IN RE: Licensure Violation) Notice of Assessment NJ Facility ID # 60311) of Penalties

TO: Jeremy Schuster, Administrator
Mount Laurel Center for Rehabilitation and Healthcare
3718 Church Road
Mount Laurel, NJ 08054

The Health Care Facilities Planning Act (N.J.S.A. 26:2H-1 et seq.) (the Act) provides a statutory scheme designed to ensure that all health care facilities are of the highest quality. Pursuant to the Act and N.J.A.C. 8:43E-1.1 et seq., General Licensure Procedures and Standards Applicable to All Licensed Facilities, the Commissioner of Health is authorized to inspect all health care facilities and to enforce the Manual of Standards for Licensure of Long-Term Care Facilities set forth at N.J.A.C. 8:39-1.1 et seq.

LICENSURE VIOLATIONS AND MONETARY PENALTIES:

Staff of the Department of Health (Department or DOH) visited Mount Laurel Center for Rehabilitation and Healthcare on June 26, 2017, to conduct a State Monitoring Survey. The report of this visit, which is incorporated herein by reference, revealed the following:

- On May 24, 2017, CMS notified the facility that it no longer met the requirements for participation as a provider of services for Medicare and Medicaid, that its provider agreement with CMS was terminated effective June 16, 2017, and that CMS would continue payments for services for a maximum of 30 days thereafter.
- While CMS initially advised the facility that residents receiving Medicare or Medicaid benefits as nursing home residents must transfer to a certified nursing facility, on Friday, June 23, 2017, CMS advised the facility that the residents were permitted to remain in the facility.
- On June 26, 2017, during a telephone conference call with the Department, the facility's Vice President of Operations (VP) advised DOH that the Executive Director (ED) of the facility's Central Unit called the families of the Central Unit residents on Friday, June 23, 2017, and advised the families that the residents could stay at the facility.

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- On June 27, 2017, family members of 5 Central Unit residents advised DOH that the ED notified the family members that the state told them that their resident family members could remain at the facility. These family members were given no further information.
- During the June 26, 2017 conference call, the facility's VP also advised DOH that
 two other residents from other units within the facility were transferred out of the
 facility on Sunday and Monday, June 25, and June 26, 2017, and were not advised
 of the option to remain at the facility, and that 24 other residents still in the facility
 who did not reside on the Central Unit, were also not advised of the option to
 remain at the facility. The ED stated that he told only the families of the Central
 Unit residents that the residents could stay.
- The facility's management has advised DOH that as of June 27, 2017, all residents were apprised of the option to remain at the facility.

Therefore, in violation of N.J.A.C. 8:39-4.1(a)(31) and (b), the facility failed to advise its residents who did not reside on the Central Unit, their next of kin, and guardians, of the option to remain at the facility, and transferred or discharged those residents for impermissible reasons.

In accordance with the provisions set forth in $\underline{N.J.A.C.}$ 8:43E-3.4(a)(8), the penalty assessed for this violation is \$1,000.00 per day for each of the four days, from June 23, 2017 to June 26, 2017, during which the facility failed to comply with the regulations by violating residents' rights.

This violation pertains to the care of residents at Mount Laurel Center for Rehabilitation and Healthcare. In accordance with N.J.S.A. 26:2H-13 and -14 and N.J.A.C. 8:43E-3.4(a), Mount Laurel Center for Rehabilitation and Healthcare is hereby assessed penalties amounting to \$4,000.00. The total amount of this penalty is required to be paid within 30 days of receipt of this letter by certified check or money order made payable to the "Treasurer of the State of New Jersey" and forwarded to Office of Program Compliance and Health Care Financing, New Jersey Department of Health, P.O. Box 358, Trenton, New Jersey 08625-0358, Attention: Lisa King. On all future correspondence related to this Notice, please refer to Control # X17025.

INFORMAL DISPUTE RESOLUTION (IDR):

N.J.A.C. 8:43E-2.3 provides facilities the option to challenge factual survey findings by requesting Informal Dispute Resolution (IDR) with Department representatives. Facilities wishing to challenge only the assessment of penalties are not entitled to IDR review, but may request a formal hearing at the Office of Administrative Law as set forth herein below. Please note that facility rights to IDR and Office of Administrative Law hearings are not

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mutually exclusive and both may be invoked simultaneously. IDR requests **must be made in writing within ten (10) business days from receipt of this letter** and must state whether the facility opts for an in-person conference at the Department, a telephone conference, or review of facility documentation only. The request must include an original and ten (10) copies of the following:

- 1. The written survey findings;
- 2. A list of each specific deficiency the facility is contesting;
- 3. A specific explanation of why each contested deficiency should be removed; and
- 4. Any <u>relevant</u> supporting documentation.

Any supporting documentation or other papers submitted later than 10 business days prior to the scheduled IDR may not be considered at the discretion of the IDR panel.

Send the above-referenced information to:

Darlene Jackson Program Compliance & Health Care Financing New Jersey Department of Health P.O. Box 358 Trenton, New Jersey 08625-0358

The IDR review will be conducted by professional Department staff who do not participate in the survey process. Requesting IDR review does not delay the imposition of any enforcement remedies.

FORMAL HEARING:

Mount Laurel Center for Rehabilitation and Healthcare is entitled to a prompt formal hearing at the Office of Administrative Law (OAL) to challenge this assessment of penalties pursuant to N.J.S.A. 26:2H-13. Mount Laurel Center for Rehabilitation and Healthcare may request a hearing to challenge either the factual survey findings or the assessment of penalties, or both. Please note that a facility's rights to IDR and an OAL hearing are not mutually exclusive and both may be invoked simultaneously. Mount Laurel Center for Rehabilitation and Healthcare must advise this Department within 30 days of receipt of this letter if it requests an OAL hearing regarding this matter.

Please forward your OAL hearing request to:

Attention: OAL Hearing Requests
Office of Legal and Regulatory Compliance, Room 805
New Jersey Department of Health
P.O. Box 360
Trenton, New Jersey 08625-0360

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Corporations are not permitted to represent themselves in OAL proceedings. Therefore, if Mount Laurel Center for Rehabilitation and Healthcare is owned by a corporation, representation by counsel is required.

In the event of an OAL hearing regarding this matter, Mount Laurel Center for Rehabilitation and Healthcare is further required to submit a written response to each and every charge as specified in this order, which shall accompany your written request for a hearing.

Finally, be advised that Department staff will monitor facility compliance with this order to determine whether corrective measures are implemented by the facility and whether assessed penalties are paid in a timely fashion. Failure to comply with these and any other applicable requirements, as set forth in pertinent rules and regulations, may result in the imposition of additional penalties.

In accordance with N.J.A.C. 8:43E-3.5, failure to submit a written request for a hearing within 30 days from the date of receipt of this notice will render this a final agency decision assessing the amount of the penalty and, at the request of the Department, the Clerk of the Superior Court or the Clerk of the Superior Court, Law Division, Special Civil Part shall record the final order assessing the penalty on the judgment docket of the court, in accordance with N.J.S.A. 2A:58-10. The final agency order shall thereafter have the same effect as a judgment of the court.

Gene Rosenblum, Director
Program Compliance & Health Care Financing
Division of Certificate of Need & Licensing

GR/sld:dj

DATE: August 15, 2017

REGULAR AND

CERTIFIED MAIL: 7009 1680 0002 1238 9143

RETURN RECEIPT REQUESTED

Control # X17025