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Patient Care Ombudsman

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

IN RE:

**INSPIRED HEALTHCARE CAPITAL
HOLDINGS, LLC, *et al.*¹**

Debtors.

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Case No. 26-90004-MXM-11

(Jointly Administered)

**PATIENT CARE OMBUDSMAN INITIAL REPORT
The Residence of Cedar Dell – Dartmouth, MA**

In response to this Court’s March 5, 2026, *Order Directing Appointment of One or More Patient Care Ombudsmen Under 11 U.S.C. § 333 and Fed. R. Bankr. P. 2007.2* (the “PCO Order”) [Docket No. 250], the United States Trustee’s Office filed *its Notice of Appointment of Susan Goodman Patient Care Ombudsman Under 11 U.S.C. § 333* (the “Appointment Notice”) at Docket No. 442. The Appointment Notice directed Susan N. Goodman to serve as the ombudsman for seven of Debtors’ locations across four states (MA, WI, OR, and TX). PCO’s qualifications to serve in these jointly administered cases were provided with the Appointment Notice and are incorporated by reference as though fully set forth herein.

¹ The last four digits of Inspired Healthcare Capital Holdings, LLC’s federal tax identification number are 6696. There are 161 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://dm.epiq11.com/InspiredHealthcare>. The Debtors’ mailing address is 7033 East Greenway Parkway, Suite 250, Scottsdale, AZ 85254.

Debtors counsel quickly engaged to provide PCO with an operational leadership contact at each location. Thereafter, PCO introduced herself to the locations and scheduled site visits. PCO comes now and provides this initial report regarding her efforts at The Residence of Cedar Dell² (“Cedar Dell” or “Cedar”) located in Dartmouth, Massachusetts.

Cedar is managed by a third-party company called LCB. The employees at Cedar work for LCB and report positively on their employer, who manages roughly forty communities in the Northeast. LCB staff are trained and certified in dementia care.

The two-story building is set off from the main road with a long driveway entrance. Cedar has sixty-one (61) assisted/independent- living apartments and seventeen (17) memory-assisted living apartments. The first floor, secure memory unit offered a double occupancy unit. Accordingly, the unit was full at the time of PCO’s site visit with a total of eighteen (18) residents. The assisted/independent apartments were also full, with only one empty unit.

Cedar leadership reported that two nurses were present on site at all times. Unlicensed assistive care staff were titled Resident Service Attendants or RSAs. Memory reported three RSAs for day and evening shifts, with two RSAs for the overnight shift. PCO’s unit observation demonstrated staff consistent with this report. The Resident Care Director (“RCD”) reported having only one part-time RSA position open. Care staff teams reported positively regarding the training offered through the management company, with all staff required to complete National Dementia Certification (called “NIDC”).

The maintenance team consisted of two experienced individuals. The facility manager denied vendor interruption for LCB’s key partners associated with non-capital, preventative maintenance needs, including, without limitation, pressure vessel checks, fire extinguisher maintenance, dry riser system repair, emergency generator maintenance, and elevator servicing. One

² The legal case name for this location is *Inspired Senior Living of Dartmouth MT, LLC*, as detailed in individual case number 26-90124 in these jointly administered cases.

of four washers on the second floor was broken with a replacement reported as ordered.³ At report filing, PCO confirmed that the replacement washer was received and placed in service.

Items requiring capital expenditure, however, were visually noted by PCO as outstanding, including, without limitation, roof and rain gutter repair on the central patio area, roof fascia repair/replacement items, and an upstairs common-area toilet that was posted as out-of-service.

Cedar Dell's chef denied experiencing post-petition challenges associated with dining services. This department was fully staffed. No concerns were noted in this area. Again, supply items for this resident-centric service department were reported as coming through the management company account and were understandably uninterrupted by the bankruptcy filing.

In short, PCO did not observe bankruptcy-associated impacts to resident care items including, without limitation, staffing, disposable supply and paper product availability, and care related vendors (for example, pharmacy, hazardous waste collection and removal, trash removal, and shredding services for items containing personal health information). As such, PCO did not observe resident care quality decline as contemplated under 11 U.S.C. § 333(b), seemingly because of the buffer provided by the third-party management company resources.

PCO believes the resident care caution, with all the locations she has been tasked to monitor, lies not with the transition that occurred going *into* bankruptcy but, rather, the transition that lies ahead in the transition *out* of bankruptcy. To the extent that the current stability is not directly attributable to the buildings' owners, but to the buildings operators, any shift(s) in operator would wisely be approached with sufficient resident/resident advocate notice and operator overlap to minimize adverse resident impacts that can occur with hasty care transitions, most particularly for memory-impaired residents who are sensitive to changes in their daily care staff and routines that they have come to depend upon.

At this juncture, PCO is comfortable maintaining a maximum, sixty (60) days between report filings. Additionally, PCO will continue appearing as a sole professional without ombudsman

³ LCB stated that repair costs greater than \$2,500.00 were capital expenditures that Debtors were responsible for at the Cedar Dell property. This threshold was described as distinctly higher than the \$500 maintenance categorization cap at non-Debtors' properties they managed.

counsel, reserving the right to seek counsel's employment should resident issues arise that require additional advocacy efforts requiring bankruptcy-specific expertise that is beyond PCO's health care operations/compliance expertise.

DATED: June 8, 2026.

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CERTIFICATE OF SERVICE

I hereby certify that on June 8, 2026, a true and correct copy of the foregoing report was filed electronically, and notice was served via the court's CM/ECF system on all parties entering an appearance and requesting notice in this case.

By: Susan N. Goodman