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7

8 **UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

9 In re

10 VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

11 Debtors and Debtors In  
12 Possession.

- 13  Affects All Debtors
- 14  Affects Verity Health System of  
California, Inc.
- 15  Affects O'Connor Hospital
- 16  Affects Saint Louise Regional Hospital
- 17  Affects St. Francis Medical Center
- 18  Affects St. Vincent Medical Center
- 19  Affects Seton Medical Center
- 20  Affects O'Connor Hospital Foundation
- 21  Affects Saint Louise Regional Hospital  
Foundation
- 22  Affects St. Francis Medical Center of  
Lynwood Foundation
- 23  Affects St. Vincent Foundation
- 24  Affects St. Vincent Dialysis Center, Inc.
- 25  Affects Seton Medical Center Foundation
- 26  Affects Verity Business Services
- 27  Affects Verity Medical Foundation
- 28  Affects Verity Holdings, LLC
- Affects De Paul Ventures, LLC
- Affects De Paul Ventures - San Jose  
Dialysis, LLC

29 Debtors and Debtors In  
30 Possession.

Lead Case No. 2:18-bk-20151-ER

- Jointly Administered With:
- Case No. 2:18-bk-20162-ER
  - Case No. 2:18-bk-20163-ER
  - Case No. 2:18-bk-20164-ER
  - Case No. 2:18-bk-20165-ER
  - Case No. 2:18-bk-20167-ER
  - Case No. 2:18-bk-20168-ER
  - Case No. 2:18-bk-20169-ER
  - Case No. 2:18-bk-20171-ER
  - Case No. 2:18-bk-20172-ER
  - Case No. 2:18-bk-20173-ER
  - Case No. 2:18-bk-20175-ER
  - Case No. 2:18-bk-20176-ER
  - Case No. 2:18-bk-20178-ER
  - Case No. 2:18-bk-20179-ER
  - Case No. 2:18-bk-20180-ER
  - Case No. 2:18-bk-20181-ER

Hon. Judge Ernest M. Robles

**DEBTORS' STATUS REPORT RE CLOSURE  
OF ST. VINCENT MEDICAL CENTER  
DATED JANUARY 23, 2020**

**[RELATES TO DOCKET NO. 3933]**

[No Hearing Required]

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**STATUS REPORT**

Verity Health System of California, Inc. (“VHS”) and the affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 bankruptcy cases (the “Cases”), submit this status report (the “Status Report”), pursuant to the Court’s *Order Granting Debtors’ Emergency Motion for Authorization to Close St. Vincent Medical Center* [Docket No. 3934] (the “Order”) and the related *Memorandum of Decision Granting Debtors’ Emergency Motion for Authorization to Close St. Vincent Medical Center* [Docket No. 3933] (the “Memorandum Decision”). The Order requires that the Debtors file this Status Report to discuss the implementation of the Closure Plan (as defined in the Memorandum of Decision) related to St. Vincent Medical Center (“St. Vincent” or “Hospital”). See Order at 2. Pursuant to the Order, and as may be further supplemented in subsequent status reports,<sup>1</sup> the Debtors respectfully state as follows:

**I.**

**Introduction**

The Debtors’ admirable efforts have resulted in the smooth, safe, and orderly implementation of the Closure Plan. As discussed below, the Debtors have closed the St. Vincent emergency department, discharged and transferred all hospital inpatients, referred and coordinated follow-up appointments to other providers for outpatients, notified all kidney and kidney/pancreas transplant patients about the closure of the transplant program and alternative treatment options, and notified key governmental agencies. The Debtors have also provided job fairs and placements for employees of St. Vincent.

The Debtors’ determined efforts have resulted in satisfaction of the milestones set forth in the Closure Plan that have come due thus far. The Debtors remain on-track to complete timely the Closure Plan. As remains paramount in these Cases, the Debtors will continue to prioritize patient care and safety as they continue to effectuate the Closure Plan.

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<sup>1</sup> The Order requires that the Debtors a status report every 14 days hereafter until the Closure Plan is fully implemented. See Order at 2.

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1 II.

2 **The Status of the Closure Plan**

3 **A. Patients**

4 **1. Emergency Services**

5 The Los Angeles Emergency Medical Services Agency (the “EMS Agency”) placed St.  
6 Vincent’s emergency department on permanent diversion (i.e., no ambulance transports should  
7 deliver patients to St. Vincent’s emergency department) as of January 8, 2020. Prior to doing so,  
8 the EMS Agency sent written notice to St. Vincent area hospitals with emergency rooms and  
9 numerous constituents regarding the permanent diversion. The St. Vincent emergency department  
10 was permanently closed as January 9, 2020 at 7:00 a.m. In anticipation of the closure, all exterior  
11 emergency department signage was removed and closure signage was posted at the emergency  
12 room entrance and at the main hospital entrances, providing further notice of the closure, as well  
13 as information about neighboring hospitals offering emergency services, including their addresses  
14 and phone numbers.

15 **2. General Hospital Services**

16 Beginning January 8, 2020, the Debtors, administrators, nurses and doctors at St. Vincent  
17 worked expeditiously to safely transfer patients. Inpatients were discharged in the normal course  
18 of operations. In addition, inpatients were transferred to other local hospitals (such as Hollywood  
19 Presbyterian Hospital and Sherman Oaks Hospital), as well as to skilled nursing facilities (such as  
20 Burlington Convalescent Hospital and Virgil Rehabilitation Center). As of January 18, 2020, there  
21 were no inpatients in the Hospital.

22 Outpatients with recurring appointments, such as the cancer treatment center patients and  
23 dialysis patients, were referred to other facilities (such as St. Francis Medical Center, US Renal  
24 Dialysis Centers and Davita Dialysis Centers) or were referred to their treating physician for  
25 appropriate care. St. Vincent staff assisted patients with setting up appointments with their new  
26 providers.

1           **3.     Kidney / Pancreas Transplant Services**

2           In anticipation of the hospital closure, St. Vincent contacted the Organ Procurement and  
3 Transplantation Network (“OPTN”) to discuss the timely closure of the St. Vincent kidney pancreas  
4 transplant program (“Transplant Program”). St. Vincent provided formal written notice to OPTN  
5 of the closure of its Transplant Program by letter, dated January 9, 2020. St. Vincent ceased  
6 performing transplants as of January 10, 2020. By letters, dated January 14, 2020, St. Vincent  
7 provided notification to its potential transplant candidates, waitlisted candidates, organ recipients  
8 and living donors receiving care of the imminent closure of the Transplant Program, along with  
9 information about other facilities offering kidney and/or kidney/pancreas transplant services.

10           St. Vincent’s primary transplant physician, Robert Naraghi, M.D., intends to continue to  
11 treat all of the patients who are part of the St. Vincent Transplant Program, including all patients  
12 being evaluated for a transplant, all patients on the transplant list, all patients who need post-  
13 transplant care and all new referrals. Dr. Naraghi has established a clinic location approximately a  
14 mile away (at Good Samaritan Hospital) and is working to establish other outreach locations.

15           Effective January 23, 2020, St. Joseph Hospital, Orange is accepting the collective transfer  
16 of the St. Vincent waitlisted kidney transplant candidates and their respective waiting times  
17 pursuant to a Collective Transfer Letter Agreement.

18           **B.     Government Notifications**

19           On January 9, 2020, St. Vincent provided notice of the anticipated Hospital closure to the  
20 California Department of Public Health (“CDPH”), the Los Angeles County Board of Supervisors,  
21 Los Angeles County Emergency Medical Services Agency, the Joint Commission, and the  
22 American College of Radiology. Further notices of the closure were provided to the Centers for  
23 Medicare and Medicaid Services and the California Department of Health Care Services on January  
24 10, 2020. Notice of the closure of the Hospital and dialysis center was also published in the Los  
25 Angeles Times on Tuesday, January 14, 2020.

26           CDPH was provided notice of the closure of the St. Vincent Dialysis Center on January 13,  
27 2020. This notice was sent concurrently to the Centers for Medicare and Medicaid Services and  
28 the California Department of Health Care Services.

