

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

SC HEALTHCARE HOLDING, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-10443 (TMH)

(Jointly Administered)

**NOTICE OF CORRECTED EXHIBIT P TO  
PATIENT CARE OMBUDSMAN'S SECOND REPORT**

**PLEASE TAKE NOTICE** that, on August 14, 2024, Suzanne Koenig, the patient care ombudsman ("Ombudsman") appointed by the United States Trustee pursuant to an order of the Court entered in the above-captioned bankruptcy cases [D.I. 137], filed the *Patient Care Ombudsman's Second Report* [D.I. 751] (the "Second Report").

**PLEASE TAKE NOTICE** that, Exhibit FF was inadvertently included twice in the Report and Exhibit P was omitted in the filing. As such, attached hereto is a corrected **Exhibit P** which should be incorporated into the Second Report.

Respectfully submitted,

Dated: September 3, 2024

/s/ Cheryl A. Santaniello

Cheryl A. Santaniello, Esq. (DE Bar No. 5062)

Porzio, Bromberg & Newman, P.C.  
300 Delaware Avenue, Suite 1220  
Wilmington, DE 19801

Telephone: (302) 526-1235

Facsimile: (302) 416-6064

E-mail: [casantaniello@pbnlaw.com](mailto:casantaniello@pbnlaw.com)

Robert M. Schechter, Esq. (*pro hac vice*)

Christopher P. Mazza, Esq. (*pro hac vice*)

<sup>1</sup>The last four digits of SC Healthcare Holding, LLC's tax identification number are 2584. The mailing address for SC Healthcare Holding, LLC is c/o Petersen Health Care Management, LLC 830 West Trailcreek Dr., Peoria, IL 61614. Due to the large number of debtors in these Chapter 11 Cases, whose cases are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information is available on a website of the Debtors' claims and noticing agent at [www.kcellc.net/Petersen](http://www.kcellc.net/Petersen).



Porzio, Bromberg & Newman, P.C.  
100 Southgate Parkway  
P.O. Box. 1997  
Morristown, New Jersey 07962  
Telephone: (973) 538-4006  
Facsimile: (973) 538-5146  
Email: [rmschechter@pbnlaw.com](mailto:rmschechter@pbnlaw.com)  
Email: [cpmazza@pbnlaw.com](mailto:cpmazza@pbnlaw.com)

*Counsel for the Patient Care Ombudsman*

**Exhibit P**

Twin Lakes Health and Rehab  
Paris, IL

Debtor Twin HCO, LLC d/b/a Twin Lakes Rehabilitation and Healthcare (“Twin Lakes” or “Facility”) is licensed by the Illinois Department of Public Health (“IDPH”) as a 62-bed skilled nursing facility. The census during the Ombudsman's visit was thirty-one including three Medicare A, nine Private Pay, seventeen Medicaid, and two Medicaid pending residents.

The Facility administrator has been employed in this position since September 4, 2023, and does not possess a nursing home administrator license or a temporary license. The director of nursing (“DON”) has been in this position for over seven years. The administrator and DON made themselves available to the Ombudsman’s representatives and were quick to respond to requests for records or documents for review.

### **Regulatory**

On December 14, 2023, a self-report was made to IDPH that resulted in an extended survey with an immediate jeopardy citation. The following deficiencies were cited during this survey:

- F580 SS=D Facility failed to notify a resident’s power of attorney of a change in dosage of an antipsychotic medication and a change in behavior.
- F600 SS=J Free from abuse and neglect – Facility failed to protect the resident’s right to be free from sexual abuse by another resident by failing to supervise a resident.
- F607 SS=E Develop/Implement Abuse/Neglect Policies – Facility failed to follow its abuse prohibition policy by failing to determine the risk of abuse.
- F609 SS=D Reporting an Alleged Violation – Facility failed to report allegations of resident-to-resident abuse to the administrator.

- F836 SS=F Licensure/Comply with Federal State local Law/Professional Standards – Facility failed to employ a full-time licensed Administrator.

The last annual licensure survey was completed June 26, 2024, and the Facility has not received the Centers for Medicare and Medicaid Services (“CMS”) Form 2567 report. However, in consideration of the exit conference with the survey team, they believe the following will be cited:

- F550 Dignity – A resident made inappropriate racial comments.
- F695 Respiratory Care – O2 tubing was not dated.
- F744 Dementia Care.
- F758 Psychotropic Medication – Documentation of need and reduction.
- F761 Label/Storage of medications.
- F812 Food Storage/Labeling.
- F912 Room size – Waiver.

### **Physical Plant/Environmental**

The Facility has good curb appeal and ample parking. The building exterior is in good condition. There is one entry door equipped with an electronic device that monitors the door when opened. This door leads into the dining room and administrative office spaces.

This area is attractive with subtle colors both in the dining area and area leading into the hallways. Resident rooms were personalized, and the temperature was comfortable.

Facility was noted to be odor free with doors locked as appropriate to safeguard residents.

Hallways were free of clutter or equipment. Bath/shower rooms were clean; some needed touch

up painting but overall were in good shape. Housekeeping carts were noted to be locked and wet floor signs were present.

Laundry area was well maintained; clothes dryer filters are cleaned at the end of each shift. Soiled and clean linen was separate and there was no overabundance of soiled linen to be washed. Clean utility room and soiled utility rooms were clean, organized and locked.

Facility maintenance director ensures that all internal inspections e.g. water temperature checks, fire extinguisher inspections, door alarms are consistently performed and documented. Outside contracted services such as Ansul hood inspection and fire detector sensitivity testing are not current due to lack of non-payment of past invoices.

### **Clinical Services**

The Facility uses 12-hour shifts for staffing. Morning shift includes one nurse and three certified nurse aides in addition to a supervisor. The second shift is made up of one nurse and three certified nurse aides. The director of nursing and one additional registered nurse provide the necessary coverage to meet the state requirement for an RN to be on duty for eight consecutive hours a day, seven days a week in a twenty-four-hour period.

Point Click Care, an electronic medical records (“EMR”) system, is in place for capturing minimum data set (MDS) information, resident care plans, assessments, and activities of daily living (ADLs), and nurse aides can chart on residents and set alerts for nurses on issues requiring follow-up.

The Facility manages resident care needs well. To date there are no pressure injuries in house. A third-party provider has weekly consults and quarterly sweeps to review all residents with skin concerns. Currently there are no residents with indwelling catheters. Three residents

use oxygen concentrators and there are physician orders in place for each of these residents, likewise oxygen signage is on each of the doors to resident rooms where oxygen concentrators are in use.

Ombudsman review of medication and treatment records did not find any gaps in information. The pharmacy consultant visits monthly and is actively engaged in the psychotropic reduction program. There are no residents exhibiting signs of behavioral changes because of any reductions. The medication room was locked and noted to be clean, stocked and well organized. A crash cart was noted near the nurses' station, with a daily logbook checked off with respect to managing expiration dates of items, included on the cart.

A neighboring hospital processes all laboratory services, but the Facility nurses draw all labs in house. The Facility does have a CLIA certificate that allows for this, and it is posted prominently with all other required postings in the front lobby.

A quarterly quality assurance meeting is scheduled with the medical director, pharmacy consultant and interdisciplinary team ("IDT") in attendance. An agenda is developed for each meeting with each department manager responsible for contributing. Notes and attendance are documented. Daily stand-up meetings are held each morning with a topic reviewed each day pertaining to various resident care issues (e.g. skin integrity, catheter care, weight loss, psychotropic reduction, etc.). The director of nursing and staff are very committed to improving outcomes for residents. The last Covid outbreak occurred in March 2023. Currently there are eight residents and zero staff fully vaccinated.

### **Resident Interviews/Life Enrichment**

Ombudsman review of the Facility activity calendar found it to be comprehensive with activities geared toward the residents' interests. The calendar is filled with numerous activities and special events. The activity director was observed planning and organizing a t-shirt tie-dying activity on the date of this visit. All supplies were on hand, instructions were clear to residents, and they appeared to be enjoying themselves during the activity.

Resident council notes were reviewed and were found to be detailed. The Ombudsman representative interviewed the resident council president. The president verbalized positive comments about all Facility departments. There is a binder used to include all resident grievances. The records are current; there have been only three grievances in 2024, all of which were easily resolved.

### **Dietary Services**

The Ombudsman's representative conducted a tour of the kitchen and dining room. Overall, the kitchen is in good shape with some minor issues. Dietary staff were observed wearing hairnets. Temperatures were logged on refrigerators and freezers. A cleaning schedule was in place. The posted menu was being followed by dietary staff. Floor tile needs to be stripped and waxed, but was not considered to be dirty. Pantry was noted to be overstocked with foods. The kitchen Ansul inspection is not current to date. The kitchen fire extinguisher tag is current.

The Ombudsman's representative observed lunch service. The steam table was prepped, and food was being served hot. Dining room assistance was notably very good with all department managers involved. Residents were served generous portions and residents verbalized



that the food was tasty. One resident was interviewed, who stated the food is always good and that they particularly love all the activities and special events. Staff were noted to be conversing with residents during meal services and helping as needed.

### **Resident Trust Fund**

The Facility has an active surety bond effective May 8, 2023, with a value of \$65,000. The trust fund bank statement is reconciled each month in house and the Facility accurately maintains ledgers for accounting purposes of all disbursements corresponding to each resident. Receipts of all disbursements are maintained, and residents sign off on these after purchases are made. Quarterly reports are timely. Cash is on hand for any resident requesting cash.

### **Vendor Relationships**

Based on interviews with the Administrator and Director of Nursing, the vendor relationships are secure, and the delivery of medical supplies and food commodities are timely. The linen inventory was adequate for proper resident care.