



TAMPA BAY BANKRUPTCY CENTER, P.A.

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Wyoming Nursing Home Rules Out Bankruptcy

Wyoming's largest nursing home, Shepherd of the Valley Care Center has ruled out filing for bankruptcy protection as an option to rid itself of its financial woes. As its financial problems got to crisis levels, the nursing home asked civic and business leaders and the governor's office for help.

In response, Sen. Charles Scott (R - Casper) proposed legislation that authorizes the governor to channel Medicaid funding to health care facilities going through financial turmoil. In addition, local foundations also gave assistance and advice.

The advice from various quarters included suggestions to file for Chapter 11 bankruptcy protection that would allow it to reorganize and pay off its debts while keeping creditors at bay. But the 12 members of Shepherd of the Valley did not favor the idea, neither did representatives of the four local churches in the Evangelical Lutheran Church of America even with added Medicaid funding.

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Chairman of the Board, Rick Bonander said the nursing home's best hope for financial recovery rests in a purchase of the home by an interested party. So far, 4 companies based in Illinois, Colorado and Minnesota have expressed interest but Bonander declined to name them.

Contributions from local foundations have helped Shepherd of the Valley stay afloat. Currently, the home's debt is estimated at between \$2.25 million and \$3 million, mostly with the IRS and the Wyoming workers' compensation system. Since August, the nursing home that houses 150 mostly frail patients has been trimming their overheads by not replacing staff who left.

On top of this, the home's former chief finance officer, Perry Vandeventer is under investigation for embezzlement. He also went missing in January and a missing person's report was filed on his disappearance.

Vandeventer also made the home's dire financial situation seem less severe than it actually was.

Sen. Scott's proposal for legislation in Senate File 125, which would have immediately appropriated \$2 million from the state's general fund to the Medicaid contingency reserve and allowed the governor to transfer money to a health care facility in financial crisis was disapproved on a 15-15 vote on the third reading in the Senate.

About two-thirds of Shepherd of the Valley's 150 patients receive federal aid through Medicaid to pay for their nursing home bills. Medicaid helps pay for health care for the needy, aged, blind, disabled and low-income

families with children. However, Medicaid reimbursement rates could not keep up with health-care inflation.

If you wish to file for bankruptcy, call us at (813) 200 4133 for a free consultation.