UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

In re:

FERGUSON CONVALESCENT HOME, INC.,

Debtor.

No. 16-30397-DOF Chapter 11 Judge Daniel Opperman

PATIENT CARE OMBUDSMAN'S EIGHTH REPORT

Deborah L. Fish, patient care ombudsman, appointed by order dated March 24, 2016 (Docket #35), in accordance with Section 333 of Title 11 of the United States Bankruptcy Code (the "Code"), submits this eighth report on the status of the quality of patient care in the Chapter 11 case of Ferguson Convalescent Home, Inc. (the "Debtor"). This written report covers the period from November 22, 2016 - January 24, 2017. During this period, I provided the court with oral reports on November 29, 2016, December 12, 2016 and January 18, 2017. This report is based upon site visits and discussions with the residents and staff, including nurses, physical therapists, Paul Ferguson, Charles Taunt, chapter 11 trustee and his counsel.

INTRODUCTION

The Debtor filed a petition under Chapter 11 of the Code on February 24, 2016. A Chapter 11 Trustee was appointed on December 12, 2016. The Debtor is a privately owned and licensed long-term skilled nursing facility located at 239 S. Main Street, Lapeer, Michigan 48446. It consists of 87 licensed beds, located within a leased facility. The Debtor has 64 residents and employs nearly 100 full and part-time employees. This report summarizes the current quality of patient care at the Debtor's facility.

PATIENT STAFFING AND SERVICES

There have not been any significant changes to the Debtor's nursing staff since the last report. The staffing ratio continues to meet the required guidelines.

QUALITY OF CARE

The Debtor has maintained all of its services and is delivering similar quality care to essentially the same patient population as it did pre-petition.

I visited the facility several times since my last written report and I walked the halls, and investigated the cleanliness of the residents' rooms, bathroom, laundry and dining hall. I confirmed that the residents are well groomed and wearing clean clothes. I spoke with a number of residents about their opinions on care, the staff, the food, and the cleanliness of the facility. I did not receive any complaints. In fact, the residents state that they are happy with the food, care and services provided. The facility continues to be well maintained and there were no foul odors anywhere in the facility.

SECURITY

I observed the maintenance staff performing the door security checks. There are no changes in security since the last report.

SUPPLIES

The administration and staff confirmed that the Debtor is continuing to receive all of its necessary supplies for direct patient care; however, as was reported at the last hearing, the Trustee is finding it challenging to make all of payments on a current basis. As of this point, there have been no interruptions in service with regard to patients.

FINANCIAL MATTERS

The financial concerns continue to be addressed by the Trustee. The Trustee continues to struggle, as did the Debtor, on a monthly basis to meet the financial obligations of the Debtor. There are two motions pending requesting payments of post-petition expenses. I remain hopeful that the Trustee will resolve these matters so that a determination can be made as to the sale of the facility. It would be in the best interests of the residents to remain in the facility if a sale is achievable.

CONCLUSION

The Debtor has continued the same quality of care post-petition as it did pre-petition. Monitoring will continue.

> /S/Deborah L. Fish Patient Care Ombudsman 2600 Buhl Bldg. 535 Griswold Avenue Detroit, MN 48226 (313) 961-6141 dfish@allardfishpc.com P36580

Dated: January 27, 2017 z:\16\008\plds\8th report.doc

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CERTIFICATION OF SERVICE

I, Deborah Fish, hereby certify that on January 27, 2017, I electronically filed the following:

- Patient Care Ombudsman's Eighth Report

with the Clerk of the Court using the ECF and I hereby certify that the Court's ECF system has served all registered users.

ALLARD & FISH, P.C.

/S/Deborah L. Fish Patient Care Ombudsman 2600 Buhl Bldg. 535 Griswold Avenue Detroit, MN 48226 (313) 961-6141 dfish@allardfishpc.com P36580

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