

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
LAFAYETTE DIVISION**

**IN RE:**

**ACADIANA MANAGEMENT GROUP, L.L.C., ET AL.<sup>1</sup>**

**CASE NO. 17-50799**

**DEBTORS**

**CHAPTER 11**

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**PATIENT CARE OMBUDSMAN’S FIRST INTERIM REPORT - WICHITA**

Pursuant to 11 U.S.C. §333 of the Bankruptcy Code and the Court’s Order Directing United States Trustee to Appoint a Patient Care Ombudsman [Docket No. 118], the United States Trustee provided notice of appointment of Susan N. Goodman, RN JD as the Patient Care Ombudsman (“**PCO**”) [Docket No. 131]. PCO was directed to submit her report of her evaluation regarding the quality of patient care provided at AMG Specialty Hospital – Wichita (the “**Facility**” or “**Debtor**”).

PCO is a Registered Nurse and an attorney with work experience in clinical/operational health care and health regulatory compliance law. In compliance with the federal privacy requirements, the PCO cannot disclose any individually identifiable health information that could distinguish a patient directly or could provide a reasonable basis to do so. *See* 45 CFR §160.103. Accordingly, specific site visit and patient interview dates are not provided although PCO’s observations, audits, and interviews occurred between the date of appointment and the filing of this report.

Further, although PCO reviews Debtor’s care processes relative to federal and state licensing and quality regulations, PCO does not assume liability for Debtor’s compliance

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<sup>1</sup> AMG Hospital Company, L.L.C., Case No. 17-50800; AMG Hospital Company II, L.L.C., Case No. 17-50801; Albuquerque – AMG Specialty Hospital, L.L.C., Case No. 17-50802; Central Indiana – AMG Specialty Hospital, L.L.C., Case No. 17-50803; Tulsa – AMG Specialty Hospital, L.L.C., Case No. 17-50804; LTAC Hospital of Louisiana – Denham Springs, L.L.C., Case No. 17-50805; Las Vegas – AMG Specialty Hospital, L.L.C., Case No. 17-50806; LTAC Hospital of Greenwood, L.L.C., Case No. 17-50807; LTAC of Louisiana, L.L.C., Case No. 17-50808; Houma – AMG Specialty Hospital, L.L.C., Case No. 17-50809; LTAC Hospital of Edmond, L.L.C., Case No. 17-50810; LTAC Hospital of Wichita, L.L.C., Case No. 17-50811; AMG Realty I, L.L.C., Case No. 17-50812; CHFG Albuquerque, L.L.C., Case No. 17-50813; and, AMG Realty Youngsville, L.L.C., Case No. 17-50814.

obligations under state and federal law and any and all proposed or implementing regulations. Moreover, while PCO may use the auditing tools and guidelines employed by certification agencies and auditors; PCO does not certify the Debtor's compliance with any regulatory standards.

PCO comes now and submits this *Patient Care Ombudsman's First Interim Report – Wichita* (“**First Report**”) detailing site visit review, observations, and analyses of the Debtor's operation.

### **SITE VISIT SUMMARY**

PCO did not observe care decline as contemplated by 11 U.S.C. § 333(b) and is comfortable with a maximum sixty-day (60-day) interval between site visits and reports.

The Wichita LTAC facility occupied a portion of a larger, single-story building that was originally built to operate as a skilled nursing facility alongside a two-story assisted living facility. Wichita is a twenty-six (26) bed facility, with a mix of private and semi-private rooms. Census on the day of PCO's visit was eleven (11). Typical summer census numbers were reported as lighter in the eleven to fifteen range (11-15) with winter census numbers ranging from the mid-teens to twenties. Wichita just went through its annual cost-reporting length-of-stay process and is underway with a six-month (6) validation period.

The CEO at this Facility moved from another AMG facility that closed prior the bankruptcy process. The Chief Clinical Officer (“**CCO**”), quality manager, and the lead respiratory therapist have a long tenure, working cohesively as a team.

Clinical care staff on the date of PCO's was 100% licensed nurses, doing primary care nursing without certified nursing assistants. Patient to nurse ratios were within the staffing matrix requirements. A unit clerk secretary was also noted. Clinical staff denied supply concerns.

One experienced, certified wound care nurse supports Wichita with PCO observing this team member while engaged in a dressing change. This nurse graciously explained her documentation and system processes. Pre-bankruptcy equipment issues existed with the PDA

equipment that interfaces with the wound monitoring software program. This issue was resolved with an iPad that was formatted to allow continued program access, with the PDA now fixed.

Wound care supply issues were denied.

The wound nurse works closely with the infectious disease (“**ID**”) physician who provides all of the Facility’s wound care support. PCO observed joint rounding and interacted with the ID physician. He denied supply or staffing concerns. Pre-petition payment issues were reported as “in process” relative to his critical vendor status.

The physical therapist (“**PT**”) was an integral part of the clinical team, working closely with the wound team, nursing, and her occupational therapist (“**OT**”) counterpart. Wichita therapy staff are directly employed (versus contracted) with the PT, in particular, having a great deal of history providing services at this location. The PT assisted care staff when needed, with PCO noting her assistance to a patient who quickly required a bedpan. The PT gym was noted to be clean with the necessary equipment, and the team member denied issues related to supplies. The OT was noted on site, but not extensively interviewed. PCO will prioritize further OT engagement during the second site visit. PCO will also look to engage with the speech therapist during the second site visit. No concerns noted.

The lead respiratory therapist (“**RT**”) and a second RT team member were present during PCO’s visit. Current biomedical engineering preventative maintenance stickers were noted on RT equipment. Supply issues were denied. The lead RT reviewed her well-organized binder information related to management of the moderate complexity, COLA-certified lab. Employee licensure, proficiency, control, and calibration verification logs were reviewed with no concerns noted. Data organization by this team member appeared as best practice. Certainly, her internal quality control plan (“**IQCP**”) was reported as utilized by other AMG facilities. Laboratory needs beyond the limited arterial blood gas testing are contracted, with this vendor relationship reported as “intact” post-petition. No concerns noted.

The Wichita Facility has a full-time and a PRN pharmacist. PCO met with the full-time pharmacist, reviewing his auditing and documentation processes. Of note, the pharmacist

“flexes” his work hours to maximize pharmacy coverage for new patient admissions. The pharmacist also has developed processes to support the clinical staff with important information on the medication administration records. Specific medication destruction bins were noted on site. And a reverse distributor vendor was reported as in place with uninterrupted service post-bankruptcy. The pharmacist denied medication sourcing concerns of negative patient impact post bankruptcy.

PCO noted that two case management team members were present during the site visit. The team shares office space. Family member meetings were noted. PCO briefly interacted with these team members who denied concerns. PRN social work support from an additional team member was reported as in place. PCO will look to spend additional time with the important group during the second site visit.

PCO met with the facility manager to review preventative maintenance, environment of care, and vendor support. Logs were current. Laundry is done on site with one functional commercial-grade washing machine noted. Digital temperature on the washer exceeded the required minimum. The team member leading the laundry and housekeeping (also called environmental services or “EVS”) staff was interviewed with processes reviewed. Supply issues related to these important functions were denied. No concerns noted.

PCO met with the human resources (“HR”) team member, with medical records (also called health information management or “HIM”), and with the admissions coordinator. All denied concerns. Random employee files were requested for review to confirm licensure, certification, competency, and pre-hire screening. HIM keeps four years of records on site, with additional paper records, going back an estimated of twelve years stored off site. The record vendor utilized stores records below ground in the salt mines. Record delinquency statistics were reviewed with no quality swings deemed to be attributable to the bankruptcy process.

In addition to the ID physician, PCO interviewed the internist/pulmonologist/critical care medicine physician supporting Wichita. He denied staffing or supply concerns post bankruptcy. Patient interviews were positive- paying specific compliments to clinical, wound, physician, and

EVS staff. Food, services provided by a contracted third-party, was described by some as very-good and others as okay. The registered dietician was interviewed with nutrition supplies reviewed. No concerns noted.

A third-party contracted dialysis vendor was reported, with the two-bay dialysis area toured. Because utilization of this modality has been minimal, the dialysis equipment is not currently stored on-site.

PCO reviewed quality dashboard data with the quality/infection control team member and the CCO. Ongoing operational plans to improve on data metrics falling below benchmark goals were discussed. No metrics appearing attributable to the reorganization process were seen. PCO will continue to engage with the quality, lead RT, and CCO team in the interval between site visits.

#### **SUMMARY AND NEXT STEPS**

PCO is comfortable with a 60-day visit/reporting schedule so long as key personnel such as the CCO, lead RT, quality, therapy, wound nurse, and key clinician team members remain in place.

DATED: September 1, 2017.

MESCH CLARK ROTHSCHILD

By: /s/ Susan N. Goodman, AZ Bar #019483

Susan N. Goodman  
259 North Meyer Avenue  
Tucson, Arizona 85701  
Phone: (800) 467-8886 ext 141  
Fax: (520) 798-1037  
[sgoodman@mcrazlaw.com](mailto:sgoodman@mcrazlaw.com)

**CERTIFICATE OF SERVICE**

I hereby certify that the above and foregoing *Patient Care Ombudsman’s First Interim Report – Wichita* has been electronically filed with the Clerk of Court using the CM/ECF filing system and a true and correct copy of this pleading has been sent to the following parties or counsel of record who have registered to receive electronic service.

DATED: September 1, 2017.

MESCH CLARK ROTHSCHILD

By: /s/ Susan N. Goodman, AZ Bar #019483  
Susan N. Goodman

<p>Bradley L. Drell Heather M. Mathews B. Gene Taylor, III Chelsea Tanner Gold, Weems, Bruser, Sues &amp; Rundell 2001 MacArthur Drive P.O. Box 6118 Alexandria, LA 71307-6118 <a href="mailto:bdrell@goldweems.com">bdrell@goldweems.com</a> <a href="mailto:hmathews@goldweems.com">hmathews@goldweems.com</a> <a href="mailto:gtaylor@goldweems.com">gtaylor@goldweems.com</a> <a href="mailto:ctanner@goldweems.com">ctanner@goldweems.com</a> <i>Attorneys for Debtors</i></p>	<p>Gail Bowen McCulloch Office of the U.S. Trustee 300 Fannin, Suite 3196 Shreveport, LA 71101 <a href="mailto:gail.mcculloch@usdoj.gov">gail.mcculloch@usdoj.gov</a> <i>U.S. Trustee</i></p>
<p>Timothy M. Lupinacci Baker, Donelson, Bearman, Caldwell &amp; Berkowitz, PC 420 20<sup>th</sup> Street North, Suite 1400 Birmingham, AL 35203 <a href="mailto:tlupinacci@bakerdonelson.com">tlupinacci@bakerdonelson.com</a> <i>Attorneys for CHCT Louisiana LLC</i></p>	<p>Lacey E. Rochester Jan M. Hayden Baker, Donelson, Bearman, Caldwell &amp; Berkowitz, PC 201 St. Charles Avenue, Suite 3600 New Orleans, LA 70170 <a href="mailto:lrochester@bakerdonelson.com">lrochester@bakerdonelson.com</a> <a href="mailto:jhayden@bakerdonelson.com">jhayden@bakerdonelson.com</a> <i>Attorneys for CHCT Louisiana LLC</i></p>
<p>Rudy J. Cerone Sarah Edwards McGlinchey Stafford, PLLC 601 Poydras Street, 12<sup>th</sup> Floor New Orleans, LA 70130 <a href="mailto:rcerone@mcglinchey.com">rcerone@mcglinchey.com</a> <a href="mailto:sedwards@mcglinchey.com">sedwards@mcglinchey.com</a> <i>Attorneys for Bank of Oklahoma</i></p>	<p>Robert M. Hirsh Jordana L. Renert Arent Fox LLP 1675 Broadway New York, NY 10019 <a href="mailto:robert.hirsh@arentfox.com">robert.hirsh@arentfox.com</a> <a href="mailto:jordana.renert@arentfox.com">jordana.renert@arentfox.com</a> <i>Attorneys for Medline Industries, Inc.</i></p>
<p>Samuel S. Ory Frederic Dorwart, Lawyers PLLC 124 East Fourth Street Tulsa, OK 74103-5010 <a href="mailto:sory@fdlaw.com">sory@fdlaw.com</a> <i>Attorneys for Bank of Oklahoma</i></p>	<p>Michael F. Holbein Frank N. White Arnall Golden Gregory LLP 171 17<sup>th</sup> Street, NW, Suite 2100 Atlanta, Georgia 30363-1031 <a href="mailto:michael.holbein@agg.com">michael.holbein@agg.com</a> <a href="mailto:frank.white@agg.com">frank.white@agg.com</a> <i>Attorneys for Sysco Oklahoma, Sysco New Mexico, and Sysco Las Vegas</i></p>

<p>Darryl T. Landwehr Landwehr Law Firm 1010 Common Street, Suite 1710 New Orleans, LA 70112 <a href="mailto:dtlandwehr@cox.net">dtlandwehr@cox.net</a> <i>Attorneys for Gifted Nurses, LLC d/b/a Gifted Healthcare</i></p>	<p>Matthew D. McConnell McConnell Law Offices 1021 Coolidge Blvd. Lafayette, LA 70503 <a href="mailto:matt@mcconnelllawoffices.com">matt@mcconnelllawoffices.com</a> <i>Attorneys for Rader Solutions, LTD</i></p>
<p>Bartley P. Bourgeois 10754 Linkwood Court Baton Rouge, LA 70810 <a href="mailto:bartley@thecohnlawfirm.com">bartley@thecohnlawfirm.com</a> <a href="mailto:contact@thecohnlawfirm.com">contact@thecohnlawfirm.com</a> <i>Attorneys for Amite Psychiatric Services, LLC</i></p>	<p>Alan H. Goodman Breazeale, Sachse &amp; Wilson, LLP 909 Poydras St., Suite 1500 New Orleans, LA 70112 <a href="mailto:alan.goodman@bswllp.com">alan.goodman@bswllp.com</a> <i>Attorneys for Mercy Hospital Oklahoma City, Inc.</i></p>
<p>Amy P. Williams Troutman Sanders LLP 301 S. College Street, Suite 3400 Charlotte, NC 28202 <a href="mailto:amy.williams@troutmansanders.com">amy.williams@troutmansanders.com</a> <i>Attorneys for Flagship Keystone Covington, LLC</i></p>	<p>Tristan Manthey Cherie Dessauer Nobles William H. Patrick, III Heller, Draper, Patrick, Horn &amp; Dabney, L.L.C. 650 Poydras Street, Suite 2500 New Orleans, LA 70130 <a href="mailto:tmanthey@hellerdraper.com">tmanthey@hellerdraper.com</a> <a href="mailto:cnobles@hellerdraper.com">cnobles@hellerdraper.com</a> <a href="mailto:wpatrick@hellerdraper.com">wpatrick@hellerdraper.com</a> <i>Attorneys for Unsecured Creditors Committee</i></p>
<p>Joseph P. Herbert Liskow &amp; Lewis 822 Harding Street Lafayette, LA 70503 P.O. Box 52008 Lafayette, LA 70505-2008 <a href="mailto:jpherbert@liskow.com">jpherbert@liskow.com</a> <i>Attorneys for Wells Fargo Equipment Finance, Inc.</i></p>	<p>Patrick Johnson, Jr. Brent C. Wyatt Akerman LLP Pan-American Life Center 601 Poydras Street, Suite 2200 New Orleans, LA 70130 <a href="mailto:patrick.johnson@akerman.com">patrick.johnson@akerman.com</a> <a href="mailto:brent.wyatt@akerman.com">brent.wyatt@akerman.com</a> <i>Attorneys for Sierra Home Medical Products, Inc.</i></p>
<p>Christopher T. Caplinger Lugenbuhl, Wheaton, Peck, Rankin &amp; Hubbard 601 Poydras St., Suite 2775 New Orleans, LA 70130 <a href="mailto:ccaplinger@lawla.com">ccaplinger@lawla.com</a> <i>Attorneys for First American Commercial Bancorp, Inc.</i></p>	<p>Steven Adams Adams Law Office, APLC 4845 Jamestown Ave., Suite 204 Baton Rouge, LA 70808 <a href="mailto:sea2334@yahoo.com">sea2334@yahoo.com</a> <i>Attorneys for Louisiana Department of Health</i></p>

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