

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**DEBTOR’S SUPPLEMENT TO APPLICATION FOR ENTRY OF AN
ORDER AUTHORIZING THE EXPANSION OF THE SCOPE OF THE SERVICES OF
ANKURA CONSULTING GROUP, LLC, TO PROVIDE A CHIEF RESTRUCTURING
OFFICER TO THE DEBTOR EFFECTIVE AS OF NOVEMBER 26, 2024**

Global Wound Care Medical Group, a Professional Corporation, the debtor and debtor in possession in the above-captioned case (the “Debtor”),² hereby files this supplement (the “Supplement”) to the Debtor’s *Application for Entry of an Order Authorizing the Employment and Retention of Ankura Consulting Group, LLC as Financial and Restructuring Advisor* [Docket No. 47] (the “Application”), which expands the employment of Ankura Consulting Group, LLC (“Ankura”) to include the approval of the appointment of a Chief Restructuring Officer (“CRO”).

In support of this Supplement, the Debtor submits the *Curriculum Vitae of Isaac Lee* (the “Lee CV”), attached hereto as **Exhibit “A,”** and describes the services to be performed by the CRO below.

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572.

² Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Application.



BACKGROUND

1. On November 5, 2024, the Debtor filed Ankura's Application and the *Declaration of Isaac Lee* in support thereof.

2. The Debtor and the attorneys from the United States Department of Justice (the "DOJ") have been negotiating to resolve the payment suspension instituted by the Medicare Program, as set forth in more detail in the *Declaration of Ralph Cetrulo in Support of Chapter 11 Petition and First Day Motions* [Docket No. 8, ¶¶ 28-30]. As part of these negotiations, the Debtor has agreed that it will appoint the CRO, and consequently has filed this Supplement. The DOJ has been consulted as to the identity and duties of the CRO. As an independent officer, the CRO will help facilitate further settlement discussions with the DOJ and Centers for Medicare and Medicaid Services ("CMS") with regard to certain pending investigations.

3. In furtherance of the foregoing, the Debtor appointed Isaac Lee as the CRO of the Debtor, effective as of November 26, 2024, pursuant to the terms of an amended engagement agreement ("Amended Engagement Agreement") with Ankura that sets forth the duties and responsibilities of the CRO. The Amended Engagement Agreement is attached hereto as **Exhibit "B."**

4. Additionally, the Application and the *Declaration of Isaac Lee in Support of Application* ("Retention Declaration"), attached as Exhibit B to the Application, set forth the prepetition payments Ankura received from the Debtor. *See* Application at ¶ 35; Retention Declaration at ¶ 16. Ankura hereby corrects this statement as Ankura received these payments initially from Wound Pros Management Group, Inc. ("Wound Pros") not the Debtor. Specifically: (i) Ankura received \$150,000 from Wound Pros on October 17, 2024, which was subsequently

reimbursed by the Debtor that same day; and (ii) Ankura received \$50,000.00 from Wound Pros on October 18, 2024.

SERVICES TO BE RENDERED

- a. Mr. Lee will serve as CRO of the Debtor, and in such position he will be a duly appointed officer of the Debtor and a temporary member of the Debtor’s senior executive team. As CRO, Mr. Lee will report directly to Dr. Owen Ellington, the Chief Executive Officer of the Company (the “CEO”), and be authorized to interact and coordinate with key stakeholders and parties of interest as deemed necessary by the CRO.
- b. As CRO, Mr. Lee will provide the following services (collectively, the “CRO Services”):
 - i. **Leading the Debtor’s Financial Restructuring and Bankruptcy Related Activities:** Serve as the Debtor’s designated officer in coordinating the Debtor’s financial restructuring, negotiations with the DOJ and CMS with regard to the pending investigations, bankruptcy exit plan and transaction activities, including the Services set forth in (a) – (k) of the Engagement Agreement. The CRO would be supported by the Ankura team, Debtor management, and the Debtor’s legal and other advisors, to explore, evaluate, and analyze the Debtor’s available restructuring and bankruptcy exit plan options.
 - ii. **Advisory Services:** Lead the Debtor’s management and advisors in informing and advising the CEO on restructuring plan and bankruptcy exit plan options and recommendations.
 - iii. **Stakeholder Communication:** Serve as the Debtor’s designee regarding engagement with internal and external stakeholders such as creditors, landlords and governmental agencies related to the Medicare suspension investigation and potential resolution.
 - iv. **Cash Management and Liquidity:** Monitor disbursements made by the Debtor and provide oversight and guidance regarding actions to enhance and preserve the Debtor’s available liquidity.
 - v. **Financial Authority and Responsibility:** Approve budgets, expenditures related to the budget and related financial matters, and other matters related to the stipulation with the DOJ, all of which are subject to collaborating with the CEO as necessary to ensure that a physician is involved in any decision-making that affects the practice of medicine, as required by California’s corporate practice of medicine doctrine.

QUALIFICATIONS OF ISAAC LEE

5. Mr. Lee is well suited to serve as CRO given his extensive experience and healthcare expertise. More specifically, Mr. Lee is a Managing Director at Ankura and has more than twenty-five (25) years of operational and financial restructuring experience. He has advised numerous companies on turnaround plan development and evaluation, liquidity improvement initiatives, asset dispositions, liability management and bankruptcy filing preparation, plus he has assisted in managing and administering companies during chapter 11 cases. Additionally, he has prior experience with health care providers, including acting as Chief Restructuring Officer for Borrego Community Health Foundation and holding senior level responsibilities for a nine surgical center system engagement and a long-term care hospital system engagement where Ankura was involved. He received his MBA from the Tuck School at Dartmouth College and a BS in Business Administration from the University of Southern California.

NOTICE

6. Notice of this Supplemental Application will be given to (i) the Debtor, (ii) the United States Trustee, (iii) the DOJ, (iv) CMS, and (v) all parties who have filed a notice of appearance with this Court. In light of the nature of the relief requested, and prior service of the Application [Docket No. 53], no other or further notice is required.

CONCLUSION

7. Based on the foregoing and pursuant to the Application, the Debtor requests entry of (i) the Proposed Order, attached as **Exhibit “C,”** which, among other things, approves the expansion of the scope of Ankura’s retention to include the CRO Services, and (ii) any further relief as the Court deems just and proper.

[Signature page to follow]

Dated: December 8, 2024

Respectfully submitted,

DENTONS US LLP

/s/ Casey Doherty

Casey Doherty

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Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF ACCURACY

I certify that the foregoing statements are true and accurate to the best of my knowledge. This statement is being made pursuant to BLR 9013-1(i).

/s/ Casey Doherty _____

CERTIFICATE OF SERVICE

This is to certify that I have on December 8, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey Doherty _____

EXHIBIT A

Lee CV

Isaac Lee

Managing Director

555 South Flower Street, Suite 4220 | Los Angeles, CA 90071



Contact

Direct +1.213.204.5819
 Mobile +1.917.796.0044
isaac.lee@ankura.com

Education

MBA, Tuck School at Dartmouth College
 BS, Business Administration-Finance, University of Southern California

Certifications

NASD Series 7 and 63 (inactive)

Affiliations

American Bankruptcy Institute
 Association of Insolvency & Restructuring Advisors
 Turnaround Management Association

Isaac Lee is a Managing Director at Ankura with more than 25 years of experience advising on operational restructuring, liquidity management, and Chief Restructuring Officer engagements, as well as executing a broad range of recapitalization and restructuring transactions. He has significant experience advising management teams, governing boards, financial sponsors, investment funds, lenders, and creditors in both out-of-court and in-court situations. He is based in Los Angeles.

Isaac has significant healthcare industry experience that includes:

- Financial Advisor to Global Wound Care Medical Group – \$875 million in revenue provider of wound care services currently under Medicare suspension.
- Chief Restructuring Officer of Borrego Community Health Foundation – System of 26 health clinics based in Southern California with Medi-Cal fraud allegations. Services include medical, dental, pharmacy, women’s health and behavioral health.
- Financial Advisor to lenders of a long-term care hospital system – \$200 million in revenue system that operates 29 facilities in 12 states.
- Financial Advisor to creditors of Victory Medical Centers - \$230 million in revenue surgical center system.

Isaac’s CRO and advisory experience includes developing and implementing operational turnaround plans and liquidity management initiatives, developing and negotiating restructuring/recapitalization plans, and executing M&A and financing transactions. His experience also includes preparing business plans, cash flow forecasts, strategic alternatives analyses, liquidation analyses, and analyses of creditor claims and recoveries.

Before joining Ankura, Isaac was leading the West Coast practice efforts for PricewaterhouseCoopers’ restructuring group, where he was responsible for leading advisory engagements. Prior to that, he was a senior banker in the recapitalization and restructuring group at Moelis & Company, an investment banking advisory firm. His restructuring and investment banking experience includes positions at Jefferies, Donaldson Lufkin & Jenrette, Salomon Smith Barney, and Chanin & Company. Isaac’s experience also includes private equity at Kenwood Investments.

Summary of Selected Engagements

Company	Size (\$mm)	Industry	Transaction
Global Wound Care	875	Healthcare	Advising Company on Restructuring
Borrego Health	\$130	Healthcare	Chief Restructuring Officer/Liquidating Trustee Engagement
L-T Care Hospital Sys.	208	Healthcare	Advising Lender on a Restructuring/Recapitalization
MDC Texas Energy	400	Oil & Gas	Chief Restructuring Officer Engagement
Apparel Retailer	100	Retail Apparel	Advised Lender on a Restructuring/Recapitalization
Payless ShoeSource	747	Retail Apparel	Chief Restructuring Officer Engagement
Arecont Vision	80	Industrial	Advised Lender on a Restructuring/363 Sale
Island Pacific Seafood	120	Supermarket	Advised Lender on a Restructuring/Recapitalization
Fallbrook Technologies	220	Industrial	Chief Restructuring Officer/Liquidating Trustee Engagement
Oilfield Services/Tubing	\$185	Oil & Gas Equip.	Advised Company on Liability & Liquidity Management
Kitson	35	Retail Apparel	Advised Company on Liquidity Management/363 Sale
Victory Medical Centers	100	Healthcare	Advised Unsecured Creditors Committee
Computer Hardware/IT	55,000	Technology	Advised Company on Liability & Liquidity Management
IT Data Center Company	1,400	Technology	Advised Company on a Solvency Report
Love Culture Inc.	130	Retail Apparel	Advised Company on a Restructuring/363 Sale
Zyomyx Inc.	35	Biotechnology	Advised Creditor on an Out-of-Court Restructuring
Modnique Fashion	55	Retail Apparel	Advised Company on a Restructuring
Classic Party Rentals	125	Equip. Leasing	Advised Private Equity Bidder in 363 Sales Process
Allens, Inc.	160	Packaged Foods	Advised Private Equity Bidder in 363 Sales Process
Rising Beverage	50	Packaged Foods	Advised Board of Directors on Strategic Alternatives
Grakon Lighting	170	Automotive	Advised Company on an Out-of-Court Restructuring
Centro Properties Group	18,400	Real Estate	Advised Company on a Restructuring/M&A Transaction
Panavision Inc.	440	Media	Advised Company on an Out-of-Court Restructuring
Reader's Digest	2,200	Media	Advised Lenders on a Pre-Negotiated Ch. 11 Restructuring
Muzak Holdings LLC	460	Media	Advised Company on a Ch. 11 Restructuring
Pilgrim's Pride Corp.	2,800	Packaged Foods	Advised Creditors' Committee on a Ch. 11 Restructuring
Delphi Corporation	22,200	Automotive	Advised Creditors' Committee on a Ch. 11 Restructuring
Tinnerman Palnut	Undisc	Automotive	Advised Company on a Restructuring/M&A Transaction
New Vision Television	410	Media	Advised Company on a Pre-Packaged Ch. 11 Restructuring
Hartmarx Corporation	120	Apparel	Advised Company on a Restructuring/363 Sale
Undisclosed	635	Retail	Advised Company on a Credit Facilities Amendment
Solutia Inc.	4,100	Chemicals	Advised Equity Committee on a Ch. 11 Restructuring
Revere Industries, LLC	160	Industrial	Advised Company on an Out-of-Court Restructuring
Pliant Corp.	1,300	Packaging	Advised Company on a Ch. 11 Restructuring

Summary of Selected Engagements (Cont'd)

Company	Size (\$mm)	Industry	Transaction
Friedman's Inc.	225	Retail	Advised Company on a Ch. 11 Restructuring
Garden Ridge Corp.	205	Retail	Advised Company on a Ch. 11 Restructuring
Loral Space & Comms.	1,200	Aerospace	Advised Creditors' Committee on a Ch. 11 Restructuring
Disney Stores N.A.	100	Retail	Advised Company on Sale to The Children's Place
Atlas Air Worldwide	1,425	Transportation	Advised Creditors on a Pre-Negotiated Ch. 11 Restructuring
Exide Technologies	3,400	Automotive	Advised Creditors' Committee on a Ch. 11 Restructuring
Crown Cork & Seal Co.	3,200	Packaging	Advised Company on a Recapitalization/Refinancing
Exodus Communications	100	Technology	Advised Company on Acquisition of Cohesive Technologies
County of Orange, CA	2,000	Municipality	Advised Creditors' Committee on a Ch. 9 Restructuring

EXHIBIT B

Amended Engagement Agreement



ADDENDUM ONE TO
ANKURA/GLOBAL WOUND CARE ENGAGEMENT LETTER

This Addendum (this “*Addendum*”) to the Agreement between Ankura Consulting Group, LLC (“*Ankura*”) and Global Wound Care Medical Group (“*Client*”), dated as of October 14, 2024 (the “*Underlying Agreement*”), is effective as of November 26, 2024 (the “*Effective Date*”) and modifies that certain Underlying Agreement as set forth herein. Unless otherwise defined in this Addendum, capitalized terms used in this Addendum but not otherwise defined in this Addendum shall have the meanings ascribed to such terms in the Underlying Agreement.

WHEREAS, pursuant to the Underlying Agreement, Client engaged Ankura for restructuring and financial advisory services; and

WHEREAS, Ankura and Client mutually desire to modify the Underlying Agreement to include interim management services by providing Isaac Lee to serve as Chief Restructuring Officer (“*CRO*”) in the manner set forth in this Addendum;

THEREFORE, in consideration of the mutual covenants in this Addendum and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Ankura and Client agree as follows, effective as of the Effective Date:

1. Addendum. The Underlying Agreement shall be modified as follows:
 - a. *Scope of Engagement*.
 - i. The following Services will be added to the existing Scope of Engagement:
 1. Provide Isaac Lee to serve as CRO of the Company, which such position would be a duly appointed officer of the Company and a temporary member of the Company’s senior executive team.
 2. Notwithstanding the reporting designation of Ralph Cetrulo set forth in paragraph 2 of the Underlying Agreement, the CRO will report directly to the Chief Executive Officer of the Company Owen B. Ellington (the “*CEO*”).
 3. The CRO will be authorized to interact and coordinate with key stakeholders and parties of interest as deemed necessary by the CRO.
 4. The CRO would be responsible for the following:
 - a. Leading the Company’s financial restructuring and bankruptcy related activities – Serve as the Company’s designated officer in coordinating the Company’s financial restructuring, negotiations with the US Department of Justice and Centers for Medicare and Medicaid Services with regard to the pending investigations, bankruptcy exit plan and transaction activities, including the Services set forth in (a) – (k) of the Underlying Agreement. The CRO would be supported by the Ankura team, Company management, and the Company’s legal and other advisors, to explore, evaluate, and analyze the Company’s available restructuring and bankruptcy exit plan options.



- b. Advisory Services – Lead the Company’s management and advisors in informing and advising the CEO on restructuring plan and bankruptcy exit plan options and recommendations.
 - c. Stakeholder Communication – Serve as the Company’s designee regarding engagement with internal and external stakeholders such as creditors, landlords and governmental agencies related to the Medicare suspension investigation and potential resolution.
 - d. Cash Management and Liquidity – Monitor disbursements made by the Company and provide oversight and guidance regarding actions to enhance and preserve the Company’s available liquidity.
 - e. Financial Authority and Responsibility - Approve budgets, expenditures related to the budget and related financial matters, and other matters related to the stipulation with the U.S. Department of Justice, all of which are subject to collaborating with the CEO as necessary to ensure that a physician is involved in any decision-making that affects the practice of medicine, as required by California’s corporate practice of medicine doctrine.
- ii. Notwithstanding the designation of Ralph Cetrulo set forth in Section 1 paragraph 13 of the Underlying Agreement, in the event there is a disagreement as to any direction, guidance or instruction to be given to Ankura in connection with the foregoing Services, Ankura shall take such direction, guidance or instruction from the CEO of the Company.
- b. *Court Approval.* The Company shall file this agreement with the Bankruptcy Court for approval.
 - c. *Miscellaneous: Authority; Due Authorization; Enforceability.* The Company represents and warrants that the CEO has duly approved the retention of Ankura and approved the terms of this Addendum, including the appointment and authorization of the CRO.
2. Miscellaneous. This Addendum may be executed in counterparts by the parties, each of which shall be deemed an original and which, when taken together, shall constitute a single instrument. Except as provided herein, all terms and conditions contained in the Underlying Agreement are restated and ratified and shall remain in full force and effect in all respects. This Addendum shall be governed in accordance with the laws of the state of New York.

[Signature pages follow.]



The parties hereto have authorized their representatives to execute this Addendum to be effective as of the Effective Date.

Ankura Consulting Group, LLC

A handwritten signature in black ink, appearing to read "L. Robichaux IV".

Louis E. Robichaux IV
Senior Managing Director

12/6/2024

(Date)

Global Wound Care Medical Group

A handwritten signature in black ink, appearing to read "Owen B. Ellington, M.D.".

Owen B. Ellington, M.D.
Chief Executive Officer

12/7/2024

(Date)

EXHIBIT C

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

GLOBAL WOUND CARE MEDICAL GROUP, a
Professional Corporation,¹

Debtor and Debtor in Possession.

Chapter 11

Case No. 24-34908 (CML)

**ORDER GRANTING DEBTOR’S APPLICATION FOR ENTRY OF AN ORDER
AUTHORIZING THE EMPLOYMENT AND RETENTION OF ISAAC LEE AS CHIEF
RESTRUCTURING OFFICER AND ANKURA CONSULTING GROUP, LLC AS
FINANCIAL AND RESTRUCTURING ADVISOR**

Upon consideration of the *Debtor’s Application for Entry of an Order Authorizing the Employment and Retention of Ankura Consulting Group, LLC as Financial and Restructuring Advisor* [Docket No. 47] (the “Application”) and the *Debtor’s Supplement to Application for Entry of an Order Authorizing the Expansion of the Scope of the Services of Ankura Consulting Group, LLC to Provide a Chief Restructuring Officer to the Debtor Effective as of November 26, 2024* [Docket No. •] (the “Supplement”)² of the above-captioned debtor and debtor in possession (the “Debtor”); and upon the First Day Declaration and the Lee Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that (a) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (b) venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; (c) the relief requested in the Application is in the best interests of the Debtor’s estate, its creditors, and other parties in

¹ The last four digits of the Debtor’s tax identification number in the jurisdiction in which it operates is 3572.

² Capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Application or Supplement, as applicable.

interest; and (d) the Debtor's notice of the Application and opportunity for a hearing on the Application were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Application and having heard the statements in support of the relief requested therein at a hearing before this Court, if any; and this Court having determined that the legal and factual bases set forth in support of the Application establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Application is granted on the terms set forth herein.
2. All objections to the Application or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, are overruled on the merits.
3. The Debtor is authorized to employ Ankura as its financial and restructuring advisor under § 327(a) of the Bankruptcy Code, to perform such services as detailed in the Application, the Supplement, and the Amended Engagement Agreement, with such employment effective as of the Petition Date.
4. The Debtor is authorized to designate Isaac Lee as its Chief Restructuring Officer, to perform such services as detailed in the Supplement, with such employment effective as of November 26, 2024.
5. All payments of professional fees and reimbursements of expenses to Ankura are subject to court approval based upon application to the Court and submission of contemporaneous time records, pursuant to Bankruptcy Rules and the BLR.
6. Service of the Application, the Lee Declaration, and the proposed order was sufficient notice to parties under the circumstances.

7. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062 and 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry

8. This Court shall retain exclusive jurisdiction to interpret and enforce the terms of this Order.

Dated: _____, 2024

Judge Christopher M. Lopez
United States Bankruptcy Judge