so delivered or mailed.

10. **Miscellaneous.** This Agreement shall constitute the entire agreement between the Parties with regard to its subject matter and shall supersede all previous negotiations, agreement and commitments and shall not be released, discharged, changed or modified in any manner, except by instruments signed by each of the Parties. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors but may not be assigned by either Party. Whenever used in this Agreement, the term “including” shall be deemed to mean “including without limitation.” This Agreement may be executed in two counterparts and/or by facsimile or electronic signature.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

WITNESS:

HCANJ FOUNDATION, INC.

Name:

By: _____
Paul Langevin, President

WITNESS:

[OPERATOR]

Name:

By: _____
Name/Title:

Schedule A

Program Fees

The Program Fees for Members and Non-Members of the Health Care Association of New Jersey are, as follows:

MEMBERS

\$2,800

NON-MEMBERS

\$3,500

Schedule B

Additional Program Fees

The Additional Program Fees for Members and Non-Members of the Health Care Association of New Jersey are, as follows:

MEMBERS

\$150

NON-MEMBERS

\$200