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Patient Care Ombudsman

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:

NORTHWEST SENIOR HOUSING
CORPORATION, *et al.*,¹

Debtors.

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CHAPTER 11

CASE NO: 22-30659 (MVL)

(Jointly Administered)

PATIENT CARE OMBUDSMAN'S THIRD INTERIM REPORT
The Plaza Locations at Edgemere

Pursuant to 11 U.S.C. § 333 of the United States Bankruptcy Code (the “**Code**”) and this court’s April 26, 2022, *Order Directing the Appointment of a Patient Care Ombudsman* [Docket No. 128] (the “**Appointment Order**”), Susan N. Goodman was selected to serve as the Patient Care Ombudsman (“**PCO**”) in the above-captioned case on April 28, 2022 [Docket No. 137].

The Code requires the PCO submit reports “not later than 60 days after the date of appointment, and not less frequently than at 60-day intervals, thereafter.” 11 U.S.C. §333(b)(2). Accordingly, PCO filed *Patient Care Ombudsman’s First Interim Report – The Plaza Locations at Edgemere* on June 2, 2022, at Docket No. 364 (“**First Report**”) and her *Patient Care Ombudsman’s Second Interim Report – The Plaza Locations at Edgemere* on August 2, 2022, at Docket No. 504 (“**Second Report**”).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors’ mailing address is: 8523 Thackery Street, Dallas, Texas 75225.



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PCO comes now and files this Third Report detailing PCO's continued engagement and monitoring, including a third site visit to Debtor Northwest Senior Housing Corp. d/b/a Edgemere ("Debtor" or "Edgemere"), with continued focus on the assisted, memory, and skilled units collectively referenced as "The Plaza."

SUMMARY

PCO's continued, regular engagement with site leadership and third site visit did not reveal any care quality concerns as contemplated under 11 U.S.C. § 333(b). While Debtor continued ongoing recruitment efforts for various facility roles, turnover was attributed to normal business operations and national healthcare dynamics rather than to the continued bankruptcy process. Except for the current Interim Director of Nursing ("I-DON"), Debtor continued to directly employ Plaza clinical care staff (commonly called "core staff") as opposed to having to hire the more costly, third-party, "agency staff." While Debtor staff turnover tracks the healthcare market average, recruitment for attrition has continued in the post-bankruptcy period. For those who follow the post-acute and long-term care ("PALTC") healthcare space, being able to staff a facility nearly exclusively with core staff seems to be, unfortunately, the exception rather than the rule since the COVID public health emergency. PCO noted the ratios of staff to residents/patients observed during her latest site visit remained unchanged from that noted in the First and Second Reports.

The resignation of the previous DON was reported in the Second Report. In the interim reporting period, a replacement DON was hired and is expected to begin in the role near the time of this report filing. The I-DON denied staffing concerns, although the Assistant Director of Nursing ("ADON") was working in a direct care role on the date of PCO's site visit to cover for a core nurse absence. The I-DON reported this ADON direct-care coverage as her first instance of such coverage in her two-plus month period of serving in the I-DON role.

The Plaza Administrator proactively shared the most recent Department of Health and Human Services Centers for Medicare & Medicaid Services ("CMS") survey findings associated with the Focused Infection Control Survey. August quality assurance and process improvement

(“QAPI”) monthly quality data was also shared. These various data points remained indicative of an institutional responsiveness to both outside agency feedback and internal auditing efforts.

In addition to the Plaza Administrator and I-DON, PCO interacted with facility, housekeeping, and dietary staff and leadership. PCO also interacted with the skilled unit lifestyle (activities) team member and a small group of residents engaged in a group activity. PCO engaged with residents on all three Plaza units, including members of the assisted living resident counsel board. The facilities team reported undergoing three private facility surveys by third-party representatives from the landlord, bond trustee, and debtor case professionals.

PCO’s site visit was in advance of the latest round of hearings. At the time of the visit, PCO would summarize the mood of the staff and residents as having rebounded from much of the negative press and uncertainty that was reported in PCO’s First Report. Skilled unit census at report filing was fifty-four (54) as compared to thirty-eight (38) on PCO’s first site visit. Assisted living occupancy was forty (40), up slightly from thirty-seven on PCO’s first site visit. Memory assisted living memory occupancy was down slightly at twenty-two (22).

To use an airplane analogy, if the bankruptcy filing was takeoff and the various news articles and initial uncertainty was the initial climb with turbulence, then this site visit felt like the flight had reached its cruising altitude and the seatbelt light had been turned off. While this phase of the bankruptcy process may not continue through to PCO’s next site visit, it seemed to provide a much-needed deep exhale for the staff and residents PCO interacted with.

PLAN FORWARD

At this juncture, PCO remains comfortable with the maximum, sixty-day reporting cycle interval. PCO will plan the timing of her next site visit to ensure time to interact with the new DON as well as departments/team members that were missed during the third site visit, such as the therapy team and assisted living leadership.

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DATED: October 4, 2022.

By: /s/ Susan N. Goodman, RN JD

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CERTIFICATE OF SERVICE

I, Susan N. Goodman, hereby certify that a copy of this document has been electronically filed with the Clerk of Court using the Court's electronic case filing system and a true and correct copy of this pleading has been sent to the following parties or counsel of record who have registered to receive electronic service.

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DATED: October 4, 2022.

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