



ENTERED
08/08/2018

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	CASE NO.
	§	
NEIGHBORS LEGACY HOLDINGS, INC., et al.,	§	18-33836 (MI)
	§	(Chapter 11)
	§	Jointly Administered
DEBTORS¹	§	

**ORDER DIRECTING UNITED STATES TRUSTEE
TO APPOINT A PATIENT CARE OMBUDSMAN UNDER 11 U.S.C. § 333**

The Debtors are described as being a “health care business.” Pursuant to 11 U.S.C. § 333, the Court is required within 30 days after commencement of the case to order 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. No party has filed a motion requesting that the Court find an ombudsman unnecessary under the facts of the cases. Under these facts, the Court finds that the United States Trustee shall appoint an ombudsman in these cases. For the reasons set forth on the record, it is hereby

ORDERED that:

1. The United States Trustee shall appoint a patient care ombudsman (“PCO”) under 11 U.S.C. § 333 to monitor the quality of patient care and to represent the interests of the patients of the health care business of the Debtors.
2. The PCO shall:
 - (a) monitor the quality of care provided to the patients to the extent necessary under the circumstances, including interviewing patients, physicians, and health care providers;
 - (b) report not later than 60 days after the date of her appointment, and not less frequently than at 60-day intervals thereafter, to the Court regarding the quality of patient care by the Debtors;

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at www.kccllc.net/neighbors. The location of Debtors’ principal place of business and the Debtors’ service address is: 10800 Richmond Avenue, Houston, Texas 77042.



(c) immediately notify the Court, the Committee, the United States Trustee, and parties in interest if she determines that the quality of patient care provided by the Debtors is not adequate, deteriorating, or is otherwise being materially compromised; and

(d) maintain the confidentiality of patient records.

3. The PCO may, without special notice to patients, have access to and be able to review confidential patient records as necessary and appropriate to discharge her duties and responsibilities, provided, however, that she protect the confidentiality of such records as required under non-bankruptcy law and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (Pub. L. 104-191), and any amendments or implementing regulations ("HIPAA"), and the Health Information Technology for Economic and Clinical Health Act, which was enacted as title XIII of division A and title IV of division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5), and any amendments or implementing regulations ("HITECH"), including the Final Omnibus Privacy Regulations in 45 C.F.R. Parts 160 and 164 ("Final HIPAA Rules").

4. The PCO may, without special notice to patients and in lieu of personal service, notify patients of her appointment as PCO by conspicuously posting a notice at each patient care facility operated by the Debtors.

5. The PCO may, without special notice to patients and in lieu of personal service, post notice at each patient care facility operated by the Debtors that will provide adequate notice to the patients of the ombudsman appointment, the duties of the ombudsman, and all the information set forth in Fed. R. Bankr. P. 2015.1(a). Such notice will include a statement that any reports issued by the PCO will be available at the facility, through the PCO, and through Debtors' counsel.

6. The PCO shall keep contemporaneous records of time and expenses.

SIGNED this 8 day of August, 2018.



HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE