

**IN THE UNITED STATES BANKRUPTCY COURT**  
**FOR THE MIDDLE DISTRICT OF TENNESSEE**  
**NASHVILLE DIVISION**

In re:

Vanguard Healthcare, LLC	)	Case No. 16-03296
Six Cadillac Dr., Suite 310	)	Chapter 11
Brentwood, TN 37027	)	Administratively Consolidated
Debtors.	)	Judge Mashburn

**REPORT OF THE PATIENT CARE OMBUDSMAN**

**COMES NOW** the duly appointed Patient Care Ombudsman in this case, Laura E. Brown, Esq. (the “Ombudsman”), and respectfully files this Patient Care Ombudsman report (“Report”) pursuant to 11 U.S.C. § 333(b)(2).

***I. Introduction***

The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (“BAPCPA”) requires the Court to consider authorizing the appointment of a Patient Care Ombudsman whenever a health care business files for bankruptcy protection. Further, this Act notes the Patient Care Ombudsman should be appointed in the state where the bankruptcy is pending. However, in long-term care facilities, federal law has provided for ombudsman services to residents since 1978 through the Older Americans Act of 1965 and subsequent reauthorizations of that Act. 42 U.S.C. §§ 3058f, 3058g. Long-Term Care Ombudsman services include the identification, investigation, and resolution of complaints made by or on behalf of, residents that relate to the health, safety, welfare, or rights of residents of long-term care facilities. *Id.*

The Tennessee Long-Term Care Ombudsman Program consists of the Office of the State Long-Term Care Ombudsman (the “Office”), which is located within the Tennessee Commission on Aging and

Disability, the Tennessee governmental agency designated as the State Unit on Aging. There are a total of ten (10) representatives of the Office located in nine (9) Area Agencies on Aging and Disability districts across Tennessee. The Tennessee Commission on Aging and Disability contracts with the nine Area Agencies on Aging and Disability (AAADs) who either provide this service directly or subcontract with a service provider to provide the direct service to long-term care facility residents. The Tennessee Ombudsman Program visits residents in licensed nursing homes, assisted care living facilities, and residential homes for the aged on at least a quarterly basis, with increased visits in response to complaints or as needed based on the conditions of the facility. The Tennessee Department of Health, Office of Health Care Facilities, is responsible for the licensure and regulation of health care facilities, nursing homes, assisted care living facilities and residential homes for the aged.

The Debtor in question in this bankruptcy, Vanguard Healthcare, LLC. (“Vanguard”), a company headquartered in Brentwood, Tennessee, is primarily involved in the provision of rehabilitative and skilled nursing services in fourteen facilities located in four states. Vanguard facilities are located in the states of Florida, Mississippi, Tennessee, and West Virginia.

The U.S. Trustee has appointed me to serve as the Patient Care Ombudsman for the residents who live in the facilities of the Debtor. (See the May 30, 2016 Appointment of Patient Care Ombudsman for Debtors). As this bankruptcy involves facilities in Florida, West Virginia, Mississippi, and Tennessee, I am coordinating with the State Long-Term Care Ombudsmen in each state to monitor the quality of patient care and to represent the interests of the patients.

## ***II. Facilities Involved***

When Vanguard filed for Chapter 11 protection on May 6, 2016, its bankruptcy petition included the following fourteen (14) facilities located in Florida, West Virginia, Mississippi, and Tennessee:

1. Aurora Health and Rehabilitation  
Columbus, MS
2. Ashland Healthcare and Rehabilitation  
Ashland, MS
3. Rest Haven Health and Rehabilitation  
Ripley, MS
4. Vicksburg Convalescent Center  
Vicksburg, MS
5. Shady Lawn Health and Rehabilitation  
Vicksburg, MS
6. Whitehall Boca Raton  
Boca Raton, FL
7. Eldercare Health and Rehabilitation  
Ripley, WV
8. Boulevard Terrace Rehabilitation and Nursing Center  
Murfreesboro, TN
9. Glen Oaks Health and Rehabilitation  
Shelbyville, TN
10. The Palace Healthcare and Rehabilitation  
Red Boiling Springs, TN
11. Church Hill Health Care and Rehabilitation  
Church Hill, TN
12. Crestview Health and Rehabilitation  
Nashville, TN
13. Vanguard of Manchester, LLC (Manchester Health Care Center)  
Manchester, TN
14. Vanguard of Memphis, LLC (Poplar Point Health and Rehabilitation)  
Memphis, TN

## ***III. Summary of Interviews and Visits to Facility***

### **1. Aurora Health and Rehabilitation**

Aurora Health and Rehabilitation, LLC is located in Columbus, Mississippi. It has one hundred and twenty (120) certified beds. Aurora's last regular survey was completed on March 10, 2016 and deficiencies were noted. The deficiencies recorded in the survey were considered to be of minimal

harm or potential for actual harm. One complaint survey/inspection was completed on November 24, 2015 and deficiencies were noted. Inspection reports are available on the Medicare.gov website.

Representatives of the Mississippi Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsmen representatives visited to this facility on February 23, 2017 and March 28, 2017. During the February visit, the Ombudsman representative spoke with six (6) residents. On this visit, the Ombudsman did not receive any complaints from residents. The Ombudsman spoke with the director of nursing about some issues one resident has been experiencing in an attempt to resolve the issues. The Ombudsman reported that the facility appeared clean and no odors were noted on this visit.

On the March 28, 2017 visit, the Ombudsman noted that the facility appeared clean and no odors were noticed. The Ombudsman spoke with the facility administrator and no complaints or problems were brought to the attention of the Ombudsman by residents or facility staff.

Mississippi Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise. The representatives of the Mississippi Office of the Long-Term Care Ombudsman have not noted any decline in the quality of resident care.

## **2. Ashland Healthcare and Rehabilitation**

Aurora Health and Rehabilitation is located in Ashland, Mississippi. It has sixty (60) certified beds. Aurora Health and Rehabilitation's last regular survey was completed on September 22, 2016 and one deficiency was noted. No complaint surveys/inspections were completed between June 1, 2015 and December 31, 2016. Inspection reports are available on the Medicare.gov website.

A Representative of the Mississippi Office of the State Long-Term Care Ombudsman visited this facility on February 9, 2017. At the time of the visit, the facility census was fifty-four (54). The representative was not made aware of any complaints or problems on the visit.

Representatives of the Mississippi Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

### **3. Rest Haven Health and Rehabilitation**

Rest Haven Health and Rehabilitation is located in Ripley, Mississippi. It has sixty (60) certified beds. Rest Haven Health's last regular survey was completed on April 8, 2016 and deficiencies were noted. A complaint survey/inspection was completed on both January 20, 2016 and April 8, 2016 and deficiencies were noted in both inspections. Inspection reports are available on the Medicare.gov website.

A representative of the Mississippi Office of the State Long-Term Care Ombudsman visited this facility on February 2, 2017 and March 7, 2017. No complaints or issues were brought to the attention of the Ombudsman on either visit. The facility is hiring a new staff member in the social services department. No decrease in the quality of care was noted or observed on either visit.

Representatives of the Mississippi Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

### **4. Vicksburg Convalescent Center**

Vicksburg Convalescent Center is located in Vicksburg, Mississippi. It has one hundred (100) certified beds. Vicksburg's last regular survey was completed on February 5, 2016 and one deficiency was noted. The deficiency recorded in the survey was considered to be of minimal harm or potential for

actual harm. No complaint surveys/inspections were completed between June 1, 2015 and May 31, 2016. Inspection reports are available on the Medicare.gov website.

A Representative of the Mississippi Office of the State Long-Term Care Ombudsman (hereinafter "Representative") visited this facility on March 28, 2017. On the visit, the Ombudsman noted that the facility appeared clean and no odors were detected. No complaints were brought to the attention of the Ombudsman.

Representatives of the Mississippi Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

## **5. Shady Lawn Health and Rehabilitation**

Shady Lawn Health and Rehabilitation is located in Vicksburg, Mississippi. It has one hundred (100) certified beds. Shady Lawn's last regular survey was completed on February 5, 2016 and deficiencies were noted. The deficiencies recorded in the survey were considered to be of minimal harm or potential for actual harm. No complaint surveys/inspections were completed between June 1, 2015 and May 31, 2016. Inspection reports are available on the Medicare.gov website.

A Representative of the Mississippi Office of the State Long-Term Care Ombudsman visited this facility on February 29, 2017 and March 28, 2017. The Ombudsman representative noted no problems or complaints on the February visit. No decline in the quality of resident care was noticed on the visit.

During the March visit, one resident voiced a concern about a dental visit. The Ombudsman spoke with the charge nurse and resolved the concern.

Representatives of the Mississippi Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any

complaints that may arise. The representatives of the Mississippi Office of the Long-Term Care Ombudsman have not noted any decline in the quality of resident care.

## **6. Whitehall Boca Raton**

Whitehall Boca Raton is located in Boca Raton, Florida. It has one hundred and fifty-four (154) certified beds. Whitehall's last regular survey was completed on December 18, 2015 and deficiencies were noted. The deficiencies recorded in the survey were considered to be of minimal harm or potential for actual harm. No complaint surveys/inspections were completed between January 1, 2016 and December 31, 2016. Inspection reports are available on the Medicare.gov website.

A Representative of the Florida Office of the State Long-Term Care Ombudsman (hereinafter "Representative") visited this facility on February 24, 2017 and March 17, 2017. On the February visit, the representative observed a good size group of residents and visitors engaged in a live music activity. One resident complained of slow call light response time and two other residents reported that the services provided by the facility were good. The Ombudsman representative spoke with the administrator about the slow light response time.

On the March 17, 2017 visit, the Ombudsman noted that breakfast was just concluding and several residents were already engaged in therapy. Staff ratio sheets were up-to-date in all wings. On exit, the Ombudsman spoke with the administrator regarding safe discharge procedures and proof of staff training related to a piece of equipment.

No new cases or complaints were brought to the attention of the Ombudsman program in March. The Representative noted no decline in the quality of resident care on the visit.

Representatives of the Florida Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

## **7. Eldercare Health and Rehabilitation**

Eldercare Health and Rehabilitation is located in Ripley, West Virginia. It has one hundred and twenty (120) certified beds. Eldercare's last publically available annual facility survey was completed on May 12, 2016 and deficiencies were noted. Complaint inspections were completed at this facility on May 12, 2016 and on June 10, 2016 and deficiencies were noted after both inspections. Inspection reports are available on the Medicare.gov website.

Information regarding visits to this facility in February and March was not available at the time that this report was submitted. Representatives of the West Virginia Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

## **8. Boulevard Terrace Rehabilitation and Nursing Home**

Boulevard Terrace Rehabilitation and Nursing Home is located in Murfreesboro, Tennessee. It has one hundred (100) certified beds. Boulevard Terrace's last annual facility survey was completed on January 6, 2016 and deficiencies were noted.

Complaint surveys/inspections were completed on September 20, 2016 and November 8, 2016 and deficiencies were noted during both surveys/inspections. All Inspection reports are available on the Medicare.gov website.

A Representative of the Tennessee Office of the State Long-Term Care Ombudsman (hereinafter "Representative") visited this facility in March 2017. The Ombudsman representative continues to work closely with residents and facility administration to correct issues noted on earlier visits.

Representatives of the Tennessee Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently

visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

## **9. Glen Oaks Health and Rehabilitation**

Glen Oaks Health and Rehabilitation is located in Shelbyville, Tennessee. It has one hundred and thirty (130) certified beds. Glen Oaks' last annual facility survey was completed on July 13, 2016 and deficiencies were noted. The deficiencies recorded in the survey were considered to be of minimal harm or potential for actual harm.

No complaint surveys/inspections were completed between June 1, 2015 and May 31, 2016. Inspection reports are available on the Medicare.gov website.

A Representative of the Tennessee Office of the State Long-Term Care Ombudsman visited this facility on February 17, 2017 and March 9, 2017. On the February visit, the representative visited with a resident about rehabilitation services. The representative noted that the facility appeared clean with no odors, the resident rooms looked clean, and the residents were appropriately dressed. The representative recorded no decline in the quality of resident care on the visit.

On the March visit, the Ombudsman noted that the facility census was eight-five (85) and several residents expressed a desire to go outside in the nice weather. This information was relayed to the Activity Director. Residents were appropriately dressed, call lights were in place and fresh water was present in the rooms. During this visit, no complaints or concerns were brought to the attention of the Ombudsman.

Representatives of the Tennessee Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

## **10. The Palace Healthcare and Rehabilitation**

The Palace Healthcare and Rehabilitation is located in Red Boiling Springs, Tennessee. The facility has one hundred and nineteen (119) certified beds. The Palace's last annual facility survey was completed on August 18, 2016 and deficiencies were noted.

A complaint survey/inspection was completed on March 1, 2016 and a deficiency was noted. Another complaint survey/inspection was completed on August 18, 2016 and deficiencies were noted. Inspection reports are available on the Medicare.gov website.

A Representative of the Tennessee Office of the State Long-Term Care Ombudsman (hereinafter "Representative") visited this facility on February 18, 20, and 23, 2017. On all visits, the representatives visited with as many residents as possible. The representatives also visited with staff and worked with the administration to ensure that the health, rights, and safety of the residents was protected. The representatives noted no decline in the quality of resident care on any of the visits.

Representatives of the Tennessee Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

## **11. Church Hill Care and Rehab**

Church Hill Care and Rehabilitation is located in Church Hill, Tennessee. The facility has one hundred and twenty-four (124) certified beds. Church Hill's last annual facility survey was completed on February 23, 2016 and deficiencies were noted. The deficiencies recorded in the survey were considered to be of minimal harm or potential for actual harm.

Complaint surveys/inspections were completed on February 23, 2016 and May 24, 2016 and deficiencies were noted at each complaint survey/inspection. Inspection reports are available on the Medicare.gov website.

A Representative of the Tennessee Office of the State Long-Term Care Ombudsman visited this facility in March 2017. On each visit, the representative visited with as many residents and staff members as possible. The representative did not record any decline in the quality of resident care on any of the visits.

Representatives of the Tennessee Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

## **12. Crestview Health and Rehabilitation**

Crestview Health and Rehabilitation is located in Nashville, Tennessee. The facility has one hundred and eleven (111) certified beds. Crestview's last annual facility survey was completed on March 17, 2016 and deficiencies were noted. The deficiencies recorded in the survey were considered to be of minimal harm or potential for actual harm.

Complaint surveys/inspections were completed on October 8, 2015 and March 17, 2016 and deficiencies were noted at each complaint survey/inspection. Inspection reports are available on the Medicare.gov website.

It is the understanding of the Tennessee Long-Term Care Ombudsman Program that the facility ownership transferred on or about September 1, 2016.

Representatives of the Tennessee Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise as the facility transitions to new ownership.

### **13. Vanguard of Manchester (Manchester Health Care Center)**

Vanguard of Manchester is located in Manchester, Tennessee. The facility has one hundred and twenty (120) certified beds. Manchester's last annual facility survey was completed on May 11, 2016 and deficiencies were noted. A complaint survey was completed on May 11, 2016 and deficiencies were noted. Inspection reports are available on the Medicare.gov website.

A Representative of the Tennessee Office of the State Long-Term Care Ombudsman visited this facility on February 16, 2017 and March 6, 2017.

On the February visit, the Ombudsman spoke with a number of residents and no complaints were brought to the attention of the Ombudsman. A temporary administrator was in place and the Ombudsman noted that most of the administrative staff were in a meeting at the time of the visit.

On the March visit, the Ombudsman noted it appears that the temporary administrator will become the permanent administrator. The Ombudsman met with a resident who had been experiencing some issues. The menus were up-to-date and the Ombudsman noted that the meal served during the visit looked good. Staffing ratios looked appropriate and resident rooms appeared clean.

Representatives of the Tennessee Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

### **14. Vanguard of Memphis (Poplar Point Health and Rehabilitation)**

Vanguard of Memphis (Poplar Point Health and Rehabilitation) is located in Memphis, Tennessee. The facility has one hundred and sixty-nine (169) certified beds. Poplar Point's last annual facility survey was completed on June 9, 2016 and deficiencies were noted. The deficiencies recorded in

the survey were considered to be of minimal harm or potential for actual harm. A complaint survey/inspection was completed on October 29, 2015 and deficiencies were noted. Inspection reports are available on the Medicare.gov website.

A Representative of the Tennessee Office of the State Long-Term Care Ombudsman visited this facility on numerous occasions during the past 60 days. Visits occurred on February 2, 3, 15, 16, 19, and 23, 2017. On all of the visits, the Representative visited with residents and spoke with staff members.

The Ombudsman representatives noted several on-going problems, including call light response times, call lights out of reach of residents, rooms without fresh drinking water, strong odors and out of date staffing numbers. While some issues have resolved somewhat, a number of issues still remain. On all visits, the representatives continue to work with the facility to improve the resident experience and correct the issues and concerns pointed out by residents and resident family members. The representatives continue to visit the facility very frequently in order to follow-up on the issues and concerns brought to the attention of the Ombudsman Program.

Representatives of the Tennessee Office of the State Long-Term Care Ombudsman have been, and will continue to be, a regular presence in this facility. The Ombudsman representatives frequently visit with residents to ensure that the residents are receiving quality care and to quickly address any complaints that may arise.

#### ***IV. Conclusion***

**WHEREFORE**, having complied with the requirements of 11 U.S.C. § 333(b)(2), the Ombudsman, Laura E. Brown, Esq., concludes her Report.

