

State of New Jersey

PHILIP D. MURPHY Governor

TAHESHA L. WAY

PO BOX 358
TRENTON, N.J. 08625-0358
www.nj.gov/health

JEFFREY A. BROWN Acting Commissioner

In Re Licensure Violation:

Silver Lake Hospital LTACH

AMENDED NOTICE OF ASSESSMENT

OF PENALTIES

(NJ Facility ID# NJ 24009)

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TO: Karli Kohut, President and Chief Executive Officer Silver Lake Hospital LTACH 495 N. 13th Street Newark, New Jersey 07107

Karli.Kohut@silverlakehospital.org

Dear Ms. Kohut:

Effective immediately, the Department of Health (the Department) is amending its December 2, 2024-Notice of Assessment of Penalties to Silver Lake Hospital LTACH (hereinafter Silver Lake or the facility). This amended Notice accounts for additional accruing penalties assessed to Silver Lake after the Department's initial notice, and tallies the total penalty amount due.

The Department of Health assessed penalties on December 2, 2024, upon Silver Lake, pursuant to $\underline{\text{N.J.A.C.}}$ 8:43E-3.4(a)(11), because the facility failed to produce documentation that was requested by the Department's surveyors that the facility erroneously maintained was protected from disclosure under the Patient Safety Act, $\underline{\text{N.J.S.A.}}$ 26:2H-12.23 $\underline{\text{et}}$ $\underline{\text{seq.}}$.

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. General hospitals are licensed in accordance with N.J.S.A. 26:2H-1 and N.J.A.C. 8:43G. Pursuant to the Act, N.J.A.C. 8:43G (Hospital Licensing Standards) and N.J.A.C. 8:43E (General Licensure Procedures and Standards Applicable to All Licensed Facilities), the Commissioner of the

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Department of Health is authorized to inspect all health care facilities and to enforce the Manual of Hospital Licensing Standards set forth at $\underline{N.J.A.C.}$ 8:43G-1.1 \underline{et} seg.

By way of background, the Department received a complaint that raised issues concerning patient care at Silver Lake. In response to the complaint, the Department sent a survey team to the facility on July 2, 2024, and July 3, 2024. The survey team requested Incident Reports, the Code Gray Log, the Incident/Grievance Accident Log, and Quality Assurance and Performance Improvement (QAPI) meeting minutes as part of its investigation. Silver Lake refused to provide the requested documents, claiming that the Patient Safety Act, N.J.S.A. 26:2H-12.23 et seq., protected the documents from disclosure. Silver Lake did provide a heavily redacted copy of QAPI meeting minutes.

By letter dated July 31, 2024, in response to an e-mail from Edward A. Cienki, Silver Lake's President and Chief Operating Officer, the Department informed Silver Lake that, pursuant to the Health Care Facilities Planning Act, "[a]t the request of the commissioner, health care facilities shall furnish to the [Department of Health] such reports and information as it may require to effectuate the provisions and purposes of this act, excluding confidential communications from patients." N.J.S.A. 26:2H-5(e). The Department informed Silver Lake that the Incident Reports, the Code Gray Log, the Incident/Grievance Accident Log, and the unredacted QAPI meeting minutes requested by the Department are not Patient Safety Work Product pursuant to 42 C.F.R. 3.20 and were not protected from disclosure to the Department by N.J.A.C. 8:43E-10.9 (b) and set forth the reasons why the facility's position was erroneous. The Department gave the facility five days to produce the requested documents to the survey team and notified the facility that its failure to produce the requested documentation would result in enforcement action against the hospital. The facility did not provide the requested records to the Department until March 1, 2025.

MONETARY PENALTIES:

N.J.A.C. 8:43E-3.4(a)11 allows the Department to impose a monetary penalty "[f]or failure to report information to the Department as required by statute or licensing regulation, after reasonable notice and an opportunity to cure the violation, \$250.00 per day." On December 2, 2024, Silver Lake was assessed a total penalty of \$26,750.00, in accordance with N.J.A.C. 8:43E-3.4(a)11. The penalty assessed Silver Lake for each day on which noncompliance was found, \$250.00 per day from August 18, 2024, through December 2, 2024 (107 days).

As stated in that December 2, 2024-Notice of Assessment of Penalties, the penalty was to continue accruing at \$250.00 per day from December 2, 2024, until the requested records were provided to the Department. As of March 31, 2025, the Department is in receipt of all documents requested of your facility. Therefore, in accordance with N.J.A.C. 8:43E-3.4(a)11, Silver Lake is

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assessed an additional penalty of \$250.00 per day, beginning December 2, 2024, and continuing until March 31, 2025 (119 days). The amount of this additional penalty is \$29,750.00 and is therefore outstanding. Thus, the entirety of all penalties due is \$56,500.00, which includes the previous \$26,750.00-penalty and the additional \$29,750.00-penalty.

The total amount of this penalty is required to be <u>paid within 30 days of receipt of this letter by certified check or money order</u> 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 X24044.**

INFORMAL DISPUTE RESOLUTION (IDR)

<u>N.J.A.C.</u> 8:43E-2.3 provides facilities the option to challenge factual findings by requesting Informal Dispute Resolution with Department representatives. However, given that Silver Lake was previously afforded an opportunity to challenge these findings through the IDR process, in the December 2, 2024-Notice of Assessment of Penalties, an additional opportunity will not be forthcoming.

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 New Jersey Department of Health is aware that Silver Lake has already requested a formal hearing. Thus, your facility need not file for another, as your initial filing will suffice to preserve your full rights under N.J.S.A. 26:2H-13.

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,

June de Junelina Gene Rosenblum

Director, Office of Program Compliance
Division of Certificate of Need and Licensing

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LK:SS:nj

DATE: May 6, 2025

E-MAIL

REGULAR AND CERTIFIED MAIL RETURN RECEIPT REQUESTED

c. Edward A. Cienki, President and Chief Operating Officer

(Edward.Cienki@silverlakehospital.org)

Order Distribution List

Control # AX24044