UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF PENNSYLVANIA

In re:	Chapter 11
NORTH PHILADELPHIA HEALTH SYSTEM,[1]	Case No. 16-18931-MDC
Debtor.	

SECOND PATIENT CARE OMBUDSMAN REPORT

SUBMITTED MARCH 12, 2017

BY:

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PATIENT CARE OMBUDSMAN

[1]The last four digits of Debtor North Philadelphia Health System's federal tax identification number is 0538.

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I. INTRODUCTION

This Second Report of the Patient Care Ombudsman ("PCO") is issued pursuant to the author's January 12, 2017 appointment as the PCO by the United States Trustee for Region 3 for Debtor North Philadelphia Health System ("NPHS"). The appointment arises under section 333 of the United States Bankruptcy Code, which provides for the appointment of a patient care ombudsman "to monitor the quality of patient care and to represent the interests of the patients of the health care business." NPHS currently operates Girard Medical Center and The Goldman Clinic. NPHS's operations constitute "health care businesses" for purposes of the Bankruptcy Code. *See* 11 U.S.C. §101(27A). Pursuant to 11 U.S.C. § 333(b)(2), the PCO issued and filed his Initial Patient Care Ombudsman Report ("Initial Report") in this case on March 13, 2017. [ECF Docket No. 242]

This report is based upon the premise that the Court requires an analysis that is both valid and reliable. That is, the report must correctly assess: (1) the existing structural condition of NPHS; (2) NPHS's policies, procedures and protocols related to patient care and safety, and (3) NPHS's operations and performance. Accordingly, variables such as staffing, policies and procedures, supplies, and facility structure were thoroughly analyzed and evaluated. Additionally, this report analyzes and discusses clinical activities pertaining to direct care of NPHS's patients.

NPHS Programs and Licensing. NPHS operates the Girard Medical Center and the Helen L. Goldman Rehabilitation Center ("Goldman Clinic") at 802 Girard Avenue in Philadelphia. NPHS treats on an inpatient and outpatient basis patients suffering from: (i) substance abuse disorders; and/or (ii) psychiatric disorders. On any given day, NPHS treats approximately 200 patients on an inpatient basis and more than 1,000 patients on an outpatient basis.

NPHS is currently licensed to operate, and operates, the following twelve (12) programs:

- Torre De La Raza (Hispanic Men) (In-patient, non-hospital substance abuse treatment: 18 licensed beds; 16 staffed beds);
- Torre De La Raza-Women Helping Other Women (Hispanic Women) (In-patient, non-hospital substance e treatment: 16 licensed and staffed beds);
- Miracles in Progress I (Chronically Homeless Men) (In-patient, non-hospital substance abuse and psychiatric disorder treatment: 44 licensed and staffed beds);
- Miracles in Progress II (In-patient, non-hospital substance abuse detoxification and rehabilitation treatment: 30 licensed and staffed beds);
- Return Programs I and II (In-patient, non-hospital substance abuse treatment, including non-Methadone and Methadone maintenance programs: 40 licensed beds; 34 staffed beds);
- RFTA Program (In-patient, non-hospital treatment for patients with a dual diagnosis of psychiatric and substance abuse disorders: 16 licensed beds);

- CAP/IOP (Outpatient substance abuse treatment; authorized for 160 patients);

- Goldman Clinic (Outpatient substance abuse treatment, includes a Methadone-maintenance program: Authorized for 752 patients; 685 slots staffed (including 90 intensive treatment slots));

- Adult Inpatient Psychiatry (Psychiatric treatment program; patients transferred from Norristown State Hospital: 29 licensed and staffed beds);

- Extended Acute Psychiatry (Longer-term psychiatric treatment program: 22 licensed and staffed beds);

- New Acute Psychiatry (Shorter-term but intensive psychiatric treatment: 14 licensed and 10 staffed beds); and

- Outpatient Psychiatric Unit (Outpatient psychiatric/mental health treatment: 120 therapy patients; 310 patients only for medication-monitoring.

Since the filing of his Initial Report the PCO has confirmed that NPHS has continued to maintain current Certificates of Licensure and/or Compliance for all the programs it operates issued by the Pennsylvania Department of Drug and Alcohol Programs ("DDAP") (for substance abuse treatment programs) and the Pennsylvania Department of Human Services (for psychiatric treatment programs). Additionally, the Goldman Clinic has maintained the approvals required to operate outpatient methadone maintenance program issued by DDAP and the Substance Abuse and Mental Health Services Administration ("SAMHSA") of the United States Department of Health and Human Services ("HHS"). Since the filing of the Initial Report, the American Psychiatric Association has voted to accredit the psychological internship program at Girard Medical Center, effective December 2, 2016.

PCO Limited Access to Patient Medical Records Has Been Approved. Because NPHS is a healthcare provider, it is a "covered entity" for purposes of HIPAA (the Health Insurance Portability and Accountability Act of 1996), as amended by the HITECH Act (the Health Information Technology for Economic and Clinical Health Act of 2009). As a general rule, the HIPAA Privacy Rule, which was promulgated by HHS pursuant to HIPAA, prohibits NPHS's disclosure of the protected health information ("PHI") of its patients absent the consent of the affected patient (or a personal representative) or authorization by HIPAA or other applicable law. Federal and Pennsylvania state law more stringent protect the privacy of PHI related to the treatment of mental illness and substance abuse disorders. Section 333 of the Bankruptcy Code contemplates the patient care ombudsman's access (albeit limited) to PHI in connection with the performance of the ombudsman's duties. However, none of the Bankruptcy Code, HIPAA (even as amended by the HITECH Act), the HIPAA Privacy Rule, the federal confidentiality of substance abuse treatment records statute found at 42 U.S.C. § 290dd-2, the Federal Confidentiality of Alcohol and Drug Abuse Patient Records regulations found at 42 C.F.R., part 2, the Pennsylvania Mental Health Procedures Act and the Pennsylvania Drug and Alcohol Abuse Control Act expressly authorize the disclosure of PHI to a patient care ombudsman. Accordingly, on February 15, 2017, the PCO filed his *Motion for Entry of an Order Granting Patient Care Ombudsman Access to Confidential Patient Information, Approving Notice to*

Patients of Ombudsman Reports, and Granting Related Relief ("HIPAA Motion") with this Court seeking limited authorization to access the medical records of NPHS's residence to the extent necessary to perform his duties. [ECF Docket No. 175] By Order dated March 22, 2017, the Court granted the HIPAA Motion. [ECF Docket No. 271]

PCO's Methodology. Based on the conclusions reached in his Initial Report, NPHS's size and complexity, the nature and mix of services it offers, and the requirements of section 333 of the Bankruptcy Code, the PCO's methodology for assessing the structure and operations of NPHS and the level of safety and quality of care provided to its patients during the period from March 14, 2017 through May 12, 2017 (the "Second Reporting Period") included the following:

- On-site visits on the following dates:
    - April 13, 2017 (primarily for interviews of a sampling of residential patients, but also included conferences with NPHS's Vice President for Behavioral Health Services and Admissions Coordinator); and
    - April 27, 2017 (primarily for interviews of a sampling of non-residential patients and a review of a sampling of patient medical files, but also included conferences with NPHS's Vice President for Behavioral Health Services, Admissions Coordinator and a staff psychologist).
- Reviews of NPHS's policies and procedures concerning:
    - Fire Safety;
    - Medication Dispensing and Controlled Substances (Nursing Department);
    - Glucose Testing Utilizing Accu-Check; and
    - In-House Education.
- Reviews of the minutes of meetings of the following NPHS boards or committees occurring between January 1, 2017 and April 30, 2017 of the:
    - Management Committee;
    - Department of Behavioral Medicine/Medical Executive Committee;
    - Department of Behavioral Medicine/Operations Committee; and

- Safety/Emergency Management/Hazardous Material Committee.

- A review of factual information relevant to patient care and safety contained in:
  - The Daily Census Reports as of April 30, 2017 for the residential and inpatient programs at NPHS;
  - NPHS's Inpatient/Residential Significant Incident Report for March and April, 2017;
  - NPHS's Confrontational Behavior Summary for March-April, 2017;
  - NPSH's Vacancy Report for April 30, 2017;
  - A report on staff resignations during the Second Reporting Period prepared by NPHS;
  - A Falls Analysis prepared by NPSH for March and April, 2017;
  - A report on employee disciplinary actions during the Second Reporting period prepared by NPSH;
  - A Notice of Actions—Accreditation Status issued by the Committee on Accreditation of the American Psychological Association;
  - Excerpts from NPSH's Credentialing File Data Base concerning staff compliance with annual continuing education requirements;
  - A binder containing NPHS's New Employee Orientation Materials;
  - NPHS's In-Service List for Girard Medical Center for 2016;
  - Fire Safety course materials;
  - Annual and Quarterly Certifications for Sprinkler/Standpipe and Fire Alarm Systems for 2016;
  - Fire Drill Evaluations for March and April, 2017;

II. PRIMARY FINDINGS

The PCO has made the following primary findings:

Finding #1: Although the Situation is Fragile, the Quality of Care Provided to NPHS's Patients (including Patient Safety) Is Acceptable, and Is Not Currently Declining or Otherwise Materially Compromised.

Finding #2: The Oversight and Supervision Provided by NPHS's Senior and Supervisory Personnel, the Competence of NPHS's Clinical Staff and the Continued Demonstrated Attentiveness and Loyalty of NPHS's Clinical Staff to NPHS's Patients Will Uncover Quality of Care Deficits if They Arise.

Finding #3: Having the PCO Receive Bi-Weekly Reports and Other Materials Regarding Quality of Care and NPHS's Operations That Could Affect Resident Quality of Care, together with Bi-weekly Inspections of the NPHS premises by the PCO Will Provide a Reasonable Basis to Monitor Whether the Quality of Care (including Patient Safety) Provided by NPHS Is Declining or Otherwise Materially Compromised.

Those findings will be discussed in more detail below and followed by a conclusion.

Finding #1: Although the Situation is Fragile, the Quality of Care (including Patient Safety) Provided to NPHS's Patients Is Adequate, and Is Not Declining or Otherwise Materially Compromised.

A. The PCO Interviewed a Sampling of Eleven Patients of NPHS's Residential Programs and a Sampling of Eleven Patients of NPHS's Non-Residential Programs.

1. Residential Patient Interviews

In performing his duties as a patient care ombudsman, the PCO is authorized to interview NHPS's patients. To that end, on April 13, 2017, the PCO interviewed a sampling of eleven patients of NPHS's resident programs. To ensure a representative sample, the PCO interviewed one patient each from nine of the residential programs and two patients from the largest residential program. The PCO chose the residential interviewees at random from a patient census list, taking care to ensure that the sample included a representative balance of male and female interviewees. The interviews were voluntary, and each interviewee read and signed a consent form in the presence of the PCO and an NPHS employee. Two potential interviewees randomly chosen from the patient census by the PCO opted not to be interviewed, although one of them simply wanted to continue a nap. Two other patients were removed from the list of potential interviewees when NPHS clinical staff determined that

an interview was clinically counterindicated. NPHS personnel were present for each interview. Interviews were conducted privately in an office in the unit to which the patient was assigned. Patients were interviewed separately; there were no group interviews.

At the beginning of each interview, the PCO advised the interviewee that he was not going to ask questions about (i) the interviewee's diagnosis; (ii) any drug or alcohol use/abuse; or (iii) any involvement in the criminal justice system. The PCO advised each interviewee that he would be seeking only information concerning patient care and safety at NPHS. The interviewees had been patients at NPHS for between ten days and seven months.

There was almost universal agreement among the interviewees that counsellors/behavioral specialists, nurses, social workers/case managers, mental health workers, addiction recovery specialists and community recovery specialists always (i) treated the patient with courtesy and respect, (ii) listened carefully to the interviewee;[2] (iii) explained things in a way the interviewee could understand; and (iv) provided assistance to the interviewee when it was requested.[3] One interviewee stated that sometimes counsellors do not listen carefully if there is commotion on the unit, such as arguments between patients. The interviewees had similar positive opinions of their therapists—the psychiatrists and psychologists. None of the interviewees had ever been approached by a member of NPHS's staff for a tip or a gift. Similarly, with one possible exception, none of them were aware of any other patients being approached by NPHS staff for a gift or tip. One interviewee said that he thought that a patient (who has since left NPHS) had been asked for a gift, but couldn't remember any details. One interviewee stated, however, that NPHS staff would not accept a tip or gift.

All of the interviewees reported that there were treatment plans in place for them and that these plans were initially put in place shortly after admission. All interviewees acknowledged that they had participated with NPHS clinical staff in putting the treatment plans together. They also acknowledged that they had participated in formulating any updates to the plan. According to the interviewees, treatment plans are updated continuously (at least monthly) to meet patient needs. All but two interviewees acknowledged reading and signing the initial and updated

2 One interviewee acknowledged being "taken aside" by a counsellor for private conversations when explanation was necessary.

3 All of the interviewers were treated by counsellors or behavioral specialists, but not by both. Similarly, all of the interviewed patients were assisted by Mental Health Workers or Addiction Recovery Specialists, but not by both. Not all interviewees were assigned social workers, case managers or community recovery specialists. Assignment depended on the interviewee's program.

plans. One interviewee could not remember signing the plan; another doesn't think he signed a plan. At least half of the interviewees made clear an understanding that they had to be an active participant in their recovery, although it was clear from one interviewee that the possibility of obtaining housing was a great motivator to that interviewee's participation in treatment. Another interviewee stated that the counsellor had not explained to the interviewee that the interviewee had to work on the goals set forth in the interviewee's treatment plan.

With one exception, the interviewees acknowledged receiving individual counseling, usually on a weekly basis, although sometimes more often. They all acknowledged participating in group sessions several times a week and, for some interviewees, three times a day. Group sessions are conducted by counsellors/behavioral specialists, mental health workers and addiction recovery assistants. They may involve alcoholics and narcotics anonymous sessions and may cover topics like anger management. All interviewees stated that individual counseling was conducted privately, in a closed room. The same was largely true of group sessions. One interviewee indicated, however, that sometimes the door had to be opened because it got hot in the room in which group sessions were conducted.

There was general agreement that the treatment units and patient rooms were cleaned daily (or at least every other day) and kept clean.[4] Two interviewees indicated helping to keep their rooms clean; another interviewee commented that not every patient was "on the same level of cleanliness." One interviewee characterized the walls and floors in the unit to which that interviewee was assigned as "nasty." However, PCO was able to confirm the general cleanliness of the NPHS facility on April 13, 2017, although the facility shows definite wear and tear.

Three interviewees were aware of limited problems with insects or mice. One interviewee acknowledged that any insect infestation resulted from the fact that some of NPHS's patients came to the facility from shelters or the streets, but was quickly resolved. Two others stated that they had seen mice every once in a while, but the mice were gotten rid of quickly.

There was general agreement that the temperature was kept at a reasonable level, although there was some complaint that it was sometimes too warm. One interviewee characterized the temperature as "all right." Another interviewee advised that the vents in that interviewee's room did not work right. One interviewee stated that temperature were not always adjusted when necessary. Interviewees agreed that the area around their rooms was

4 One interviewee made clear that patients were expected to assist in keeping their rooms clean, a fact confirmed by the PCO's earlier interviews of Mental Health Workers and Addiction Recovery Assistants.

kept quiet at night—one interviewee going as far as admitting to getting a lot of sleep at NPHS. Another interviewee stated that the area around that interviewee's room was quiet after medication was given.

Interviewees agreed that they received the medication they needed, including medication for pain if necessary. When being given a medication they had never taken before, they were advised of the purpose of the medication and any potential side effects in a manner they could understand. None of the interviewees had received the wrong medication since being patients at NPHS. However, one interviewee stated that there was sometimes an "imbalance" in medication between the order for the medication and the computer system, but was unaware of any patient receiving the wrong medication because of the "imbalance."

None of the interviewees had fallen or been injured during their stay at NPHS. Only one interviewee had been assaulted. That interviewee was beaten by another patient and had suffered injuries to his face. The interviewee was taken to a hospital for treatment and treatment was successful. The police were called because of the incident, but the interviewee did not know what happened to the assailant. The interviewees were not aware of other patients or staff being assaulted. Verbal arguments do occur between patients; one patient noted witnessing two such arguments in the month since coming to NPHS.

Most interviewees were unaware of any time that NPHS security or Philadelphia police had been called to the unit to which they were assigned, although one interviewee advised that NPHS security had been called "once or twice" during the seven months that interviewee had been a patient at NPHS and another stated that security had been called "sometimes," but "not every day" for altercations including verbal and physical fights.5 The one interviewee who had been beaten by another patient advised that the police had been called when he was beaten. Some interviewees were aware that security and police had been called for other units, particularly the inpatient psychiatric units. With one exception the interviewees agreed, however, that it situations requiring security or police intervention were rare. One interviewee (who had been at NPHS for a little over a month) stated that NPHS had to be called on one occasion to the unit to which the interviewee had been assigned because a patient was acting out and caused an altercation. One interviewee said that NPHS security had been called "a lot" for physical and verbal altercations between patients and between patients and staff on other floors in the last two months. However, the interviewee acknowledged not being present at the altercations and did not know how they started.

5 This appears to have occurred in the so-called "Norristown" unit.

None of the other interviewees acknowledged being themselves subject to mechanical or medical restraints or being aware of other patients being subject to such restraints. One interviewee stated that there is a protocol for addressing confrontations between patients: the patients are separated and sent to their rooms to calm down. One interviewee acknowledged being subject to a "tactical" restraint. That interviewee acknowledged being involved in an altercation arising out of an argument with a staff member which resulted in the interviewee being pushed to the floor. He forgot what the argument was about.

The interviewees agreed that they felt safe at NPHS. One interviewee made it clear that being at NPHS was safer than being on the street. None could name any problem with the facility or the equipment located in the facility that could harm a patient. None of the interviewees had seen either a medication cart or a cart with cleaning supplies being left open and unattended.

The interviewees acknowledged receiving enough food and that the food was properly prepared. None of the interviewees had been served food (s)he could not eat for medical or religious reasons. In that regard, one interviewee acknowledged being consulted about dietary needs by the director of food service and that the food service ensures that patients are not served food they cannot eat for medical reasons. Another interviewee, however, indicated that it was sometimes necessary to remind the food service of the interviewee's need for softer food because of missing teeth. One interviewee acknowledged gaining twenty pounds on NPHS food.

The interviewees agreed that NPHS did not interfere with their receipt of visitors during visiting hours, although one interviewee acknowledged not having visitors. They also agreed that NPHS did not interfere in their receipt of religious or spiritual advice.

One interviewee stated that patients were worried about the effect of the bankruptcy on the future of NPHS.

Because the interviews were conducted "in-unit," the PCO was able to re-confirm his earlier impression that NPHS staff is attentive to the needs of NPHS's patients. The rapport between patients and staff that was evident on the PCO's earlier visits to the facility were still evident. Additionally, the facility was clean although shopworn, and a couple of areas had a strong disinfectant/antiseptic smell.

2. **April 27, 2017 Interviews of Outpatients.**

Two weeks after interviewing patients in NPHS's residential programs, on April 27, 2017, the PCO interviewed a sampling of eleven patients from NPHS's non-resident programs. To ensure a representative sample, the PCO interviewed one outpatient each from NPHS's three non-residential programs. Because outpatients do not always show for appointments, it was determined that the PCO's choice of interviewees at random from a patient census list would not be an effective means of identifying potential interviewees. NPHS chose the outpatient interviewees at random from those outpatients who were present on April 27, 2017 for therapy sessions. The sample was representative male and female proportions of outpatients. The interviews were voluntary and each outpatient interviewee read and signed a consent form in the presence of the PCO and an NPHS employee. NPHS personnel were present for each interview. Each outpatient interviewee was interviewed separately; there were no "group" interviews. Interviews were conducted privately in an office in the interviewee's treatment program. Because the outpatient interviewees did not reside at NPHS, their interviews were shorter and covered fewer topics than the interviews of the resident patients.

As with the interviews of residential patients, the beginning of each interview of an outpatient, the PCO advised the interviewee that he was not going to ask questions about (i) the interviewee's diagnosis; (ii) any drug or alcohol use/abuse; or (iii) any involvement in the criminal justice system. The PCO advised each interviewee that he would be seeking only information concerning patient care and safety at NPHS. The outpatient interviewees had been outpatients at NPHS for between four months and twenty years.[6]

Each outpatient interviewee is treated by a counsellor or behavior specialist.[7] Except for those in methadone maintenance programs, outpatient interviewees are not treated by NPHS nurses. Even in the methadone maintenance programs, the nurses' duties are limited to the supervised dispensing of methadone. All of the outpatient interviewees agreed that their assigned counsellor/behavior specialist always (i) treated the interviewee with courtesy and respect, (ii) listened carefully to the interviewee,[8] (iii) explained things in a way that the interviewee could understand; and (iv) provided assistance to the interviewee when it was

6 Three of the outpatient interviewees had been patients in residential treatment programs at NPHS before entering outpatient treatment.

7 Non-resident patients at NPHS are not typically assigned to case managers or social workers and are not assigned to Mental Health Workers, Addiction Recovery Assistants or Community Recovery Specialists.

8 One interviewee acknowledged being engaging in private conversations with the counsellor when explanation was necessary.

requested. One outpatient interviewee acknowledged being able to contact the counsellor any time the interviewee had issues another acknowledged the assistance the counselor provided in assisting the interviewee in setting goals. The three outpatient interviewees who had been treated by NPHS psychiatrists and psychologists[9] had similar positive opinions of the psychiatrists or psychologists treating them. One outpatient interviewee stated that the psychiatrists explained things as they went along. None of the non-residential interviewees had ever been approached by a member of NPHS's staff for a tip or a gift. Similarly, none of them were aware of any patients being approached by NPHS staff for a gift or tip.

All of the outpatient interviewees reported that there were treatment plans in place for them and that these plans were initially put in place shortly after admission. All outpatient interviewees acknowledged that they had participated with NPHS clinical staff in putting the treatment plans together. They also acknowledged that they had participated in formulating any updates to the plan. According to the interviewees, treatment plans are updated continuously (at least quarterly, but, in some cases every other month or every forty-five days) to meet patient needs. One outpatient interviewee admitted to more frequent revisions to the interviewee's treatment plan triggered by that interviewee's specific treatment needs. All eleven outpatient interviewees acknowledged reading and signing the initial and updated plans.

Ten of the outpatient interviewees acknowledged receiving individual counseling from a counselor on a weekly basis; the eleventh received individual counselling from a counselor every other week. One outpatient interviewee advised that more frequent individual counseling sessions were possible if needed. In addition to weekly treatment by a counselor, one outpatient receives individual therapy from an NPHS psychiatrist on a weekly basis and another receives psychiatric treatment on a monthly basis. All but one outpatient interviewee acknowledged participating in group therapy sessions. Group therapy sessions are generally held on a weekly basis, although in one program, group therapy is held three times per weeks with the sessions lasting three hours each. One of the outpatient interviewees chooses not to participate in group sessions. All outpatient interviewees who participate in group counseling stated that individual and group counseling is conducted privately, in a closed room, although, according to one interviewee the session may continue outside the room because the group participants are a family.

The outpatient interviewees agreed that the NPHS facilities in which they were treated were kept clean. One interviewee characterized them as "one of the cleanest" the interviewee had experienced. More specifically, none

9 An additional outpatient interviewee had been scheduled for a first appointment with an NPHS psychiatrist.

of the outpatient interviewees were aware of any problems with insect or rodent infestation at the NPHS facility. The PCO was able to confirm the general cleanliness of those facilities in connection with the April 27, 2017 interviews, although the facilities showed definite wear and tear.

The non-residential interviewees agreed that NPHS prescribed them the medications they needed for their treatment.[10] When being prescribed a medication they had never taken before, they were advised by NPHS clinical staff of the purpose of the medication and any potential side effects in a manner they could understand. None of the non-residential interviewees had ever been prescribed the wrong medication by NPHS personnel.

None of the non-resident interviewees had fallen or been injured during their stay at NPHS. None of them had been assaulted; nor were they aware of other patients or NPHS staff being assaulted. They were not aware of any situations in which the police had been called for incidents at NPHS. They were similarly unaware of situations in which NPHS security had been called for incidents in unit in which they currently receive treatment. Some non-residential interviewees were aware that NPHS security had had to be called to other treatment units at NPHS, particularly the residential treatment units. Those incidents were not common according to the outpatient interviewees. As one outpatient interviewee put it, you could hear the calls on the intercom now and again.

Like the resident interviewees, the non-resident interviewees agreed that they felt safe at NPHS. None could name any problem with the facility or the equipment located in the facility that could harm a patient. None of the interviewees had seen either a medication cart or a cart with cleaning supplies being left open and unattended.

Because the interviews were conducted "in-unit," the PCO was able to re-confirm his earlier impression that NPHS staff is attentive to the needs of NPHS's patients. The rapport between patients and staff that was evident on the PCO's earlier visits to the NPHS was still evident on April 27, 2017. As noted above, the facility was clean although shopworn.

B. **The PCO Reviewed a Sample of Ten Inpatient Medical Files on April 27, 2013**

The PCO's review of a sample of inpatient medical files demonstrated substantial compliance with applicable regulations and NPHS's policies and procedures. Each file contains the following

10 With the exception of those in methadone maintenance programs at NPHS, none of the non-residential interviewees received medication from NPHS. Rather, they received one or more prescriptions from NPHS and had them filled at a non-NPHS pharmacy.

- An intake assessment completed within seven days of admission that includes assessments by an attending physician, psychiatrist (if applicable), social worker (if one has been assigned to the treatment unit) counsellor and nurse that address the patient's: (i) medical history; (ii) psychiatric and mental health history; (iii) psychosocial history; and (iv) addictive disease history;

- Where required, an intake physical examination, as well as an intake psychiatric evaluation (together with the psychiatrist's signed note);

- Admission orders;

- Initial and updated treatment plans signed by the patient addressing: (i) the frequency of treatment; (ii) the type of treatment; (iii) the proposed services for the patient; (iv) evidence of patient involvement in the formulation of the plan;

- A consent to treatment signed by the patient;

- A copy of the Patient's Rights and Responsibilities signed by the patient, that advises the patient of his or her right to review, inspect and correct his or her records, as well as various appeal rights;

- Authorizations for the use and disclosure of patient medical information that have been signed by the patient and comply with applicable federal and state law;[11]

- For patients admitted involuntarily, initial and updated elopement risk assessments; and

- Progress notes by psychiatrists, psychologists, case managers (if applicable and for both group and individual sessions), nurses, counselor (for both group and individual sessions); mental health workers (if applicable); addiction recovery assistants (if applicable) and community recovery specialists (if applicable).

In one file, three nursing progress notes were missing. In another file, mental health worker progress notes were missing. In three files, addiction recovery assistants' progress notes were missing. In the vast majority of cases, progress notes were in place and, even with respect to physicians, signed by the clinician. One administrator at NPHS explained that historically addiction recovery assistants had not been required to enter their notes in the patient's records, but

11 In the files the PCO reviewed, there were no consents to the release of information to Parole Officers, Courts or other governmental officials, because such consents were not required.

are now required to do so. The administrator advised that the addiction recovery assistants would be addressed about this deficiency.

C. **The Minutes of the Meetings of Various Committees at NPHS Conducted between January 1, 2017 and April 30 2017 Reflect (i) Attentiveness on the Part of NPHS Management and Staff to Potential Care Quality and Safety Issues; (ii) Awareness of Those Issues When They Arise; and a (iii) Willingness and Ability to Take Remedial Action when Those Issues Arise.**

The PCO reviewed the minutes of the meetings of four NPHS committees that occurred between January 1, 2017 and April 30, 2017. The Minutes demonstrate that NPHS's management and staff are attentive to potential issues concerning patient safety and the quality of patient care. They are generally aware of the issues when they arise. Within the financial limits imposed on NPHS, they take the actions necessary to remediate those issues.

1. **Management Committee**

The Management Committee is made up of the directors of the Pharmacy, Medical Records, Laboratory, Performance Improvement, Medical Staff, Employee Health, Infection Control, Education and Behavioral Health departments. At its meetings on January 10, 2017; February 13, 2017; March 7, 2017 and April 4, 2017, which covered the period from December 1, 2016 through March 31, 2017, this Committee addressed the following issues that could impact patient care and safety:

- A decline in narcotics discrepancies, the elimination of a scanning process that didn't work and a response to an error in the AccuDose system. A patient interviewed by the PCO noted the error as well. On this point, the Committee also addressed efforts to increase the proper and consistent use of the AccuDose system and resolve problems as they arose. It bears noting that those problems have not caused medication errors.

- Performance levels (consistently good) of nurse practitioners and the necessity of prioritizing various testing procedures they conduct.

- Transmitting suspension letters to and meeting with physicians who were delinquent on chart entries and addressed the need to ensure the currency of charts in situations where the delinquent physicians have left NPHS. Based on the PCO's review of a sample of medical charts, the suspension letters and meetings have been successful in increasing physician compliance with charting requirements.

- Ensuring adequate coverage of all clinical positions, including detailing employees to areas needing coverage, as well as recruiting efforts for staff.

- Ensuring a proper chain of command for safety issue reporting.

- The credentialing of clinical staff.

- Compliance with employee tuberculosis testing (98%) and influenza vaccine (83%) requirements.

- Infection control, which reflected no employee infections.

- Thorough environmental rounds of each of the three NPHS buildings. The vast majority of what the rounds revealed was reparable maintenance and repair issues caused by wear and tear and the age of the buildings. Some refrigerator logs were not complete. There were three sightings of vermin. Only five findings reflected a need for better cleaning in the rooms in which the findings were made. With two exceptions, the deficiencies were cured before the next meeting of the Management Committee. The eradication of mice in one treatment unit took more than a month, and it took three months to remove boxes from the floor of one store room.

- In-house education, including regular CPR and CPI training courses, the instruction of the staff on the use of MedHost, Mental Health First Aid Training, Addictions Treatment Training, Opioid Addiction Training and refresher training for nurses, many of whom had come to Girard Medical Center from medical/surgical units of St. Joseph's Hospital when it closed. The meetings also reflected the administration's attention to ensuring that all staff training had obtained training in required subjects, particularly in areas impacting patient safety like CPR training. In that regard, those overdue for CPR training were identified and classes made available. It was determined that Mental Health Workers needed more training in doing their rounds.

- The procedures for taking verbal orders rather than requiring them to be in writing.

- NPHS's compliance with obtaining body mass indexes and PPD on patients and encouraging patients to cease smoking; and

- Elopement precautions.

2. **Department of Behavioral Health/Medical Executive Committee**

This Committee focused on the following issues related to patient care and safety at meetings held on January 18, 2017, February 15, 2017, March 15, 2017 and April 26, 2017, which covered the period from December, 2016 through March, 2017:

- The need to for physicians to focus on timely reviewing and completing charts, including their notes in patients' medical records and signing their notes, tasks on which they appear to have improved;

- The need for physicians to note in the patient's medical records the reason for discontinuing medication;

- Improvements to MedHost procedures and staff training in that regard;

- Procedures to ensure compliance with FDA and Pennsylvania Prescription Drug Monitoring regulations concerning the prescription of certain medications;

- Maintaining medical record confidentiality particularly in situations involving unexpected patient outcomes and regularly emphasizing the need to do so with the staff;

- Difficulties in recruiting and retaining staff in the wake of the bankruptcy filing and measures being taking to recruit replacement staff and to ensure that all shifts are adequately staffed, including the reduction of admissions to programs (*e.g.*, Goldman Clinic) so that NPHS is not in violation of staffing regulations;

- Addressing nursing issues in one of the treatment units; and

- Ensuring that the non-psychiatric medical needs of patients who do not need to be hospitalized are properly addressed.

3. **The Department of Behavioral Health/Operations Committee**

This Committee focused on the following issues related to patient care and safety at meetings held on January 11, 2017, February 8, 2017, March 8, 2017 and April 12, 2017, which covered the period from December, 2016 through March, 2017:

- The failure of physicians to sign treatment plans and complete charts;

- The need for Mental Health Workers, Addiction Recovery Assistants and Community Recovery Specialists to be more thorough in their notes in patients' charts;

- The need for staff to comply with an existing CBH correction plan;

- The patient census (which is up, except in the Miracles in Progress and Intensive Out-patient programs); and

- Filling vacant positions.

4. **Safety/Emergency Management/Hazardous Materials Committee**

On March 15, 2017, this Committee addressed the following issues related to patient care and safety at its quarterly meeting:

- A revised Lock-Down Procedure for NPHS;
- Safety incidents, of which there were none to report;
- Hazardous Communications/Hazardous Waste, with the notation that there were no spills reported or no new products introduced at NPHS since the last meeting of the Committee;
- Fire Drills;
- Emergency preparedness plans and training, with thirteen (13) employees have been trained in emergency preparedness;
- The need to retain a new fire inspection vendor;
- The fire alarm and fire sprinkler system which are currently operating under normal conditions, although maintenance and repairs are necessary;
- Environmental rounds which resulted in the findings of seventeen (17) deficiencies, of which fourteen (14) had been corrected by the time of the report;
- A comparison of 182 calls for NPHS security at NPHS during 2016 with the thirty-two (32) calls for the months of December, 2016 through February, 2017, with most of the calls being in the residential psychiatric treatment units;
- The small reductions in patient falls, medication variances and departures from treatment against facility advice between the third and fourth quarters of 2016; and
- The response to a destructive patient in one of the psychiatric treatment units.

D. **Based upon His Investigation in the Second Reporting Period, the PCO Has Concluded That Patient Safety and the Quality of Patient Care at NPHS are Not Declining or Otherwise Being Materially Compromised. Rather, the Level of Patient Safety and the Current Quality of Care is Acceptable and Stable. Specific Conclusions Drawn from (i) Patient Interviews, (ii) Committee Minute Meetings, (iii) Discussions with the Director of Behavioral Health, the Admissions Coordinator and a Staff Psychologist; and (iv) the**

Factual Information Provided to the PCO with Respect to the Safety and Care of Patients at NPHS are as follows:

1. **Patient Census and Mix**

The patient census at NPHS fluctuates. However, the overall inpatient/residential program census has continued to remain steady. As of April 30, 2017, there were 198 patients in residential, detoxification and psychiatric programs at NPHS as opposed to 189 as of December 31, 2016. Because of staff vacancies, the Goldman Clinic has had to reduce the number of patients it normally treats by approximately 7%. There are additional program vacancies. For example, as of April 30, 2017, the Miracles in Progress I program had a 16% vacancy, as opposed to a 15% vacancy as of December 31, 2016. There was also an 18.75% vacancy rate in the Torre de la Raza Men's program as of April 30, 2017. However, the remaining residential and inpatient programs showed an occupancy rate of at least 85% as of April 30, 2017. Consequently, NPHS's patient census is not in a death spiral.

2. **Services Provided**

NPHS did not eliminate any of its programs during the Second Reporting Period.

3. **Staff to Patient Ratios/Fully Staffed Shifts**

Although there has been an uptick in staff departures from NPHS during the Second Reporting period, NPHS has continued to meet Pennsylvania staffing requirements, albeit not without some difficulty. Employees are still taking paid time off at an increased rate, probably reflecting a fear that they could lose the financial benefit of that paid time off if it was not taken fairly quickly. Nevertheless, in his visits to NPHS's clinical facilities on February 10, 2017 was able to confirm that the programs were fully staffed on that date. Maintaining full staffing has sometimes required that staff members work a second shift or be called in to cover a shift.

To avoid violation of staff-to-patient ratio requirements in a program, NPHS has temporarily suspend limit new admissions if there is insufficient staff to treat newly admitted patients. For example, staff departures have led to a reduction in the number of patients treated by the Goldman Clinic.

4. **Staff Qualifications and Training**

During the Second Reporting Period, clinical staff member licenses remained current. All clinical staff members had completed the required orientation process and staff members. NPHS also provides in-service training and education to both management and staff. Clinical staff

members are required to meet certain requirements by participating in Mandatory Day in-house education. All but five staff members are in compliance with continuing education requirements. The administration is aware of and those out of compliance. They are subject to disciplinary action if they remain out of compliance. Approximately thirteen (13) employees are or may be out of compliance with regard to CPR training. Additional classes have been set up and those employees not in compliance will be removed from the work schedule.

New Hire Orientation is conducted monthly. Orientation includes general programs for all new hires, as well as job-specific training. A review of NPHS's current employee orientation materials demonstrated that all new employees receive trained in: (i) Customer Service; (ii) HIPAA: Privacy & Confidentiality/Internet Policy; (iii) Infection Control; (iv) Security/ Violence in the Workplace; (v) Fire/Electrical Safety/Bio Terrorism/ Weapons of Mass Destruction/Emergency Preparedness; (vi) Performance Improvement; (vii) Patient Safety/Falls Reduction; (viii) Overview of Behavioral Health Systems; and (ix) Workplace Relations/Cultural Sensitivity/EEO/Harassment/ Impairment. The most recent new hire orientation for clinical employees started on May 9, 2017 and covered, *inter alia*, the following topics: (i) Ethics/Boundaries and the Therapeutic Relationship; (ii) Cultural Awareness; (iii) Trauma-Informed Care; (iv) Suicide Assessment & Prevention; (v) Milieu Therapy; (vi) Working with the Homeless; (vii) Age-Specific Care/Abuse and Neglect; (viii) Work Policies; (ix) Pain Management/Vital Signs; (x) Restraints/Restraints Reduction; (xi) TB/STD/Hepatitis/HIV Training; (xii) Training on NPHS's electronic medical records; and (xiii) specific job-related orientation. CPR/AED training will be conducted the week of May 15, 2017. New employees are required to read and sign acknowledgement that they will not violate the civil rights of patients.

NPHS's training materials adequately cover: (i) NPHS's ethical standards and more general professional boundaries and ethics; (ii) NPHS's influenza vaccination policy; (iii) NPHS's religious and cultural accommodations policies; (iv) NPHS's impaired employee policy, which balances employee rehabilitation with patient safety; (v) Patient's Rights and Responsibilities; (vi) disaster preparedness and response; (vii) NPHS's work rules; (viii) customer (*i.e.*, patient) service; (ix) workplace violence prevention and response; (x) infection prevention and control; (xi) preventing workplace harassment; (xii) cultural competency; (xiii) principles and practice of trauma-informed care; (xiv) the importance and practice of milieu therapy; (xv) development of age-specific sensitivities (including the ability to identify persons subject to abuse); (xvi) identification and response to patient abuse; (xvii) confidentiality and HIPAA (including a guide to the practice of confidentiality); (xviii) pain management; (xix) patient restraints; (xx) metabolic risk factors like overweight and obesity; (xxi) administration of Narcan); and (xxii)

addressing the needs of patients with infectious diseases and managing infectious diseases (particularly TB, HIV, STD and Hepatitis)

5. **Employee Vetting, Hiring, Training and Supervision**

The PCO's investigation during the Second Reporting Period reflected no decline in employee vetting, hiring, training and supervision at NPSH.

6. **Immunization, Physical Exams and TB Testing of Clinical Staff**

The PCO's investigation during the Second Reporting Period does not reflect a decline in compliance with the NPSH's policies requiring physical exams for new hires current TB tests for all clinical staff and current flu vaccines of all clinical staff not eligible for a religious or medical exemption.

7. **Employee Conduct and Discipline**

It appears that there has been an increase in disciplinary actions against employees from since the second half of 2016, although a decrease in actions for patient-safety issues. During the second half of 2016 instances of employee discipline averaged fifteen (15) actions per month. During the six-week period between March 13, 2017 and April 30, 2017 there were of instances of employee discipline averaged twenty-two (22) actions per month on an annualized basis. The vast majority (85%) of those disciplinary actions, however, were for attendance issues (absenteeism and lateness), inefficiency and loafing/loitering. Only nine of the disciplinary actions involved a clinical employee.[12] Of those actions, eight were for absenteeism, lateness or inefficiency. One addiction recovery assistant was suspended for three days for conduct unbecoming of an employee of NPHS, indicating that NPHS continues to take that offence very seriously. In contrast to the second half of 2016, there was only one disciplinary action against an employee for a safety-related offence, which does not appear to have been serious given the relatively mild sanction. Thus, the increase in disciplinary actions against NPHS employees during the Second Reporting period does not reflect a decline in patient care and safety at NPHS.

8. **Infection Control/Patient Hospitalizations/Patient Deaths**

There have been no outbreaks of infectious diseases at NPHS during the Second Reporting Period. A rodent infestation in one room and a bedbug

12 For purposes of this Report, clinical employees a psychiatrist, psychologist, counselor, behavioral specialist, nurse, social worker, case manager, mental health worker, addition recovery assistant or a community recovery specialist. During the Second Reporting Period, five of the disciplinary actions involved a nurse, three involved an addition recover assistants and one involved a mental health worker

infestation in another room were remedied. The PCO saw no evidence of insect or rodent infestation on his visits to NPHS clinical facilities on April 13, 2017 and April 27, 2017.

Four patients were hospitalized at other facilities during the Second Reporting Period.

There have been no patient deaths at NPHS during the Second Reporting Period.

9. **Dietary and Nutrition Support**

There has been no decline in the quality of dietary and nutrition support at NPHS during the Second Reporting Period. As noted above, inpatient-interviewees agreed that they received sufficient food and, with one exception, that the food is prepared properly. One interviewee noted that the Food Service Department was careful to determine the dietary needs of inpatients.

10. **Pharmacy Support**

There has been no decline in the quality of Pharmacy support at NPHS during the Second Reporting Period.

11. **Laboratory Support**

There has been no decline in the quality of laboratory support at NPHS during the Second Reporting Period.

12. **Altercations/Confrontations, Accidents and Other Serious Incidents**

According to a Confrontational Behavior Summary prepared by NPHS, during March and April, 2017, there were eight (8) incidents involving physical confrontations at NPHS. All eight incidents occurred in the psychiatric units. In two of the incidents a patient assaulted a staff member. In the remaining incidents a patient assaulted another patient. Only one victim, a patient who had been punched in the eye, required evaluation at another facility. None of the victims suffered serious or life-threatening injuries. One incident was defused without security being called or medication being used.

NPHS's experience of physical confrontations during March and April reflects a slight improvement over the second half of 2016 when physical confrontations averaged eleven (11) per month. The information contained in the Confrontational Behavior Summary is consistent with the statements of the patients interviewed by the PCO, who agreed that physical confrontations were not that common at NPHS and most likely to occur in the residential psychiatric treatment units.

An Inpatient/Residential Significant Incident Report prepared by NPHS indicates that there were as many as seventeen (17) incidents of significant verbal confrontations during March and April in the inpatient and residential treatment units. That result is consistent with a statement by a staff member interviewed by the PCO during the initial reporting period in this case who stated that patients had become more verbally aggressive and harder to direct. Indeed, most staff members interviewed by the PCO stated that most aggressive behavior is verbal in nature, particularly when directed at staff.

In sum, the PCO's investigation did not reveal an incidence of physical confrontations at NPHS that indicated a decline in patient safety.

13. **Restraints and Seclusion**

As noted above, NPHS has remained a restraints/seclusion-free facility during the Second Reporting Period.

14. **Elopement**

There have been no elopements from NPHS during the Second Reporting Period.

15. **Patient and Facility Safety Issues**

A review of NPHS's fire drill logs from January 31, 2017 through April 30, 2017, indicates that fire drills are conducted regularly and meet the requirements of Pennsylvania law. There is one drill per shift per month for each building. The logs indicate staff compliance during fire drills and minimal incidents.

None of the patients the PCO interviewed were aware of any patient safety issues at NPHS. The PCO did not see any situation that would raise patient safety concerns when he visited NPHS on April 13, 2017 and April 27, 2017. As noted above, the minutes of the Safety/Emergency Management/Hazardous Material Committee Meeting on March 15, 2017 state that there were no reportable safety incidents at NPHS during the period between December 1, 2016 and February 28, 2017.

The vendor NPSH used for its fire alarm and sprinkler systems ceased doing business with NPSH in early 2017. A new vendor has been hired and began conducting the necessary inspections of those systems on May 8, 2017. NPSH's fire marshal was aware of three potential deficiencies in the sprinkler system, but is in the process of remedying them.

During March and April, 2017, there were twelve (12) patient falls at NPHS. Only three of the patients were injured, none seriously. Only one patient required treatment at another facility for a sprain. None of the

incidents reflected negligence or inattentiveness on the part of NPSH's staff.

16. **Medication Errors**

There were no medication errors at NPHS during the Second Reporting Period, although there was one adverse medical event.

17. **Grievances/Complaints by Patients and Families**

There has been no increase in the number of grievances or complaints filed against NPHS by patients or their families during the Second Reporting Period.

18. **Equipment and Supply Issues**

There has been no change the availability of equipment and supplies at NPHS during the Second Reporting Period.

19. **Maintenance and Environmental Issues**

NPHS's policies and procedures include policies and procedures for maintaining the NPHS facility. The patients interviewed by the PCO agreed that the NPHS facility (both patient rooms and public areas) was generally kept clean, although one patient noted that some patients were cleaner than others. Housekeeping received positive ratings in interviews. The PCO's experience during his visits to the NPHS facility on April 13, 2017 and April 27, 2017 confirmed the interviewees' statement.

20. **Facility Security**

The bankruptcy filing has not negatively impacted security at the NPHS facility. All of the patients interviewed by the CPO (including one who had been assaulted) stated they felt safe at the premises. Psychiatric care units are kept locked. Security is particularly tight at the Goldman Clinic, where methadone is dispensed to outpatients. Patients and visitors must pass through a metal detector to enter the facility.

21. **General Quality of Care**

The patients interviewed by the PCO agreed that the general quality of the care they received at NPSH was very good.

E. **Human Resources Have Remained Stable and will Likely Continue to Remain Stable for the Immediate Future.**

During the Second Reporting Period there has been an uptick in employee turnover. Three counsellors, three nurses, two mental health workers, and a

psychiatrist resigned. A housekeeper and an addiction recovery assistant retired. By May 8, 2017, the counselor and the housekeeping positions had been filled. As of May 1, 2017, the addiction recovery assistant and one of the nursing positions had internal bids pending. The mental health worker and psychiatrist positions and two nursing positions remain vacant. NPHS has had difficulty recruiting new employees, but has been able to replace most of its departing employees, including one of two vacant psychologist positions. In total, as of April 11, 2017, there were 11 employee vacancies at NPHS.

As of the date of this report, although the situation is fragile, human resources remain stable at NPHS and, at least for the immediate future, are not likely to be the cause of a decline in the quality of patient care or safety.

F. **Equipment, Supply and Service Vendor Relationships.**

During the Second Reporting Period the vendor testing and evaluating NPSH's fire alarm and sprinkler systems ceased doing business with NPHS. That vendor has been replaced, and began inspecting and evaluating those systems on May 8, 2017.

Finding #2: The Oversight and Supervision Provided by NPHS's Senior and Supervisory Personnel, the Competence of NPHS's Clinical Staff and Demonstrated Attentiveness and Loyalty of NPHS's Clinical Staff to the Patients Will Uncover Quality of Care Deficits if They Arise.

As demonstrated above, NPHS's committee structure provides significant oversight over all activities at NPHS that directly impact patient care and safety. The minutes of the committee meetings demonstrates that all operations of NPHS are under committee scrutiny. Additionally, the committee members are not afraid to acknowledge the existence of problems requiring remediation and to remediate those problems. Under the circumstances, the committee system in place at NPHS will likely uncover safety and quality of patient care issues should such issues arise.

Additionally, as noted above, the demonstrated attentiveness of the clinical staff to the needs of NPHS was obvious to the PCO in his visits to NPHS on April 13, 2017 and April 27, 2017. The attentiveness was noted by all of the administrators and staff members the PCO interviewed in February and March and was echoed by almost all of the patients the PCO interviewed in April. The attentiveness and dedication of the clinical staff will, like the committee system at NPHS, likely lead to early reporting of any deficiency in patient care or safety.

Finding #3: Having the PCO Receive Information Regarding Quality of Care and NPHS's Operations That Could Affect Resident Quality of Care, together with Bi-Weekly Inspections of the NPHS premises by the PCO Will Provide a Reasonable Basis to Monitor Whether the Quality of Care Provided by NPHS, as well as Patient Safety, Is Declining or Otherwise Materially Compromised

To assist the PCO in monitoring patient care and safety at NPHS, on June 1, 2017, NPHS should provide the PCO with the following:

- Minutes of any meetings that occurred during May, 2017 of the: (i) Management Committee; (ii) Department of Behavioral Medicine/Medical Executive Committee; and (iii) Department of Behavioral Medicine/Operations Committee;

- The results of any HIPAA Security Rule Risk Assessment conducted during May, 2017;

- The results of the inspection of NPHS's fire alarm and sprinkler systems that began on May 8, 2017, and actions NPHS is taking to remediate any deficiencies;

- Fire Drill Evaluations for drills conducted during May, 2017;

- Correspondence to or from any federal, state or municipal governmental entity concerning patient safety issues that is dated on a date in May, 2017;

- The patient census as of May 31, 2017;

- A schedule or summary of patient hospitalizations (including the reason for hospitalization and the diagnosis) during May, 2017;

- A schedule or summary of accidents at the NPHS facility involving patients or staff, including the cause of the accident and the nature and seriousness of any resulting injury, that occurred during May, 2017;

- A schedule or summary of any infections developed by inpatients at NPHS (other than seasonal colds) during May, 2017;

- A schedule or summary of patient deaths during May, 2017 (or a statement that there were no patient deaths);

- A schedule or summary of resignation of clinical staff (Psychiatrists, Psychologists, Counsellors, Behavioral Specialists, Social Workers, Case Managers, Nurses (NP, RN and LPN, Mental Health Workers, Addiction Recovery Assistances and Community Recovery Specialists) during May, 2017, which also indicates whether the clinical staff member has been replaced (including evidence of proper

licensure, criminal background check, exclusion list check, current physical and immunizations);

- A clinical staff vacancy report as of May 31, 2017;

- A summary or report of disciplinary actions against NPHS employees during May, 2017, (including a description of the action taken, the action triggering the disciplinary action and the position held by the staff member);

- Inpatient/Residential Significant Incident Reports for May, 2017;

- A Confrontational Behavior Summary for May, 2017;

- A summary or report of reportable medication errors and adverse medication events for May, 2017;

- Elopements and attempted elopements during May, 2017;

- A summary or report of any fires or other serious emergencies at NPHS and NPHS's response to the emergency;

- Communications dated on a date occurring during May, 2017, from vendors providing goods or service related to patient care or safety advising of their intent to cease doing business with NPHS's and NPHS's proposed response;

The NPHS should provide the PCO with the same information to the extent that it relates to the month of June, 2017 on July 7, 2017 and to the extent that it relates to the Month of July, 2017 on August 4, 2017.

The foregoing information should not include the name, room number or age of any referenced patient and should be sent via secure method. In that regard, the PCO's law firm and NPHS's Chief Technology Officer can arrange for secure transmission.

During the Month of June, the PCO will visit NPHS on two separate days. One half of each visit will consist of an inspection of half of the residential/inpatient treatment units. The other half of each visit will consist of clinical staff interviews. During the month of July, the PCO will visit NPHS once to review between twelve (12) and fifteen (15) medical files for completeness and currency.

Until guided otherwise by the Court, the PCO will continue to monitor all information provided and make immediate inquiry into any item or potential issue that may come to his attention regarding the quality of patient care rendered by NPHS and its patients.

III. CONCLUSION

An exhaustive analysis of multiple sources of information regarding the current performance of NPHS and its existing structures and policies and procedures reveals a mental and behavioral health facility that continues to provide the same level of patient care and safety it historically provided since before NPHS's December 30, 2016 bankruptcy filing. Moreover, that level of patient care and safety are adequate and stable.

Several factors likely to result in the maintenance of the current level of patient care and safety became evident to the PCO as a result of his tour of NPHS's clinical facilities, his interviews of management and staff, and his review of performance information provided by NPHS: (i) the cooperation between members of the staff, including staff members in different NPHS programs; (ii) the attentiveness and competence of the clinical staff; (iii) the absence of any evidence of either physical or medical restraints; (iv) the visible rapport between the staff and patients; (v) the cleanliness of the facility (notwithstanding its age and the wear and tear on the facility) and (vii) the focus on the return of the patient to life in the community.

Additionally, adequate systems are in place to monitor the quality of patient care and safety at NPHS and to respond to any shortcomings. The minutes of the various committee meetings reflect that NPHS is generally on top of the patient care and safety issues and responds to them promptly. NPHS also enjoys the benefit of a loyal and competent workforce who see their primary focus as the care and safety of their patients. The loyalty and competence of the workforce should serve as an additional break against a sudden decline in the quality of patient care and safety, as well as an expeditious source of notice of any problems.

In addition to being loyal and competent, NPHS's workforce has remained reasonably stable for some time and has remained so in the four months since the bankruptcy filing. However, like many debtors in bankruptcy, NPHS is facing increased employee attrition, as well as increased difficulty in recruiting new employees. The situation at NPHS is, therefore, very fragile. NPHS's finances are tight. As noted in the Initial Report the closure of St. Joseph's hospital last year significantly reduced NPHS's revenues. Medicare is not currently a revenue source. The longer the case lasts, the more fragile the situation will become. Consequently, although the challenges currently faced by NPHS have not negatively impacted patient care and safety, negative impacts on both are possible absent an expeditious resolution of this case.

Because patient care and safety is not likely to be compromised in the near future, however, other than having the PCO receive the information outlined above and visit NPHS on the basis set forth above, the PCO does not recommend any remedial action or external intervention at this time regarding additional monitoring of clinical or administrative matters at NPHS.

Respectfully submitted to the Court on May 12, 2017 by:

/s/ David N. Crapo
David N. Crapo, Esq.
Patient Care Ombudsman