

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

IN RE:

ACADIANA MANAGEMENT GROUP, L.L.C., ET AL.¹

CASE NO. 17-50799

DEBTORS

CHAPTER 11

PATIENT CARE OMBUDSMAN’S FIRST INTERIM REPORT - TULSA

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 – Tulsa (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

¹ 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 – Tulsa* (“**First Report**”) detailing site visit review, observations, and analyses of the Debtor's operations.

SITE VISIT SUMMARY

PCO did not observe patient care decline attributed to the bankruptcy process as contemplated by 11 U.S.C. § 333(b). PCO will perform an unscheduled site visit in approximately 60-days so long as census, staffing, and quality metrics remain stable in the interim remote monitoring period.

The Tulsa facility is located on Oral Roberts University campus in what was originally built as the City of Faith Hospital and has since become CityPlex Towers. The forty (40)-bed facility occupies the 28th and 29th floors, above the Oklahoma Surgical Hospital. These two floors are open to each other with rooms arranged in 4-room “pods” that look out to a generous circular lobby with a vaulted ceiling that connects the two floors. Some rooms on each floor have been converted to office and operational space. Stairs on either side of the lobby provide access to a mid-point landing area where the telemetry monitors and unit clerk area are located, along with general office space for charts and desk/documentation space. Twenty-five (25) private patient rooms are on floor 28 and fifteen (15) on floor 29. Lower acuity patients are reportedly placed on the 29th floor when the census exceeds twenty-five (25). On the date of PCO's visit, the census was nineteen (19) with staffing noted to be well within staffing matrix guidelines and all patients located on floor 28.

The leadership team are relatively new to their current roles with the former Chief Clinical Officer (“**CCO**”) promoting to the CEO role and a former charge nurse promoting to the CCO role. The lead Respiratory Therapist (“**RT**”) began around the same time as the current

CCO. PCO interacted with leadership, licensed nursing, therapy, respiratory, wound, environmental services (“EVS” or “Housekeeping”), health information management (“HIM” or “Medical Record”), quality, human resources (“HR”), facility, supply, pharmacy, admissions/liaison, and case management team members. Of note, all therapy modalities are contracted through a single third-party agreement.

Other contracted support functions included food service, dialysis services, linens, and a portion of plant operations/facility maintenance provided by the landlord. Leadership denied challenges or interruptions with these vendors. Continued shredding vendor support was also confirmed. Most clinical laboratory processing is contracted with the exceptions of iSTAT blood gases and chemistry eight (8) tests. PCO reviewed laboratory documentation with the lead RT who oversees the moderate complexity CLIA certified lab. Licensure, calibration verification, proficiency, control documentation, and critical value reporting were reviewed with no concerns noted.

HR leadership reported continued hiring post-petition with newly hired employees visible in the facility going through the on-boarding process. Several staff departures post-petition were felt to be at least partially attributed to the uncertainty surrounding the bankruptcy process. PCO asked to randomly review several employee files for appropriate licensure and competency documentation with no gaps seen. If agency nursing staff were needed, the appropriate contract is in place.

HIM is led by a formerly-retired employee who returned part-time to support the organization. This team member also has experience as a certified coder; and, accordingly, is more engaged in the admission analysis than her peers. A full-time MR clerk is also staffed. This team also supports the medical staff credentialing process with corporate oversight/support. Six months of paper chart records are stored on site with records estimated back to 2007 stored off-site. Of note, approximately two (2) years of off-site records are with one vendor, and the rest with the newer vendor, in place roughly since 2009. With planned record destruction, those records still stored with the initial vendor should be destroyed by 2019.

Case management is provided by one social worker and one registered nurse (“**RN**”). This team had a position eliminated prior to bankruptcy with no back-up or per diem (“**PRN**”) staff yet trained for support. Potential options to reduce strain for this team were discussed.

The current pharmacist assumed the full-time role in early August after the prior full-time pharmacist departed for reasons unrelated to the bankruptcy process. With just weeks in the position, the pharmacist updated delinquent logs. No concerns noted. The pharmacist reported efforts to get a formulary process in place with the assistance of the regional pharmacist who visits once to twice weekly from her base in Oklahoma City. Medication supply issues related to the bankruptcy process were denied.

Tulsa facility support to augment that provided by the landlord is provided on a part-time basis by a full-time team member who splits time as the chaplain, IT support, and facility manager. This individual reported spending about one-third of his time covering each of these roles. The Facility has two negative pressure rooms, one on each floor, with regular testing reported. PCO reviewed the fire drill and disaster drill logs. Equipment on site was randomly checked for current biomedical maintenance stickers. No concerns noted.

EVS support was provided by two employees with a supervisor also on site. PCO reviewed cleaning processes and supplies utilized. Mop heads and reusable rags were reported as sent out for cleaning/sterilization along with the other Facility linens. The EVS supply room was well-stocked and staff denied any supply issues post-petition.

The central supply area is on the 28th floor. The supply technician denied supply shortages attributable to the bankruptcy process. Nutrition supplies are kept separately and managed by the registered dietician (“**RD**”). This RD has developed a *Dietary Audit Form* that facilitates patient status monitoring. Like the other AMG facilities, Tulsa is moving to a new vendor for nutrition product support, a move that was reported as unrelated to the bankruptcy. The RD provided documentation of monthly food service vendor safety and sanitation audits along with test tray and self-audit monthly documentation. No concerns noted with what appeared to be best practice record-keeping for this area.

PCO interviewed two physicians while on site—one specialist and one internist. Both were positive about their interactions with the Facility and denied issues with staffing, supplies, or ancillary services post-petition. Limited patient and family interviews were also positive. PCO was fortunate to engage and chat with multiple clinical staff including nursing, RT, and the unit clerk. Bankruptcy anxiety was present, although not overwhelmingly so. PCO will continue to monitor staff morale and turnover throughout the reorganization process.

Quality data was reviewed with the team member covering this area with a focus on dashboard data that was trending below benchmark goals. Changes in data trends that could reasonably be attributed to the bankruptcy process were not seen.

SUMMARY AND NEXT STEPS

PCO will engage remotely with some of the team members to monitor quality, staffing, and patient survey metrics. PCO is comfortable engaging in an unscheduled site visit in sixty (60) days to further evaluate the Tulsa facility.

DATED: September 1, 2017.

MESCH CLARK ROTHSCHILD

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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing *Patient Care Ombudsman's First Interim Report – Tulsa* 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
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