



State of New Jersey
DEPARTMENT OF HEALTH

PO BOX 358
TRENTON, N.J. 08625-0358

www.nj.gov/health

MIKIE SHERRILL
Governor

DR. DALE G. CALDWELL
Lt. Governor

DR. RAYNARD E. WASHINGTON
Commissioner

In Re Licensure Violation:

Phoenix Center for Rehabilitation & Pediatrics

(NJ Facility ID# NJ61628)

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NOTICE OF ASSESSMENT
OF PENALTIES

TO: Ms. Natasha Islam-Administrator
Phoenix Center for Rehabilitation and Pediatrics
1433 Ringwood Avenue
Haskell, New Jersey 07420
nislam@phoenixcrp.com

Dear Administrator:

Effective immediately, the Department of Health (hereinafter "the Department") is assessing penalties pursuant to N.J.S.A. 26:2H-46.1 upon Phoenix Center for Rehabilitation & Pediatrics (hereinafter "Phoenix Center" or "the facility") because the facility has incurred two or more of the same or substantially similar F-level or higher level deficiencies as defined by the federal Centers for Medicare and Medicaid Services (CMS) within the prior three years. N.J.S.A. 26:2H-46.1 requires the Department to impose an increased penalty upon a licensed nursing home for violations within a three-year period of the same or a substantially similar F-level or higher-level deficiency. N.J.S.A. 26:2H-46.1 requires that an increased penalty be imposed for a repeat F-level violation that is cited at a survey or any other inspection conducted "pursuant to State or federal law or regulation,"

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 Standards for Licensure of Long-Term Care Facilities set forth at N.J.A.C. 8:39-1.1 et seq.

LICENSURE VIOLATIONS:

Based on a survey conducted by Department staff on August 6, 2025, the facility failed to comply with N.J.S.A. 30:13-18 (P.L. 2020. C. 112). N.J.S.A. 30:13-18 establishes minimum staffing requirements for nursing homes. N.J.S.A. 30:13-18 requires nursing homes to maintain the following minimum direct care staff-to-resident ratios: (1) one certified nurse aide (CNA) to every eight residents for the day shift; (2) one direct care staff member to every 10 residents for the evening shift, provided that no fewer than half of all staff members shall be CNAs, and each staff member shall be signed in to work as a CNA and shall perform CNA duties; and (3) one direct care staff member to every 14 residents for the night shift, provided that each direct care staff member shall sign in to work as a CNA and perform certified nurse aide duties.

As a result of the above-referenced survey, on September 3, 2025, the Department issued a notice of assessment of penalties assessing a total civil monetary penalty of \$21,000. The facility requested a hearing and that matter is currently pending appeal before the New Jersey Office of Administrative Law.

Following the issuance of the September 3, 2025, notice of assessment, based on surveys conducted by Department staff on December 5, 2025, and July 10, 2026, the facility again failed to comply with N.J.S.A. 30:13-18. The Department has determined that the staffing violations substantiated on December 5, 2025, and July 10, 2026, were F-level or higher deficiencies. The facility's failure to comply with N.J.S.A. 30:13-18 at these surveys were F-level deficiencies because the violations were widespread and resulted in no actual harm with the potential for more than minimal harm that is not immediate jeopardy. 42 C.F.R. 488.404 (b) sets forth criteria for determining the seriousness of federal deficiencies. An F-level deficiency is a deficiency that results in no actual harm with a potential for more than minimal harm that is not immediate jeopardy, and the deficiency is widespread. 42 C.F.R. 488.404 (b) (1) (ii) and (2) (iii) and Nursing Home Compare Technical Users' Guide ([cms.gov](https://www.cms.gov)), p. 6 (January 2025 Edition).

The facility's violations of N.J.S.A. 30:13-18 were widespread because the December 5, 2025, survey substantiated that the facility failed to comply with the nurse staffing requirements on fourteen different days (14 of 14-day shifts). The July 10, 2026, survey substantiated that the facility failed to comply with the nurse staffing requirements on twenty-eight different days (28 of 28-day shifts, 11 of 28-evening shifts). During these surveys, Survey staff reviewed the Nurse Staffing Reports completed by the facility for various weeks, which revealed staff-to-resident ratios that did not meet the minimum requirements. In addition to being widespread, these staffing violations also had the potential for more than minimal harm to residents throughout the facility. Therefore, these violations of State law meet the federal criteria for F-level violations

at 42 C.F.R. 488.404 (b) (1) (ii) and (2) (iii). The facts supporting these deficiencies are set forth in the surveys dated December 5, 2025, and July 10, 2026, which are incorporated herein by reference. The facility's violations were repeat violations of deficiencies cited on the August 6, 2025, survey, all within the prior three years of the December 5, 2025, and July 10, 2026, surveys.

MONETARY PENALTIES:

N.J.A.C. 8:43E-3.4(a)8 allows the Department to impose a monetary penalty of \$1,000 per violation for each day noncompliance is found for multiple deficiencies related to patient care or physical plant standards throughout a facility, and/or where such violations represent a direct risk that a patient's physical or mental health will be compromised, or where an actual violation of a resident's or patient's rights is found. This regulation was the basis for the penalty imposed in the February 14, 2025, notice of assessment. Pursuant to N.J.S.A. 26:2H-46.1, however, a facility "shall be subject to a penalty that shall be more severe than the penalty imposed for the previous violation."

In accordance with N.J.S.A. 26:2H-46.1, the Department imposed an increased penalty of \$1,500 for each day for which noncompliance was found (i.e., \$500 more per day than the previously imposed penalty). The total revised penalty assessed for the violations on the August 6, 2025, survey (or the days the facility was not in compliance) was \$21,000 (14 days x \$1,500).

In accordance with N.J.S.A. 26:2H-46.1, the Department is imposing an increased penalty of \$2,000 for each day for which noncompliance was found on the December 5, 2025, survey, representing a \$500 per day increase over the prior penalty. **The total revised penalty assessed for the violations on December 5, 2025, survey (or the days the facility was not in compliance) was \$56,000 (28 days x \$2,000).**

In accordance with N.J.S.A. 26:2H-46.1, the Department is imposing an increased penalty of \$2,500 for each day for which noncompliance was found on the July 10, 2026, survey, representing a \$500 per day increase over the prior penalty. **The total penalty assessed for the violations on the July 10, 2026, survey (or the days on which the facility was not in compliance) is \$35,000 (14 days x \$2,500).**

The total amount assessed for violations on the December 5, 2025, and July 10, 2026, surveys is \$91,000.

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, 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 X26264.**

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 with Department representatives. Facilities wishing to challenge only the assessment of penalties are not entitled to IDR review, but such facilities may request a formal hearing at the Office of Administrative Law as set forth herein below. Please note that the facility's rights to IDR and administrative hearings are not 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 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 relevant 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:

Nadine Jackman
Office of Program Compliance
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 does not delay the imposition of any enforcement remedies.**

If IDR was offered and requested by your facility for the corresponding federal deficiency that was cited at the same survey and your facility requests another IDR for the corresponding State deficiency cited at the same survey and arising from the same set of facts, the Department will either consolidate the IDRs or treat the first IDR decision as binding. The Department does not offer a second IDR for the same set of disputed facts that were challenged in a prior IDR offered by the Department.

FORMAL HEARING:

The facility is entitled to contest the assessment of penalties pursuant to N.J.S.A. 26:2H-13 by requesting a formal hearing at the Office of Administrative Law (OAL). The facility may request a hearing to challenge the factual findings and/or the assessed penalties. The facility must advise this Department within 30 days of the date of this letter if it requests an OAL hearing.

Please forward your OAL hearing request to:

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

Corporations are not permitted to represent themselves in OAL proceedings. Therefore, if the facility is owned by a corporation, representation by counsel is required. In the event of an OAL hearing regarding the penalty, the facility is further required to submit a written response to each and every charge as specified in this notice, which shall accompany its written request for a hearing.

Failure to submit a written request for a hearing within 30 days from the date of this notice will render this a final agency decision. The final agency order shall thereafter have the same effect as a judgment of the court. The Department also reserves the right to pursue all other remedies available by law.

Thank you for your attention to this important matter and for your anticipated cooperation. If you have any questions regarding this Notice of Assessment, please contact Nadine Jackman, Office of Program Compliance, at Nadine.Jackman@doh.nj.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Lisa King', with a stylized flourish at the end.

Lisa King, Program Manager
Office of Program Compliance
Division of Certificate of Need and Licensing

Phoenix Center for Rehabilitation & Pediatrics
Notice of Assessment of Penalties
July 20, 2026
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LK:Jl:nj
DATE: July 20, 2026
E-MAIL (administrator@homesteadrhcc.com)
REGULAR AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Control # X26264