

Hudson Holdco's Bid for Christ Hospital Accepted

by Joel R. Glucksman on March 28, 2012

After a long week in the U.S. Bankruptcy Court in Newark, the top bidder to take over the bankrupt Christ Hospital in Jersey City was Hudson Holdco, although the deal still awaits final approval.

The firm came out on top in the bidding process – its main competitor being Bloomfield's Community Healthcare Associates – with a bid of \$45.3 million, The Jersey Journal reported.

The New Jersey litigation surrounding the hospital's sale saw significant twists last week. Initially, the Christ Hospital Board of Trustees had voted to accept Hudson Holdco's bid of \$40.5 million, even though CHA's bid of roughly \$43 million was higher.

CHA had aimed to buy the hospital and lease it to the Jersey City Medical Center. That plan also had the support of Jersey City Mayor Jerramiah Healy. After that decision, Deputy Attorney General Susan Dougherty said that the higher bid and CHA's plan to start consolidating the building's services immediately also made it a "more favorable choice" in the bankruptcy law proceedings, according to the paper.

However, in Hudson Holdco's revised bid Friday afternoon, the firm also agreed that immediate action could be taken. Those involved with the case also told the Journal that the hospital's creditors were interested in verifying that CHA actually had enough capital to follow through on the \$43 million bid.

Hudson Holdco already owns the Bayonne Medical Center and the Hoboken University Medical Center, which are for-profit medical facilities. The firm announced it would also retain all of the hospitals union workers and 90 percent of non-union employees.

Christ Hospital filed for Chapter 11 bankruptcy in February after another potential deal with Prime Healthcare Services was unsuccessful. CHA and Hudson Holdco were the only two buyers to submit bids.

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