U.S. Department of Justice Office of the United States Trustee 110 North College, Suite 300 Tyler, TX 75702 (903) 590-1450; fax (903) 590-1461

IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF TEXAS TYLER DIVISION

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§	Case No. 16-60031
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§	Chapter 11
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UNITED STATES TRUSTEE'S OBJECTION TO DEBTOR'S MOTION TO WAIVE APPOINTMENT OF PATIENT CARE OMBUDSMAN

TO THE HONORABLE BILL PARKER, U.S. BANKRUPTCY JUDGE:

William T. Neary, the United States trustee for Region 6, files his Objection to the

Debtor's Motion to Waive Appointment of Patient Care Ombudsman ("the Motion to Waive")

(docket #38) and would respectfully show:

1. This case was commenced by the filing of a voluntary petition under Chapter 11 of

Title 11 on January 19, 2016. The Debtor is managing its affairs as a debtor-in-possession

pursuant to 11 U.S.C. §1107. The Debtor owns and operates a skilled nursing care facility in

Longview, Texas known as Summer Meadows.

2. 11 U.S.C. §333(a) (1) provides:

If the debtor in a case under chapter 7, 9, or 11 is a health care business, the court shall order, not later than 30 days after the commencement of the case, the appointment of an

ombudsman to monitor the quality of patient care and to represent the interests of the patients of the health care business unless the court finds that the appointment of such ombudsman is not necessary for the protection of patients under the specific facts of the case.

- 3. On February 17, 2016 the Debtor filed the Motion to Waive. The United States Trustee objects to the Motion to Waive for the following reasons:
 - The Motion to Waive does not, standing alone, contain sufficient information for the court to determine that the appointment of a patient care ombudsman is not necessary under the specific facts of this case.
 - Congress established a default remedy that a patient care ombudsman is to be appointed in every health care business case. Something more than assertions in a pleading should be required for the court to eschew the appointment of an ombudsman.
 - The United States Trustee has reached out to the State of Texas, Department of Aging and Disability Services (DADS), and has been informed by that agency that the state's Long-Term Care ombudsman "...does support appointment of a patient care ombudsman to monitor resident care and services during the bankruptcy."
 - DADS itself has not expressed a position to the United States Trustee on the appointment of a patient care ombudsman.
 - The Motion to Waive asserts, and DADS has confirmed to the United States Trustee, that there was a post-petition inspection of the Summer Meadows facility, and no patient care issues were identified. In this regard it should be noted, however, that the duties of an appointed patient care ombudsman include

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filing a periodic report on the quality of patient case not later than every 60 days after the initial patient care report. While there are indications that the current level of patient care at the Debtor's facility is satisfactory or better, things can change during the course of a Chapter 11 case. It is unclear how long this case will be pending before this court. The long term obligations of a patient care ombudsman to report on patient care conditions as the case progresses will insure that the court, United States Trustee and interested parties are kept informed as to conditions at the facility.

WHEREFORE, the United States trustee requests the court to deny the Debtor's Motion

to Waive.

Dated: February 26, 2016

Respectfully submitted,

William T. Neary

United States Trustee By: Timothy W. O'Neal Assistant U.S. Trustee 110 N. College, Suite 300 Tyler, Texas 75702 (903) 590-1450; fax (903) 590-1461

<u>Certificate of Service</u>

The undersigned hereby certifies that a copy of the foregoing document was served on the following listed persons through the court's electronic notification system as permitted by Appendix 5005 to the Local Rules of the U.S. Bankruptcy Court for the Eastern District of Texas, or by first class United States Mail, postage prepaid, no later than August February 29, 2016.

/s/Timothy W O'Neal

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