

**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)

**SUBMISSION OF FIRST REPORT OF SUZANNE RICHARDS AS PATIENT CARE
OMBUDSMAN OF THE DEBTOR**

1. Suzanne Richards, the Patient Care Ombudsman (the “PCO”) in the above-referenced case [Docket No. 46], hereby files the *First Report of Suzanne Richards as Patient Care Ombudsman of the Debtor* (the “Report”), attached as **Exhibit “A.”**

2. The PCO provided the Report to the Debtor’s counsel to file, and the Debtor files such Report as a courtesy to the PCO. The Report was prepared solely by the PCO and represents the findings and conclusions solely of the PCO.

Dated: January 14, 2025

Respectfully submitted,

DENTONS US LLP

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



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*Counsel to the Debtor and Debtor-in-
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CERTIFICATE OF SERVICE

This is to certify that I have on January 14, 2025, 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 W. Doherty Jr. _____
Casey W. Doherty Jr.

Exhibit A

(First Report of Suzanne Richards as Patient Care Ombudsman of the Debtor)

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

IN RE: GLOBAL WOUND CARE
MEDICAL GROUP, a professional
Corporation

CASE NO.: 24-34908

CHAPTER 11

DEBTOR

**FIRST REPORT OF SUZANNE RICHARDS
AS PATIENT CARE OMBUDSMAN OF THE DEBTORS**

1. INTRODUCTION AND EXECUTIVE SUMMARY

1. This is the First Report of Suzanne Richards, Patient Care Ombudsman (“PCO”), appointed in the Chapter 11 case of Global Wound Care Medical Group, (the “Debtor” or “Global”). This appointment was made pursuant to §333 of the Bankruptcy Code, Bankruptcy Rule 2007.2(c), and the Order of the Bankruptcy Court (the “Court”) Directing U.S. Trustee to Appoint Patient Care Ombudsman entered on November 4, 2024 (the “Appointment Order”), (ECF No. 1). The effective date of my appointment was November 4, 2024, pursuant to the Notice of Appointment of Patient Care Ombudsman filed by the U.S. Trustee (ECF No. 1).
2. Pursuant to §333 of the Bankruptcy Code, the PCO must:
 - a. Monitor the quality of patient care provided to patients of the Debtor to the extend necessary under the circumstances, including interviewing leadership, patients, providers and staff;
 - b. File a report with the Court, after notice to the parties in interest, at a hearing or in writing, regarding the quality of patient care provided to patients of the Debtor;
 - c. If the PCO determines that the quality of patient care provided to parties of the Debtor is declining significantly or is otherwise begin materially compromised, file with the Court a motion or written report, with notice to the parties in interest, immediately upon making such determination; and
 - d. Maintain any information obtained by the PCO under §333 of the Bankruptcy Code that relates to patients, including information relating to patient records, as confidential information. The PCO may not review confidential patient records unless the court approves such review in advance and imposes restrictions on the PCO to protect patient confidentially.

- e. The Debtor operates a wound care medical group which provide wound care services in both skilled nursing facilities and in patient's homes. The split of services is estimated to be 10% skilled nursing facilities and 90% in the home. The services are provided in several states with the largest in California, about 50% and Texas, about 20% of the business. A corporate office is maintained in Los Angeles, California.
- f. Number of patients 1500 a day for about 2.5 wounds per person. Census data is number of wounds serviced. The number of wounds serviced has remained steady for about 3000 wounds serviced daily.
- g. Approximately 90% of the Debtors' clients are derived from Medicare, 9% Community Health Plans and 1% Medicaid.
- h. The Debtor employs or contracts MDs, NP and PAs with teams of registered nurses and physical therapists. There are forty-nine (49) medical directors with two nurse practitioners who function as the Senior Vice Presidents for the west and for the east. There is a new Senior Vice President who is committed to a start date of December 2, 2024. This new position will overs quality, clinical operations and risk. This new hire has a chief nursing officer and corporate management experience.
- i. The Debtors maintains an electronic health record, along with proprietary software, named RITA. This acronym stands for "rapid imaging technical assistant." This system uses artificial intelligence to ensure standardization of wounds. Medication management is monitored by the forty-nine medical directors.
- j. Two warehouses are maintained in the states of Nevada and Tennessee. There was no verbalization of inability to obtain supplies. There are currently 150 standardized packs for wound care in the system that can be ordered.
- k. The PCO considers the level of cooperation and transparency of the Debtor as key ingredients in the efficient discharge of monitoring responsibilities. In this regard, the PCO received excellent cooperation and transparency from all Debtors leadership. The leadership was welcoming and engaging with the PCO.

2. **Monitoring process**

- a. On November 6, 2024, the PCO had an introductory call with debtor's counsel. During this call, she reviewed the PCO role and established how to conduct the review to ensure quality patient care. A process was set up for arranging interviews with leadership to review operations.

- b. The Debtor's leadership team is experienced, dedicated, skilled, passionate, and knowledgeable.
- c. The monitoring process included, but was not limited to, a combination of leadership interviews, scheduling of employee interviews, staffing analysis, policy review and quality report reviews. During this reporting period, the PCO interviewed the leadership of the Debtors. The PCO believes this grouping of oversight tools is sufficient under the circumstances.
- d. Staffing remained consistent during this reporting period. Staffing has remained unchanged since the filing of the bankruptcy as reported by during the leadership interviews and in some cases, there was an increase in staffing. The Debtor are continually reviewing staffing needs and making appropriate changes to meet the needs of their clients. When positions that are more operational assistants, known as SOPs, resign, the decision may be not to find a replacement. Resources for executive leadership have been added. These positions are the senior vice president for quality and risk along with a new legal health policy position.
- e. The PCO interviewed leadership on November 22nd for the first time during the current Chapter 11 process. The goals of the visit were:
 - Understand the operations of the company
 - To determine and document the safety and quality of care being provided to patients by the Debtor
 - To determine if safety and quality of patient care is/is not being compromised as a result of Chapter 11 proceedings.

3. **FINDINGS**

- a. November 22, 2024
Interview with Global leadership on topics of quality, staffing, training, cybersecurity and data collection were discussed.

No red flag issues reported with respect to staffing, incidents, purchasing/supplies and quality of care.

Financial issues (meeting payroll obligations, supplies, medications impacting operations). None reported; complaints none reported
No coverage gaps have been reported.

Regulations related to privacy seemed to be intact.
No red flag issues reported with respect to personnel, incidents, purchasing/supplies and quality of care.

4. **RISK Assessment**

- a. The PCO assessment of staffing, process and quality controls to monitor the level of risk. Based on this level of risk, she plans an appropriate level of monitoring. The PCO assigns the debtor to one of three categories of risk—low, medium, or high. The level is based on data collection and interview with management, patients and staff. This initial determination of level of risk may be adjusted as findings either improve or deteriorate. These three potential levels are outlined below:
- Low-level risk evidenced by transparent reporting, and no observable staffing, supply or quality of care issues that are not readily resolved.
 - Mid-level risk evidenced by transparent reporting with some significant observable staffing, supply or quality issues, or lack of transparent reporting.
 - High-level risk evidenced by significant staffing, supply, or quality issues observed, or risk of partial or full closing of services.
- b. Healthcare debtors can move between levels of risk over the course of the bankruptcy, and the risk level will continue to be reassessed with each encounter between the PCO and the debtor.
- c. In the case of this debtor there appears to be no difficulty currently meeting payroll obligations, nor with obtaining supplies, medications, vendor services, etc. There are no reported or observable staffing, medical records, or quality of care issues. The debtor and management have been cooperative, and communication with the PCO appears to be transparent.
- d. Based upon the above findings made during this monitoring period, the risk level at this time is determined to be low risk.

5. **CONCLUSIONS/RECOMMENDATIONS**

Based on the low-level risk determination, the PCO will implement the following monitor plan for the next 60-day period:

- a. Virtual interviews key staff every six weeks.
- b. Onsite tour of a sampling of skilled nursing facilities currently providing services and interviews with key staff every 60-days.

- c. Review quality reports and operational reports, and other filings in the case for potential red flags.
- d. Monitor status conferences with attendance periodically as needed or requested by parties.
- e. Written report to court submitted at the end of 60-day period.
- f. The PCO did not note any issues that have resulted in a change in the quality of the care as a result of their pending bankruptcy. The Debtors continue to provide care in the manner consistent with that prior to the current proceeding. Staffing levels and competency have remained consistent. The Debtors appear to strive to meet the needs of their clients.
- g. The PCO strongly encourages the Debtors to remain vigilant with regards to patient care.
- h. The PCO will continue to monitor the Debtors' operations consistent with the above protocols. The monitoring process will continue to include announced monthly site visits, charge reviews, client and staff interactions. The PCO reserves the right to alter these protocols based on the needs of these cases and related facts and circumstances.

6. **SERVICE OF REPORT**

- a. A copy of this First Report will be filed with the Court, served on the Office of the United States Trustee for the Southern District of Texas, Houston Division, counsel for the Debtors counsel for the Official Committee of Unsecured Creditors and all parties who filed a Notice of Appearance, as well as any current patients requesting a copy of the Report.

Dated: January 14, 2025

Submitted by:



Suzanne Richards, RN, MPH, MBA
SMR Healthcare Management, Inc
Patient Care Ombudsman for
Global