

SO ORDERED, Judge Neil P. Olack United States Bankruptcy Judge

Date Signed: April 29, 2016

The Order of the Court is set forth below. The docket reflects the date entered.

## UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF MISSISSIPPI

IN RE:

## PIONEER HEALTH SERVICES, INC., ET AL,

**CASE NO. 16-01119-NPO** 

### **DEBTORS.**

## CHAPTER 11 JOINTLY ADMINSTERED

## ORDER GRANTING MOTION TO WAIVE AND DISPENSE WITH THE APPOINTMENT OF A PATIENT CARE OMBUDSMAN

This matter came before the Court for hearing on April 27, 2016 (the "Hearing"), on the Motion to Waive and Dispense with the Appointment of a Patient Care Ombudsman (the "Motion") (Dkt. 140) filed by Pioneer Health Services, Inc., *et al.* ("Pioneer"), the debtors, and the United States Trustee's Response to Debtor's Motion to Dispense of Appointment of Patient Care Ombudsman under Section 333 (the "Response") (Dkt. 144) filed by the acting United States Trustee for Region 5, Henry G. Hobbs, Jr. (the "UST") in the above-styled jointly administered chapter 11 bankruptcy case (the "Bankruptcy Case").<sup>1</sup> At the Hearing, Craig M. Geno ("Geno")

<sup>&</sup>lt;sup>1</sup> The Court entered the Order Granting Motion for Administrative Consolidation (Dkt. 44) on April 6, 2016, administratively consolidating the following cases into the Bankruptcy Case: *In re Pioneer Health Services of Patrick County, Inc.*, Case No. 16-01120-NPO; *In re Pioneer Health Services of Newton County, LLC*, Case No. 16-01121-NPO; *In re Pioneer Health Services of Stokes County, Inc.*, Case No. 16-01122-NPO; *In re Pioneer Health Services of Choctaw County,* Page 1 of 15

appeared on behalf of Pioneer and Margaret O. Middleton ("Middleton") appeared on behalf of the UST. Having considered the matter and being fully advised in the premises, the Court granted the Motion and imposed additional requirements from the bench. This Order memorializes and supplements the Court's bench ruling.

### Jurisdiction

The Court has jurisdiction over the Bankruptcy Case pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(a)(2)(A). Notice of the Motion was proper under the circumstances.

#### Facts

Pioneer initiated the Bankruptcy Case by filing a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code on March 30, 2016.<sup>2</sup> (Dkt. 1). The Court entered the Order Directing the Appointment of Patient Care Ombudsman and Setting Hearing (the "Order") (Case No. 16-01120, Dkt. 23)<sup>3</sup> in the administratively consolidated bankruptcy cases on April 4, 2016,<sup>4</sup>

*LLC*, Case No. 16-01123-NPO; *In re Pioneer Health Services of Oneida, LLC*, Case No. 16-01124-NPO; and *In re Pioneer Health Services of Monroe County, Inc.*, Case No. 16-01125.

<sup>2</sup> Pioneer Health Services of Early County, LLC, Case No. 16-01243-NPO, filed its voluntary petition on April 8, 2016, and its bankruptcy case was administratively consolidated into the Bankruptcy Case by the Order Granting Motion for Administrative Consolidation (Case No. 16-01243-NPO, Dkt. 36) on April 15, 2016.

<sup>3</sup> The lead bankruptcy case in the jointly administered Bankruptcy Case does not involve a healthcare business; therefore, the Order was not entered in the lead bankruptcy case. Identical orders were entered in each of the other administratively consolidated bankruptcy cases. For clarity and convenience, the Court only cites to the Order in one of those cases.

<sup>4</sup> The Court entered the Order Directing Appointment of Patient Care Ombudsman and Setting Hearing (Case No. 16-01243-NPO, Dkt. 21) on April 11, 2016.

directing the UST to appoint a patient care ombudsman ("PCO") pursuant to § 333<sup>5</sup> unless the UST or a party in interest files a motion to dispense with the appointment of a PCO. Pursuant to the Order, Pioneer filed the Motion on April 25, 2016.

In the Motion, Pioneer argued that a PCO is not necessary in the Bankruptcy Case because "patient care is being adequately provided for at all of the facilities that require patient care in these jointly administered cases." (Mot. at 2). According to Pioneer, the following evidence indicates that patients are adequately cared for without a PCO: (a) Pioneer has "provided for the receipt, handling and disposition of patient complaints and has adopted an appropriate procedure for dealing with them"; (b) "facility methodology is adequately provided for in training and in employee materials"; (c) "the State Board surveys reflect few, if any, patient care problems or issues"; (d) "the on-going development, maintenance and enforcement of care plans as well as the hiring and sufficiency of the number of staff members for each facility who are knowledgeable about compliance" with Medicaid/Medicare reimbursement are "adequate and appropriate"; and (e) "lawsuits and/or malpractice claims are being handled and addressed in appropriate manners." (*Id.*). Based on the aforementioned evidence, Pioneer argued that "patient care is being more than adequately addressed, handled and provided for at each facility." (Id.). Accordingly, Pioneer "respectfully urges the Court to dispense with the appointment of an Ombudsman for the Benefit of the Debtor, its estate and all creditors." (Id.). The Motion further provided that Pioneer's representatives responsible for patient care "shall submit, every sixty (60) days, a written report to the Court with respect to patient care and highlight any negative facts or issues regarding patient care." (Id.).

<sup>&</sup>lt;sup>5</sup> All code sections refer to the Bankruptcy Code in title 11 of the U.S. Code unless stated otherwise.

The UST filed the Response on April 26, 2016. In the Response, the UST argued that "the Debtors' contentions, on their own, are insufficient evidence to prove that a patient care ombudsman is not necessary." (Resp. at 1). According to the UST, Pioneer has "the burden to provide testamentary and documentary evidence to the court regarding all factors that may impact the patient care quality throughout the pendency of this case." (*Id.* 1-2). If the Court determines that a PCO is not necessary at this time, the UST requested that "should the Debtors experience any negative trend that precipitates the appointment of a patient care ombudsman at a later time, the Court, upon a motion from the UST or a party in interest, shall reconsider the appointment." (*Id.* at 2).

## Sawyer & Gieger Testimony

At the Hearing, Sydney Sawyer ("Sawyer"), the Patient Services Officer for Pioneer, testified on Pioneer's behalf. Sawyer testified that as the Patient Services Officer he is responsible for overseeing patient care at all of the Pioneer hospital systems and is ultimately responsible for resolving patient complaints and grievances. When Sawyer first began his career at Pioneer, his job was to develop a system for clinical quality, and after doing so, his role transformed into more of a clinic operations role. Sawyer testified that patient care is the number one objective of the Pioneer family and that he believes that its patient care is sufficient.

According to Sawyer, Pioneer's patient grievance policy and procedure (the "Grievance Policy")<sup>6</sup> provides an avenue for patients to lodge complaints or grievances regarding their care. Sawyer explained that a complaint is less serious than a grievance and is something that a staff

<sup>&</sup>lt;sup>6</sup> The Grievance Policy was introduced into evidence at the Hearing as "Debtor Exhibit 1." All citations to this document will be in reference to this exhibit. All future citations to exhibits will be in reference to other documents introduced as evidence at the Hearing. They will be cited as "Debtor Exhibit \_\_\_\_."

member is able to fix right away. A grievance, on the other hand, is more serious and requires Sawyer or hospital administration to investigate the grievance and track its progress until it is resolved. According to Sawyer, the purpose of the Grievance Policy is to provide staff at all Pioneer facilities with a procedure by which to handle complaints and grievances, and the Grievance Policy explains how that procedure works. The employees learn about the Grievance Policy at their initial orientation and current employees receive updates to the policy at yearly training sessions.

The Grievance Policy itself outlines the process that Pioneer staff members are required to follow in tracking, investigating, and resolving a complaint or grievance. (Grievance Policy at 1). According to the Grievance Policy, Pioneer facilities are required to take the following actions: (a) place signs that designate a phone number patients can call to report a complaint or grievance in clear sight; (b) within seven (7) days after the grievance is reported, send a letter to the patient, unless it was an anonymous complaint, that signifies an investigation will be taking place; (c) upon completion of the investigation, send a follow-up letter to the patient to inform them of the results and resolution; and (d) once a grievance has been resolved, deliver results to the hospital staff and all appropriate committees within the Pioneer organization. (*Id.*).

Sawyer testified that the admissions department at each Pioneer facility is responsible for providing a copy of the Grievance Policy to patients upon admission. Additionally, notices that provide the numbers to call to lodge a complaint or grievance are posted throughout the hospital. Pioneer also uses a third-party service that provides patients and employees with the number to a "hotline" to call so that they may anonymously lodge complaints or grievances against a Pioneer facility. The administrators at each Pioneer facility initially field the complaints, most of which are lodged through the anonymous hotline according to Sawyer. The hospital's administrator receives the complaint or grievance the same day it is lodged and then follows the Grievance Policy. If a complaint or grievance involves the hospital's administration, Pioneer's compliance committee<sup>7</sup> conducts the investigation and follows the Grievance Policy's procedure for handling complaints and grievances. The compliance committee also has access to complaint logs that are maintained by each Pioneer facility. The logs contain information regarding a complaint or grievance, who it was lodged against, investigative procedure, and the ultimate resolution.

In addition to the Grievance Policy, the anonymous hotline, and the oversight of the compliance committee, Sawyer detailed how each Pioneer facility is subject to surveys conducted by DNV-GL, an independent third-party company. Each facility must pay for its own survey, and is required to pass the survey in order to receive Medicare reimbursement. The results of the last survey conducted at each Pioneer hospital system was introduced into evidence at the Hearing as Debtor Exhibit 3, Debtor Exhibit 5, Debtor Exhibit 7, Debtor Exhibit 10, and Debtor Exhibit 13 (the "Surveys"). Sawyer testified that any nonconformity listed on the Surveys was subsequently remedied and those facilities were found to be compliant at required follow-up surveys.

In preparation for the Hearing, Sawyer worked with Pioneer hospital system administrators to fill out charts, which were prepared by Middleton, with information regarding each Pioneer facility in that system (collectively, the "Charts"). The Charts were prepared for the following Pioneer hospital systems: Pioneer Health Services of Patrick County, Inc. ("Patrick County") (Debtor Exhibit 2); Pioneer Health Services of Monroe County, Inc. (Debtor Exhibit 4); Pioneer

<sup>&</sup>lt;sup>7</sup> The compliance committee, which Sawyer is a member of, is the highest patient authority at Pioneer. The compliance committee ensures that Pioneer facilities are adhering to their responsibilities and that the Grievance Policy is being followed.

Health Services of Early County, LLC (Debtor Exhibit 6); Pioneer Health Services of Stokes County, Inc. ("Stokes County") (Debtor Exhibit 9); and Pioneer Health Services of Oneida, LLC (Debtor Exhibit 12). The following information regarding each facility in the aforementioned systems was included on the Charts: whether the facility is still in operation; the date it was opened; status of the business license; whether the business license has ever been revoked; the date of the last survey and its results; whether any corrective action was needed based on the last survey and whether they were made; whether the facility is inpatient or outpatient, and if it is inpatient, the number of beds; whether it is a critical access hospital; whether it has complaint procedures; the number of complaints within a specified period of time; the number of malpractice suits within a specified number of years; whether payroll is current and whether the facility is able to maintain payroll; whether mortgage or leases are current; whether current supply levels are sufficient; and whether sufficient supply levels can be maintained.<sup>8</sup> The Charts indicate how patient records for each Pioneer facility are maintained, and Sawyer also testified about the proper maintenance of patient records at each Pioneer facility, including how patient records are handled if a Pioneer facility ceases operation.

After hearing testimony regarding the Charts and reviewing the Charts, the Court is of the opinion that the Charts generally provide uniform responses indicative of an adequate level of patient care quality at each facility within each of the Pioneer hospital systems, with the exception of Patrick County. The Charts indicate that the current supply level at Pioneer Family Medical of Stuart ("Pioneer of Stuart"), which is part of the Patrick County system, is not sufficient. (Debtor Exhibit 2). The Charts also indicate that a sufficient supply level cannot currently be maintained

<sup>&</sup>lt;sup>8</sup> Some of the Charts do not contain all of the referenced categories; however, each of the Charts contains some variation of the referenced information.

at Pioneer of Stuart. (*Id.*). Additionally, the Charts indicate that Pioneer of Stuart will not be able to maintain payroll "without hospital 'subsidy." (*Id.*). Sawyer stated that he believes Patrick County does have sufficient cash available to fund Pioneer of Stuart's payroll and provide adequate supplies. When questioned about the responses on the Charts, Sawyer stated that he would contact the Patrick County administrator to determine why he or she indicated that Pioneer of Stuart did not have enough supplies and could not maintain a sufficient level of supplies.

Julie Gieger ("Gieger"), the Chief Financial Officer of Pioneer, also testified regarding Patrick County's responses on the Charts. Gieger stated that she is familiar with the books, records, expenses, and cash availabilities of each Pioneer system, including Patrick County. According to Gieger, Patrick County does have sufficient cash available to maintain an adequate level of supplies and maintain payroll at Pioneer of Stuart. According to Gieger and Sawyer, the Pioneer administration meets with all hospital system administrators three times a week, and lack of cash to pay for supplies or inability to make payroll has never been mentioned.

### **Attorney Arguments**

At the close of testimony, Middleton expressed concern about the necessity of a PCO, arguing that although Pioneer presented some evidence regarding the satisfaction of the factors for waiver of a PCO, the UST needs more time to obtain information regarding patient care in order to appreciate fully whether a PCO is necessary in the Bankruptcy Case. Middleton stated that this Bankruptcy Case and the related bankruptcy case of Medicomp, Inc., Case No. 16-01126-NPO, are so complex that she needs more time to consider whether a PCO would be appropriate. Middleton stated that the UST is concerned about whether Pioneer's patients would be able to advocate for themselves. Middleton expressed concern specifically about Stokes County because

it has a nursing home with 38-40 patients and is in transition.<sup>9</sup> Middleton stated that a long-term care ombudsman in North Carolina may be a good idea for Stokes County to ensure that it is taking adequate care of its long-term care patients. Middleton claimed there would be no expense incurred by the estate if a long-term care ombudsman is appointed and the appointment would be beneficial for the patients. Ultimately, Middleton indicated that the UST needs more time to consider whether each Pioneer hospital system needs a PCO. Thus, although a PCO may not be warranted at this time, Middleton stated that she desires authority to request a PCO if she later learns that patients' interests are not being adequately protected.

Geno argued that Pioneer is adequately protecting patients' interests without the assistance of a PCO, and that there is no proof of concerns about the quality of patient care from any state, federal, or local regulatory agency. In regard to Stokes County, Geno argued that there has been no change in services there and that the county actually has more resources than Pioneer; therefore, it will provide at least as good of care for patients as Pioneer. Geno stated that Pioneer would be willing to provide the UST with periodic reports prepared by its financial advisor regarding patient care, survey results, complaints, and any other information the UST desires. According to Geno, Pioneer will keep the UST advised and informed regarding patient care at Pioneer, and that it will do anything else the UST finds necessary to protect its patients' interests.

## Discussion

Pursuant to § 333, if a debtor is a health care business, the appointment of an ombudsman is mandatory unless the Court finds that one is not necessary for the protection of patients under the

<sup>&</sup>lt;sup>9</sup> Sawyer stated during his testimony that Stokes County is negotiating with the county to take over financial responsibility for the hospital and allow Pioneer to continue managing the facility until a purchaser can be secured.

specific facts of the case. 11 U.S.C. § 333(a)(1); 3 COLLIER ON BANKRUPTCY ¶ 333.02[2] (16th ed. 2015). A PCO must be appointed within thirty (30) days after the Bankruptcy Case was filed unless the Court, "on motion of the United States trustee or a party in interest filed no later than 21 days after commencement of the case . . . finds that the appointment of a patient care ombudsman is not necessary under the specific circumstances of the case for the protection of patients." FED. R. BANKR. P. 2007.2(a). The party opposing the appointment of a PCO bears the burden of overcoming the mandatory appointment. *In re Smiley Dental Arlington, PLLC*, 503 B.R. 680, 688 (Bankr. N.D. Tex. 2013).

The Court must consider the evidence presented at the Hearing in determining whether the facts of the Bankruptcy Case warrant the appointment of a PCO. 3 COLLIER ON BANKRUPTCY ¶ 333.02[2]. Because §  $333(a)(1)^{10}$  uses the term "for the protection of patients," the Court's determination that a PCO is not necessary "must be tied to a decision that the patients are otherwise adequately protected." *Id.* The most widely adopted test for whether a PCO should be appointed was first adopted by a Florida bankruptcy court in *In re Alternate Family Care*, 377 B.R. 754 (Bankr. S.D. Fla. 2007).<sup>11</sup> This test considers the following non-exclusive list of nine (9) factors in determining whether a PCO is necessary to protect patients' interests: (a) the cause of the bankruptcy; (b) the presence and role of licensing or supervising entities; (c) debtor's past history of patient care; (d) patients' ability to protect their rights; (e) patients' level of dependency on the facility; (f) likelihood of tensions between patients' and debtor's interests; (g) potential injury to

 $<sup>^{10}\,</sup>$  All code sections refer to the Bankruptcy Code in title 11 of the U.S. Code unless stated otherwise.

<sup>&</sup>lt;sup>11</sup> The test from *In re Alternate Family Care* has been adopted by this Court and other courts within the Fifth Circuit Court of Appeals.

patients if debtor drastically reduced its level of patient care; (h) the presence and sufficiency of internal safeguards to ensure an appropriate level of care; and (i) the impact of the cost of a PCO on the likelihood of a successful reorganization. *Id.* at 758.; *In re Sewell*, No. 15-13703-NPO (Dkt. 19), slip op. at 4 (Bankr. N.D. Miss. Nov. 10, 2015).

This Court has considered the In re Alternate Family Care factors in several previous cases. See id.; In re Delta Radiology, PLLC, No. 15-13487 (Dkt. 16), slip op. at 4 (Bankr. N.D. Miss. Oct. 27, 2015); In re Gulfport Obstetrical & Gynecological Clinic, P.A., No. 15-51557-NPO (Dkt. 81), slip op. at 4-5 (Bankr. S.D. Miss. Oct. 29, 2015); In re Genesis Hospice Care LLC, No. 08-15576-NPO, 2009 WL 467265 (Bankr. N.D. Miss. Feb. 24, 2009). In addition to the factors articulated in In re Alternate Family Care, this Court also considered three (3) additional factors that it found particularly important in deciding whether patients' interests are adequately protected without a PCO: (a) the debtor's financial ability to maintain high-quality patient care; (b) the existence of an internal ombudsman program to protect the rights of the patients; and (c) the oversight by federal, state, or professional association programs. In re Hyperion Foundation, Inc., No. 08-51288-NPO (Dkt. 260), slip op. at 3 (Bankr. S.D. Miss. June 18, 2009). Additionally, this Court has considered the availability of a qualified professional to accept the appointment, the projected costs of such appointment, and the type of medical care provided by the debtor. In re Greater Meridian Health Clinic, Inc., No. 06-51313-NPO (Dkt. 88), slip op. at 3 (Bankr. S.D. Miss. Feb. 16, 2007).

In *In re RAD/ONE, P.A.*, this Court determined that a PCO was not necessary to protect patients' interests. In that case, the debtor provided only outpatient care, which lessened "the need for the appointment of a PCO to insure a continuity of day-to-day care for patients." *In re* 

*RAD/ONE, P.A.*, No. 08-15517-NPO, 2009 WL 467286, at \*2 (Bankr. N.D. Miss. Feb. 24, 2009). Additionally, the debtor had implemented a basic internal ombudsman program to handle patient complaints, and was "in compliance with regulatory agency requirements." *Id.* Similarly, in *In re Genesis Hospice Care, LLC*, this Court found that a PCO was not necessary based primarily on the fact that the debtor provided outpatient medical care to patients in their homes, distributed medicines, supplies, and equipment to patients in their homes, and provided referrals. *In re Genesis Hospice Care, LLC*, 2009 WL 467265, at \*2. Additionally, patient care was overseen by an interdisciplinary team that met every other week, was in compliance with all state and federal requirements, and had an internal complaint process. *Id.* Although this Court determined that, based on the facts in those two cases, a PCO was not necessary, it also held that "should the Debtor experience any negative trend which indicates the need for the appointment of a PCO in the future, the Court anticipates the filing of an appropriate motion so that the Court might reconsider such an appointment" pursuant to Federal Rule of Bankruptcy Procedure 2007.2(b) ("Rule 2007.2(b)"). *Id.*; *In re RAD/ONE, P.A.*, 2009 WL 467286, at \*2.

More recently, in *Gulfport Obstetrical and Gynecological Clinic, P.A.*, the Court considered the previously discussed factors in determining that a PCO was not necessary to protect patients' interests. *In re Gulfport Obstetrical & Gynecological Clinic, P.A.*, No. 15-51557-NPO (Dkt. 81), slip op. at 5. This Court found it particularly important that the debtor demonstrated that it was an outpatient facility and patients are treated at a hospital if in-patient treatment is required. *Id.* Further, patients visited the debtor for "advice, consultation, and minor procedures" and the debtor maintained sufficient working capital to maintain "high-quality outpatient care." *Id.* 

After careful application of the above-referenced factors to the Bankruptcy Case, the Court finds that the appointment of a PCO is not necessary at this time to protect patients, to monitor the quality of patient care, or to represent the interests of patients, even though both inpatients and outpatients are included. At the Hearing, Pioneer presented testamentary and documentary evidence to demonstrate that patients are adequately protected. First, Pioneer demonstrated that it has a detailed Grievance Policy and educates its employees and administrators on how to handle patient complaints and grievances pursuant to the Grievance Policy. Pioneer also demonstrated that the Grievance Policy is provided to patients upon admission and that the numbers to call to lodge complaints are posted throughout its facilities. Second, Pioneer uses a third-party anonymous hotline that allows patients or employees to lodge complaints or grievances. Pioneer established that it has appropriate procedures for handling these complaints or grievances, and that if the complaint or grievance relates to a facility's administration, the complaint is handled by Sawyer and the compliance committee. Third, Pioneer demonstrated that the compliance committee reviews the complaint and grievance log to ensure that each complaint or grievance was resolved. Finally, there are numerous state and federal regulations that Pioneer must adhere to and each of Pioneer's facilities are subject to frequent surveys to ensure that they are adhering to these regulations. This provides an additional layer of protection for patients.

### Conclusion

For the foregoing reasons, the Court finds that a PCO is not necessary to protect patients at this time. The Court does find it necessary, however, to impose certain requirements to ensure that Pioneer is adequately protecting its patients' interests. Those requirements are as follows: (1) Sawyer expressed uncertainty regarding certain aspects of Pioneer's patient care, including, but

not limited to: (a) whether the Grievance Policy is provided to patients who seek care at Pioneer's outpatient clinics; (b) whether all patients receive a HIPAA<sup>12</sup> notice; and (c) whether the telephone numbers to call to lodge complaints or grievances are displayed in patient rooms. The Court finds that Pioneer should resolve these ambiguities and furnish the UST with the appropriate information within twenty-one (21) days from the date of this Order; (2) Pioneer should contact the Patrick County administrator to determine why the Charts indicated that Pioneer of Stuart lacked sufficient supplies and could not make payroll. Pioneer will have twenty-one (21) days from the date of this Order in which to resolve this dispute and notify the UST of the results; (3) If a financial advisor employed by Pioneer in the Bankruptcy Case, or any other professional employed by Pioneer, discovers a problem or issue that may affect patient care at any Pioneer facility, in addition to notifying Pioneer and Geno, that person should contact Middleton directly to inform her of the issue; (4) Middleton may contact the long-term care ombudsman in North Carolina to advise him or her of the situation in Stokes County to determine if he or she will be able to take on a role other than that of a PCO; and (5) If the facts change or if the UST uncovers additional information through further investigation that indicates the necessity of a PCO in the future, the Court will reconsider the appointment of a PCO upon the filing of an appropriate motion. See FED. R. BANKR. P. 2007.2(b).<sup>13</sup>

IT IS, THEREFORE, ORDERED that the Motion is hereby granted.

IT IS FURTHER ORDERED that Pioneer hereby has twenty-one (21) days from the date

<sup>&</sup>lt;sup>12</sup> Health Insurance Portability and Accountability Act. 42 U.S.C. § 1320d-2(d)(2); 45 C.F.R. 160.101, *et seq*.

<sup>&</sup>lt;sup>13</sup> "[T]he court, on motion of the United States trustee, or a party in interest, may order the appointment at a later time during the case if it finds that the appointment has become necessary to protect patients."

of this Order in which to resolve the ambiguities in Sawyer's testimony at the Hearing regarding patient care and to provide clarifying information to the UST.

IT IS FURTHER ORDERED that Pioneer hereby has twenty-one (21) days from the date of this Order in which to inform the UST of the resolution to the conflict between Sawyer and Gieger's testimony and Patrick County's responses in the Charts regarding whether Pioneer of Stuart has enough money to maintain payroll and an adequate supply level.

IT IS FURTHER ORDERED that Pioneer's financial advisors and all other professionals employed by Pioneer are hereby instructed to report any information that may affect the quality of patient care directly to the UST.

IT IS FURTHER ORDERED that the UST is hereby authorized to contact the long-term care ombudsman in North Carolina to apprise him or her of the situation in Stokes County and discuss possible oversight.

IT IS FURTHER ORDERED that the Court will reconsider the future appointment of a PCO upon an appropriate motion pursuant to Rule 2007.2(b).

# ##END OF ORDER##