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Patient Care Ombudsman

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
BOSTON DIVISION

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In re:

Compass Medical PC

Chapter 7
Case No. 23-10886 (CJP)

Debtor.

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**SEVENTH REPORT OF
JOSEPH J. TOMAINO
AS PATIENT CARE OMBUDSMAN**

I, Joseph J. Tomaino, the duly appointed Patient Care Ombudsman (the “PCO”) appointed by the United States Trustee pursuant to an order of the United States Bankruptcy Court for the District of Massachusetts, Boston Division (the “Bankruptcy Court”) entered in the above-captioned bankruptcy case, file this seventh report pursuant to section 333(b)(2) of title 11, United States Code (the “Bankruptcy Code”). This case involves Compass Medical P.C., (the “Debtor”), a multi-site medical practice.

On February 15, 2024, the Court issued an order (*Doc. 238, Order Authorizing Disposal and Destruction of Business and Medical Records*) stating that on or before 30 days from signing the order, Steward Medical Group (SMG) shall take possession of all medical records of Compass Medical Group, including those of patients who were not patients of SMG under the previous joint venture with Compass Medical Group.

After a ramp-up period to prepare to respond to patient requests for records, Steward Medical Group has been responding to requests. They have a web site set up with a form for patients to complete and mail in. We understand that Atrius and Signature Health have outstanding requests currently in their possession. Although Steward has made progress and is working with Atrius to resolve the outstanding requests in their possession, Signature Health had not responded to their requests for their records as of June 21, 2024. On July 8, 2024, SMG’s Counsel provided an update on the status of record requests from Atrius, Signature, and other providers. Atrius is sending requests over periodically. SMG is processing them as they

come in. Signature Health may have about 250 requests in hand and SMG is trying to secure them. SMG/Former Compass Providers sending approximately 800 requests which are being processed. As of June 17, 2024, 4035 records are reported to have been processed.

With respect to the physical records, SMG's Counsel reports there is no HIPAA compliant space available at this time to house the records. Due to the proposed hospital sales in Steward's ongoing bankruptcy cases, it is likely that such space will not be available for three to four weeks. Counsel added that Steward is committed to moving these records when they can be sure that the location will not later be subject to a sale in connection with its chapter 11 case.

The only calls to the PCO since June 20, 2024, have been from elderly patients who do not have computer access to print out the record request form. In these cases, the PCO has been mailing copies of the form to these patients along with a letter outlining the procedure to mail it in. SMG through its Counsel was advised of the difficulty these elderly patients are having.

Risk Assessment

When evaluating a healthcare business in bankruptcy, based on the initial assessment of the PCO, the Debtor is categorized into a low, medium, or high-risk level based on data collected and interviews with management, patients, and staff. This initial determination of the level of risk may be adjusted as findings either improve or deteriorate. These levels are outlined below:

- Low-level risk evidenced by transparent reporting, and no observable staffing, supply or quality of care issues that are not readily resolved.
- Mid-level risk evidenced by transparent reporting with some significant observable staffing, supply, or quality issues, or lack of transparent reporting.
- High-level risk evidenced by significant staffing, supply, or quality issues observed, or risk of partial or full closing of services.

Healthcare debtors can move between levels of risk over the course of bankruptcy.

Based on the observations made and outlined in this report, the current risk level for this case has decreased to moderate level based on the response activity by SMG. Once the physical record custody can be secured, it will move to low.

Monitoring Plan

The PCO will continue to pursue the information requested and will continue to communicate with patients who call. The PCO will monitor the noticing of patients on the arrangement for obtaining their medical records from the permanent custodian, Steward Medical Group. The PCO will report to the Court and participate in any related status conferences.

Consistent with requirements outlined in Bankruptcy Rule 2015.1-1, notice of this report will be served on each entity that issues licenses or regulates the Debtor. Additionally, as SMG is in bankruptcy, a copy will be forwarded to the relevant PCO in that case.

The Ombudsman will make his next report in sixty (60) days or sooner, if circumstances warrant.

Dated: July 15, 2024
Manhattan, New York

JOSEPH J. TOMAINO, SOLELY IN HIS
CAPACITY AS THE COURT APPOINTED
PATIENT CARE OMBUDSMAN

/s/ Joseph J. Tomaino
JOSEPH J. TOMAINO