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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 § **Case No. 26-90004-MXM-11**
HOLDINGS, LLC, et al.¹ §
§ **(Jointly Administered)**
Debtors. §

**PATIENT CARE OMBUDSMAN INITIAL REPORT
Mariella at Sage Spring – San Marcos, TX**

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) where Debtors care offering included memory assisted living care. PCO’s appointment was 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 Mariella at Sage Spring² (“Sage”) located in the I-35 Corridor South of Austin in San Marcos, Texas.

Sage has sixty-eight (68) assisted living (“AL”) units and twenty-four (24) memory assisted living units (“Memory”). On the date of PCO’s visit, including the scheduled move-in, Memory was at capacity. PCO visited just after the noon meal. Residents were gathered in the great room area watching a movie. Popcorn was provided and an activity staff member was present. Two private attendant care givers were also noted. A total of three residents were reported as having private care givers. Staff reported seven residents with hospice care support. Rooms with video monitoring were marked.

On the date of PCO’s site visit, the Executive Director was absent, although available to PCO via phone. When PCO visited Memory, she encountered one Memory care assistant who reported that the other staff were on their lunch break. The staff member was cleaning up the lunch area and interacting with and redirecting residents, who she appeared to be well-acquainted with. Staffing matrix coverage was reported as three care assistant staff on the day shift (12-hour shifts) and two care assistant staff on the night shift, with a medication aide assisting on each shift. Staff reported working extra shifts when needed to cover staffing needs.

Other than food crumbs yet to be cleaned from the tables and floor in the eating area, the unit appeared to be clean and odor free. Residents had free access to a small patio area off the dining room. One resident was going in and out of the patio area during PCO’s site visit. Outside of one dryer that was reported as requiring a lot of time to dry items, all laundry equipment was reported as working. Staff denied supply and pharmacy concerns.³

² The legal case name for this location is *Inspired Senior Living of San Marcos MT, LLC*, as detailed in individual case number 26-90105 in these jointly administered cases.

³ Notably, Sage has a different pharmacy vendor from the contracted vendor utilized at sister facilities in Round Rock and Grapevine, Texas.

PCO met with the maintenance director, who also reported managing the housekeeping (“EVS”) staff. The maintenance director had an assistant, who PCO met on site. The EVS team was fully staffed, reporting only one additional PRN (as needed) EVS staff vacancy open for recruitment. Three EVS staff were working on the date of PCO’s site visit. EVS coverage was reported as Monday through Saturday, with lighter staffing on Saturday and Monday. Maintenance denied post-petition supply and service vendor concerns. Regular elopement drills were reported as occurring in addition to monthly fire drills. The annual disaster drill completion was current within the last calendar year.

The dietary manager was new to Sage, arriving three to four months ago. She reported one full-time opening. Registered Dietician engagement was confirmed. PCO noted various, required temperature log documentation. Equipment and food delivery concerns were denied. PCO visualized dry and refrigerator/freezer storage with no concerns noted.

Sage is one of three Texas locations supported by Leisure Care through a consulting agreement. Leisure Care reportedly moved in quickly to support the three Texas locations, providing interim stability in anticipation of moving to a full management arrangement by fourth quarter of 2025 as was previously negotiated and scheduled. Ultimately, the October 2025 management transition did not happen for Sage and ten other Debtors’ locations. While the staff are not employed by the consulting company, they universally credit the company with stabilizing the facility.

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 consulting company’s engagement. As reported relative to other locations visited, any sale transition that would potentially involve a transition in the consulting company’s leadership should be carefully planned and executed to avoid resident and staff departures and/or care impacts. So long as the consulting company remains in place, PCO is comfortable maintaining sixty (60) days between site visits and reporting to the court.

Additionally, PCO will continue appearing as a sole professional without ombudsman 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