



State of New Jersey  
DEPARTMENT OF HEALTH

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[www.nj.gov/health](http://www.nj.gov/health)

PHILIP D. MURPHY  
Governor

TAHESHA L. WAY  
Lt. Governor

KAITLAN BASTON, MD, MSc, DFASAM  
Acting Commissioner

In Re Licensure Violation:	:	NOTICE OF INTENT TO
	:	SUMMARILY SUSPEND
DEPTFORD CENTER FOR REHABILITATION AND	:	
HEALTHCARE	:	
(NJ Facility ID# NJ60804)	:	
	:	
	:	
	:	

TO: Mordechai Horovitz, Administrator  
 Deptford Center for Rehabilitation and Healthcare  
 1511 Clements Bridge Road  
 Deptford, New Jersey 08096  
[MHorovitz@centershealthcare.org](mailto:MHorovitz@centershealthcare.org)

The New Jersey Department of Health (Department) is vested with the responsibility of carrying out the provisions of the Health Care Facilities Planning Act (Act), N.J.S.A. 26:2H-1 to -27, which was enacted, in part, to ensure that all hospitals, long-term care and related health care services, rendered in the State of New Jersey, are of the highest quality. Pursuant to the Act, namely N.J.S.A. 26:2H-5, and the Department's rules, 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.

Effective immediately, the Department is issuing Deptford Center for Rehabilitation and Healthcare (Deptford Center) a Notice of Intent to Summarily Suspend its long-term care facility license. As detailed more fully below, Deptford Center's financial viability, and consequently the provision of services to residents in its care, is seriously threatened by the upcoming suspension of Deptford Center and its owners, Kenneth Rozenberg, Beth Rozenberg, and Daryl Hagler, from the New Jersey Medical Assistance and Health Services Medicaid program (NJ Medicaid) and any other program administered in whole or in part by the Division of Medical Assistance and Health Services (DMAHS). The suspension was issued by the New Jersey Office of the State Comptroller, Medicaid Fraud Division (MFD), and is effective on May 24, 2024. Deptford Center also failed to respond to an Information Requirement Order (IRO) the Department issued to it on February 7, 2024, which requested information from Deptford Center's owners about Deptford Center's ability to maintain the functions of the facility post suspension from the NJ Medicaid program. Consequently, the Department must act to ensure the safety of the residents.

## FINANCIAL STATUS

The Department became aware that on January 25, 2024, the MFD issued Notices of Suspension (MFD Suspension Notices) stating that effective one hundred and twenty (120) days from the date of the Suspension Notices, it was suspending Innova Gloucester Deptford Bridge Operations, LLC d/b/a Deptford Center for Rehabilitation and Healthcare, Innova Atlantic WH Operations, LLC d/b/a Hammonton Center for Rehabilitation and Healthcare, Centers for Care, LLC d/b/a Centers Health Care, Kenneth Rozenberg, Beth Rozenberg, Daryl Hagler, Centers Agency LLC d/b/a Centers Laboratory, and Centers Lab NJ LLC d/b/a MedLabs Diagnostics from further participation in any capacity in NJ Medicaid, NJ FamilyCare, Work First New Jersey/General Assistance, Pharmaceutical Assistance to the Aged and Disabled, and Senior Gold Prescription Discount Programs, and any other programs (collectively, the "Programs") administered in whole or in part by the DMAHS.

As a result of this suspension, DMAHS will not pay for any item or service that Deptford Center furnishes, directs, orders, prescribes, manages or supervises, or in which Deptford Center participates in any manner, pursuant to N.J.A.C. 10:49-11.1(b). If Deptford Center is employed by or contracts with a provider (including an MCO) in any of the Programs that are reimbursed on a fee-for-service basis, or if Deptford Center is associated with a Managed Care Organization with which DMAHS contracts, DMAHS will not authorize payment for any item or service in which Deptford Center is involved in any capacity.

According to financial information Deptford Center provided to the New Jersey Department of Human Services, 87% of patient days billed by Deptford Center in the second calendar quarter of 2023 were billed to a Medicaid payer. As of May 24, 2024, which is the date the NJ Medicaid suspensions take effect, Deptford Center will no longer have its overwhelming revenue source, which is necessary for it to pay for its staff and the goods and services necessary to operate the long-term care facility. Such failure will subject the residents of the facility to either actual harm, or an imminent and serious risk of harm, because the facility will be unable to provide its residents with necessary care and services.

Because of the facility's looming financial crisis and, in turn, its apparent inability to provide for its residents, on February 7, 2024, the Department issued Deptford Center an IRO, which sought information and documentation from the facility that demonstrated its financial ability to continue to operate its long-term care facility after May 24, 2024. Deptford Center has not provided a response to the information order, and therefore failed to provide documentation evidencing its ability to remain financially viable after it is suspended from the NJ Medicaid program. Because there is an imminent risk to the health and safety of the facility's residents due to the facility's impending lack of financial resources, the Department is issuing this Notice of Intent to Summarily Suspend Deptford Center's long-term care license, as set out below.

## CORRECTIVE ACTION:

In accordance with N.J.S.A. 26:2H-14 and N.J.A.C. 8:43E-3.8, the Department hereby notifies Deptford Center that it shall have 72 hours in which to demonstrate its financial ability to continue to operate the long-term care facility. See also N.J.S.A. 26:2H-42.1(c) (providing that the Department may take appropriate actions to ensure continuity of care for, and the safety of, residents of long-term care facilities that are in financial distress). Specifically, the facility shall, within 72 hours, submit to the Department the following:

1. Proof of its ability to meet payroll for 90 days beyond the May 24, 2024 effective date of the MFD suspension, which may include a current and projected balance sheet, current and projected statement of cash flow, current and projected income statement, bank statements, bank reconciliation and a statement of sources of potential funding subsequent to May 24, 2024;

2. Proof of its ability to meet all its operating expenses, including, but not limited to, medication, supplies, food, and contracted services, to ensure continuity of care and delivery of services to residents, for 90 days beyond the May 24, 2024 effective date of the MFD suspension, which may include a current and projected balance sheet, current and projected statement of cash flow, current and projected income statement, accounts payable aging, bank statements, bank reconciliation and a statement of sources of potential funding subsequent to May 24, 2024; and
3. If Deptford Center is able to demonstrate its ability to meet payroll and all its operating expenses beyond the May 24, 2024 effective date of the MFD suspension by completing a transfer of ownership of the facility to another owner or owners, Deptford Center shall identify the owner or owners and the closing date and provide evidence of confirmation of same by the proposed new owner.

If Deptford Center fails to establish, within 72 hours, its financial ability to operate the facility, and the Department determines that it continues to pose an imminent threat to the health, safety or welfare of the public or the residents of the facility, then the Department will issue a notice of summary suspension of Deptford Center's license, which will provide a time period to effect an orderly transfer of residents and order the facility to demonstrate its financial capacity to continue to care for residents as a prerequisite to reinstatement of the license.

#### RIGHT TO HEARING

If the Department issues Deptford Center a summary suspension, Deptford Center will have a right to a hearing consistent with N.J.S.A. 26:2H-14.

#### NOTIFICATION REQUIREMENTS

The facility shall be prepared to notify residents, family members and legal representatives 60 days prior to closure, as required by N.J.S.A. 26:2H-126, to effectuate an orderly transfer of residents if the Department moves forward with a summary suspension.

Thank you for your attention to this important matter and for your anticipated cooperation. If you have any questions concerning this matter, please contact Lisa King, Office of Program Compliance, at [Lisa.King@doh.nj.gov](mailto:Lisa.King@doh.nj.gov).

Sincerely,



Gene Rosenblum  
Director  
Office of Program Compliance  
Division of Certificate of Need and Licensing

GR:WCK:nj  
DATED: March 15, 2024  
E-MAIL  
REGULAR AND CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  
Control #X24017

Deptford Subacute and Rehabilitation Center  
Notice of Intent to Suspend  
March 15, 2024  
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- C. Nursing Home Administrators Licensing Board
  - Frank Skrajewski, Health Facilities Evaluation and Licensing
  - Pamela Lebak, Health Facility Survey and Field Operations
  - Kara Morris, Health Facility Survey and Field Operations
  - Carol Hamill, Health Facility Survey and Field Operations
  - Laurie Brewer, New Jersey Long-Term Care Ombudsman