Main Document Page 1 of 7 CLERK U.S. BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA Constance Dovle, LLC 1 Constance R Doyle, RN, BSN, MSA Patient Care Ombudsman, EIN Number 27-0313526 2 21509 Anza Avenue Torrance, California 90503 3 (310) 357-1088 (866) 651-3390 Fax 4 mscnoo@hotmail.com 5 UNITED STATES BANKRUPTCY COURT 6 CENTRAL DISTRICT OF CALIFORNIA 7 RIVERSIDE DIVISION 8 9 10 11 In re Case No 6:16-bk-20446-MW 12 **BIODATA MEDICAL** Chapter 11 13 LABORATORIES, INC. **SECOND INTERIM REPORT OF** 14 PATIENT CARE OMBUDSMAN PURSUANT TO 11 U.S.C. § 333(b)(2) 15 16 Debtor. (No Hearing Required) 17 18 19 20 21 Pursuant to Federal Rules of Bankruptcy Procedure 207.2(c) and the order directing 22 this appointment entered by this Court on December 22, 2016, Constance Doyle was duly 23 appointed as the Patient Care Ombudsman (PCO) for Biodata Medical Laboratories, Inc. 24 (Biodata) ("Debtor") in this case on January 6, 2017. In accordance with Section 333(b)(2) 25 this second interim report (the "Second Interim Report") is hereby respectfully submitted for 26 the period of March 1, 2017 through April 30, 2017. 27 1

Filed 05/04/17 Entered 05/04<del>/17 14:56:13</del>

Case 6:16-bk-20446-MW

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Doc 271

## I. <u>INTRODUCTION</u>

1 On December 22, 2016, the Court approved the appointment of a Patient Care 2 Ombudsman in this case. On January 6, 2017, the Notice of Appointment of Constance R 3 Doyle as Patient Care Ombudsman under 11 U.S.C. § section 333(b) (2) was filed. As set forth in the Order and the Appointment Notice, the Ombudsman was appointed to monitor the 5 quality of patient care provided by the Debtor, to the extent necessary under the 6 circumstances, including the interview of patients/clients, administration, staff, and other 7 interested parties. Further to the Order and the Notice of Appointment, a review of confidential documents as provided by the Debtor, including patient/client records occurred. 9 As per compliance with the Notice of Appointment, and the Order, no professionals or any 10 other entities for assistance in the process were sought, accepting the assignment as a non-11 conflict of interest individual regarding the Debtors and other key individuals. Additionally, as 12 per compliance with the Notice of Appointment, a one-page Notice was posted at the office of 13 "Biodata, Inc., the place of business of the Debtor with contact information for the 14 Ombudsman allowing for concerns and/or issues to be discussed. Submitted with first Interim 15 Report. 16 Background information is reported as: 17 Biodata is a laboratory, having opened in 1997. The main place of business in 18 Montclair, CA. where ALL lab analysis/testing is performed. Through the ensuing years 19 many "draw stations or service centers" were opened to better serve the patients coming for 20 laboratory (lab) tests. These centers only do specimen collection (blood/urine/sputum, etc.) 21 and all samples are sent to the Montclair site for completion, even those from the Sacramento 22 23 area. Currently, there are 8 active service centers in the Southern CA area: 24 Montclair, Apple Valley, Chino, Fontana, Rialto, San Bernardino, and Yucaipa. Additionally,

there are 8 service centers currently operating in the Sacramento area: Carmichael, Fair Oaks,

1	North Highlands, Rancho Cordova, and 4 in Sacramento.
2	<b>UPDATE</b> ; 1. The Roseville address in the Sacramento area is open—approximately 2
3	months, as reported during visit of February 27, 2017, and 2. The Yucaipa Center closed
4	February 28, 2017.
5	
6	II. SUMMARY OF PCO OBSERVATIONS AT BIOCARE MEDICAL
7	LABORATORIES, INC
8	MARCH 2017
9	As reported in the 1st Interim Report, the PCO will spread out the visits each month,
10	thus for March, the visits were restricted to the sites not covered in February.
11	1. Fontana
12	This site is a part of a Medical Clinic, has a small reception area, a "draw"
13	room with 2 chairs. At the time of the morning visit there were approximately 10 patients
14	signing in for lab work. The phlebotomist is efficient, fast and her license is posted.
15	Supplies properly stored and plentiful. They reported the average patents seen per day is
16	30.
17	NOTE: The Manager of the "draw" sites, or Service Centers for Fontana,
18	Rialto, San Bernardino, Chino, and Montclair is "Occupational Safety and Health
19	Administration" (OSHA) certified. She is very observant and strict about safety,
20	cleanliness, licenses, etc.
21 22	2. Rialto
23	Much the same set up here as in all the sites. No issues identified and the
23 24	patient census is 25 average per day.
2 <del>4</del> 25	3. San Bernardino
23 26	A larger facility, but with the same type of "draw" rooms with 2 chairs. All
20 27	

1	areas very clean, no outdated supplies, and very friendly environment, as was found
2	at all sites. This Service Center average 45-49 patients per day.
3	Additionally, like one other visited, there was a phlebotomy student present
4	from US College completing their 50 blood draws and 40 hours of observation for
5	their state license. It was reported that there are 3-5 students throughout the week.
6	General Information: No change noted
7	No Health Information Privacy violations, knowns as Health Insurance Portability and
8	Accountability Act (HIPAA).
9	As with all Service Centers, there are no patient chart/medical records. The patient
10	comes in with a lab test request from their physician and all paperwork, including the test
11	results are sent to Montclair. Nothing of privacy is ever available to anyone besides the staff.
12	
13	SACRAMENTO ISSUE: Phone service discontinued
14	1. The PCO was told during her February 27,2017 visit, that the service was discontinued
15	on February 24, 2017—that all bills had been sent to Montclair, and that a change of
16	address had been submitted.
17	2. The PCO called the Debtor on February 28, 2017 and was informed that the bill
18	would be paid immediately.
19	3. The PCO tried calling the Roseville Service Center in Sacramento, March 2, 3, and 6 <sup>th</sup> ,
20	2017, and the phone is still out of service.
21	4. She placed calls to the Debtor on March 3, 2017 and March 6, 2017, and left messages In
22	re this phone issue.
23	5. On March 7, 2017, the phone is working at Roseville. (out of service 14 days)
24	SACRAMENTO ISSUE: Supplies and Payroll
25	1. On March 7, 2017, the PCO called 2 Sacramento sites asking if everything was
26	1. On march 1, 2011, the 1 CO cance 2 bactamento sites asking it everything was
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functioning and was told that they are running out of or are completely out of supplies.

1 a. Urine Cups = out of them 2 b. SST (serum separator tubes) = out of them 3 c. Layender Top Tubes (for CBC) = 1 box left 4 A call to the Manager verified the status—the supply order was placed March 1, 2017. 5 A call to the Debtors placed. 6 2. March 8, 2017: Email received from Sacramento Phlebotomist: 7 a. Completely out of supplies, even greater than yesterday. Patients turned away 8 for simple tests such as urine analysis due to no "urine cups". 9 UPDATE; Urine cups "borrowed" from Phlebotomy School. 10 b. Payday was Monday and checks were overnight mailed by FEDEX and arrived in 11 Sacramento on Tuesday. Phone calls to the PCO = checks are not clearing, 12 Tuesday, March 7, 2017 13 c. On March 8, 2017, pay checks cleared. 14 d. PCO speaks with Debtors Attorney and informs him of the payroll and supply 15 issue. 16 e. PCO assured by Debtor that all is taken care of. 17 3. March 31, 2017: Sacramento phlebotomist called and said there was a shortage last 18 week of lavender top tubes. (Used for CBC and other tests) They were borrowing 19 from each other to perform the tests. She stated that supplies come in partially. 20 4. April 10, 2017: Sacramento reports a lack of supplies once again. Unknown whether any 21 patients turned away. Reported that 1 case of lavender top tubes arrived the week before 22 (split between 9 sites) and that they are nearly out once again. This was part of a larger 23 order. 24 25 SOUTHERN CALIFORNIA 26 March 6, 2017, PCO called 2 Southern California facilities and was told the pay 27 5 28

1	checks cleared and that the supplies were in place. The Manager here can deal directly with
2	Montclair and personally spread supplies where needed.
3	III. <u>RECOMMENDATIONS</u>
4	1. Assure supplies are delivered.
5	2. Assure notification of changes is shared timely.
6	3. Respond timely to phone, email, text from the PCO.
7	NOTE: The PCO will spread visits monthly, not covering every site, but at a random
8	schedule so the monthly fee is reasonable and that all Service Stations are covered over time.
9	Of course, any patient care issue reported at a specific site will be visited
10	IV. <u>CONCLUSION</u>
11	The Patient Care Ombudsman (PCO) finds that care provided to the patients by
12	Biodata Laboratories Medical, Inc. is within the standard of care, with reservations about
13	some of the processes utilized, as noted above.
14	The PCO will continue to monitor and is available to respond to any concerns or
15	questions of the Court or interested party.
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17	May 1, 2017 /s/ Contratice Dovile
18	By: Constance Doyle, Patient Care Ombudsman
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	In re: Biodata Medical Laboratories, Inc.  Chapter 11  Case No: Number 6:16-bk-20446-MV			
	PROOF OF SERVICE STATE OF CALIFORNIA COUNTY OF Riverside			
	I am over 18 and not a part to the within action, and my business address is as follows: 21509 Anza Avenue, Torrance, Ca. 90503			
	On May 1, 2017, I served a true and correct copy of the foregoing document described as SECOND INTERIM REPORT to the following person(s) and/or entity (ies) by personal delivery, or by US Mail, by facsimile transmission and/or email as follows:			
	1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Andrew K Alper aalper@frandzel.com, ekidder@frandzel.com			
	Brett D Fallon bfallon@morrisjames.com			
	Todd S Garan <u>tgaran@aldridgepite.com</u> Everett Green, Attorney for US Trustee: <u>everett.l.green@usdoj.gov</u>			
	Robert S Marticello @swelawfirm.com United States Trustee (RS) ustpregion16.rs.ecf@usdoj.gov Robert M Yaspan Attorney for Debtor court@yaspanlaw.com, tmenachian@yaspanlaw.com			
	2. SERVED BY UNITED STATES MAIL			
	Biodata Medical Laboratories, Inc.			
	5494 E. Arrow Hwy Montclair, CA 91763			
	Court will be served or was served on the Judge in Chambers in the form and manner required by LBR 5005-2(d) and (b) in the manner indicated below:			
	Honorable Mark S. Wallace			
	United States Bankruptcy Court Ronald Reagan Federal Building and Courthouse			
	411 West 4th Street, Room 6135 Santa Ana, CA. 92701-4593			
	3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR			
	EMAIL  Event Green Attended for US Trusteed everett larger @undei gev			
<ul> <li>Everett Green, Attorney for US Trustee: <a href="mailto:everett.l.green@usdoj.gov">everett.l.green@usdoj.gov</a></li> <li>Robert M. Yaspan, Attorney for Debtor court@yaspanlaw.com</li> <li>Henry Wallach and Akemi Uomoto (Debtors) biodatalab1@aol.com</li> <li>I declare under penalty of periury the foregoing is true and correct</li> </ul>				
			I declare under penalty of perjury the foregoing is true and correct	
	(M)			
	May 1, 2017 Constance Doyle  Date  Type name  Signature			