



680 Broadway, Paterson, New Jersey 07514-1472
Tel. (973) 977-6600 Fax (973) 742-6248
www.barnerthospital.org

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February 13, 2008

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Ms. Shirley Xu, Region I
US Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406-1415

Dear Ms. Xu:

The purpose of this letter is to formally advise you and your organization Barnert Hospital ceased operations as an acute care facility on February 1, 2008 and is officially closed. To help assure public safety, we are currently operating an urgent care center in the former emergency room and to protect a fragile patient population behavioral medicine outpatient clinics are also operating. Both of these services are expected to close, or be assumed by others, perhaps by the end of this month.

Barnert Hospital celebrated its 99th anniversary last November but has been struggling financially for quite some time. Since filing for Chapter 11 reorganization on August 15, 2007 we were able to develop a qualified buyer who would invest the needed capital and negotiated a loan, demonstrating we could pay it back once the sale was concluded. Despite initial support, the secured creditors ultimately rejected both the sale and the loan forcing the closure of Barnert. As there are other interested buyers with whom we are in discussions, the potential exists the facility may reopen under different ownership and service configuration.

Barnert has enjoyed its relationship with your organization over the years and wishes you continued success.

Sincerely yours,

Peter L. Betts, LFACHE
Interim President and Chief Executive Officer

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