



# State of New Jersey

OFFICE OF THE STATE COMPTROLLER  
MEDICAID FRAUD DIVISION

P.O. BOX 025  
TRENTON, NJ 08625-0025  
(609) 826-4700

**PHILIP D. MURPHY**  
*Governor*

**KEVIN D. WALSH**  
*Acting State Comptroller*

**TAHESHA L. WAY**  
*Lt. Governor*

**JOSH LICHTBLAU**  
*Director*

June 19, 2025

**Via Electronic & Overnight Mail**

Barnegat Nursing & Rehab, LLC  
d/b/a Barnegat Rehabilitation and Nursing Center  
Daniel Bruckstein, Eugene Ehrenfeld  
c/o Peter Slocum, Esq.  
Lowenstein Sandler  
One Lowenstein Drive  
Roseland, New Jersey 07068

RE: **Notice of Claim, Notice of Withhold and Certificate of Debt**

Provider # [REDACTED]

NPI# [REDACTED]

Dear Mr. Slocum:

The New Jersey Office of the State Comptroller, Medicaid Fraud Division (MFD) hereby gives notice of the State's claim against Barnegat Nursing & Rehab, LLC d/b/a Barnegat Rehabilitation and Nursing Center and owners, Daniel Bruckstein and Eugene Ehrenfeld (referred to hereinafter as "Barnegat Nursing" or "you"), in the amount of **\$791,380**. An MFD audit review found that Barnegat Nursing, located at 859 West Bay Avenue, Barnegat, New Jersey, improperly submitted claims to the Medicaid program and, as a result, the Medicaid program improperly paid Barnegat Nursing a total of \$395,690 that Barnegat must pay back to the Medicaid program. In addition, as more fully explained below, based on the egregious nature of the conduct, MFD is assessing a civil monetary penalty of \$395,690, which brings the total amount of repayment that Barnegat Nursing must make to the Medicaid program to \$791,380 (\$395,690 + \$395,690).

MFD is seeking this recovery against Barnegat Nursing because it violated the minimum staffing requirement set forth in N.J.S.A. 30:13-18 and, despite that, submitted claims for payment to the Medicaid program certifying that the information contained in those claims was "true, accurate, and complete" even though the information was false, in violation of N.J.A.C. 10:49-9.8(a).

MFD found that for every day between July 1, 2023, and July 31, 2023 (31 days and 93 shifts), Barnegat Nursing failed to meet state minimum staffing requirements set forth in N.J.S.A.

30:13-18. MFD determined that Barnegat Nursing failed to meet the minimum requirements for at least two out of the three daily shifts for every day of the month, totaling 86 of 93 shifts. MFD found that, on average, Barnegat Nursing provided three fewer direct care staff members per shift than legally required, which translated to Barnegat Nursing having provided approximately 29 percent fewer staff than it was legally required to provide. When this average is broken down by shift, the results are as follows. Barnegat Nursing staffed the day shift 29 percent below the minimum legal requirement, forcing each direct care staff member, on average, to provide care to 11 beneficiaries – 44 percent above the limit permitted by law. It staffed the evening shift 15 percent below the minimum legal requirement, forcing each direct care staff member, on average, to provide care to 12 beneficiaries – 19 percent above the limit permitted by law. Moreover, Barnegat Nursing staffed the night shift 41 percent below the minimum legal requirement, forcing each direct care staff member, on average, to provide care to 24 beneficiaries – 71 percent above the limit permitted by law.

MFD is seeking to recover all of the funds that the Medicaid program paid to Barnegat Nursing for the month of July 2023, \$395,690, because Barnegat Nursing failed to meet the minimum staffing requirements for each day in July 2023 and, despite that, submitted claims to the Medicaid program certifying that it had satisfied all requirements for payment. In addition, based on the pervasiveness and significance of the deficiencies MFD found, MFD also determined that Barnegat Nursing knew or should have known about these staffing shortages. Consequently, in addition to seeking a direct recovery of \$395,690, MFD also is seeking to recover a civil monetary penalty from Barnegat Nursing of \$395,690.

MFD has filed a Certificate of Debt against Barnegat Nursing with the Clerk of the Superior Court, pursuant to N.J.S.A. 30:4D-17(h). Please be advised that the filing of the Certificate of Debt does not affect your hearing rights as outlined in the following paragraphs. Effective upon the receipt of this letter, MFD is imposing a withhold of ten percent of Barnegat Nursing's future program payments otherwise payable until the full Notice of Claim amount has been withheld, pursuant to N.J.S.A. 30:4D-17(g) and (i).

Further, because of the breadth of the staffing shortages and Barnegat Nursing's failure to provide a Corrective Action Plan (CAP) within 30 days of MFD's March 25, 2025 Review Findings letter, as instructed, MFD is requiring Barnegat Nursing to provide to the undersigned at MFD a monthly report that demonstrates that the facility is meeting its staffing requirements. The monthly report shall include, at a minimum, the facility's average census, the number of direct care staff physically present for each shift, and payroll information that is consistent with the listed staffing information. The monthly report must be accompanied by a signed statement under oath from an authorized representative of the facility with first-hand knowledge of the information contained therein.

Pursuant to N.J.S.A. 30:4D-7(h), MFD is seeking to hold owners Daniel Bruckstein and Eugene Ehrenfeld personally liable for any and all overpayments as parties "responsible for or receiving the benefit or possession" of the incorrect payments.

If you choose not to dispute these findings, you may resolve the matter by reimbursing the amount above **within twenty (20) days**. Please make the check payable to "Treasurer, State of New Jersey" and mail to:

Attn: Processing Bureau  
Division of Revenue  
200 Woolverton Street  
Bldg. 20, Lockbox 656  
Trenton, NJ 08646.

The check should include reference to "Barnegat Nursing" and the case number, "[REDACTED]".

If you disagree with MFD's findings, you may request a hearing at the Office of Administrative Law and a pre-hearing conference by writing to Regulatory Officer [REDACTED] **within twenty (20) days** of the date of this letter. I can be reached by mail at the address above, by telephone at [REDACTED] or by email at [REDACTED]. You may request that the meeting be held in person or by telephone. Prior to or at the pre-hearing conference, you may provide MFD with any documentation or information in your possession that you believe is relevant to the claims at issue.

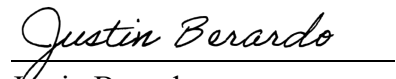
A complete list of the claims and claim amounts in this matter have been provided previously. Please contact the undersigned if you need the claims data to be re-sent to you.

If neither a pre-hearing conference nor a formal hearing is requested within twenty days of receipt of this Notice, you will have waived the right to any further proceedings in this matter and this Notice will become a self-executing Default Judgement for the total amount, as well as the Final Agency Decision.

Thank you for your attention to this matter.

Sincerely,

KEVIN D. WALSH  
ACTING STATE COMPTROLLER

  
Justin Berardo,  
Assistant Division Director  
Regulatory and Exclusion Unit  
Medicaid Fraud Division

Enclosures