

**STATE OF RHODE ISLAND
PROVIDENCE, SC.**

SUPERIOR COURT

In re:

**PAWTUCKET SNF OPERATOR, LLC d/b/a
PAWTUCKET FALLS HEALTH CARE
CENTER.**

C.A. No.

ASSENTED TO PETITION FOR A COURT-APPOINTED RECEIVER

NOW COMES Attorney General Peter F. Neronha (“Attorney General”), in his own capacity and on behalf of the Rhode Island Department of Health (“RIDOH”), by and through its interim Director, Utpala Bandy, MD, MPH, and Pawtucket SNF Operator, LLC d/b/a Pawtucket Falls Health Care Center (“Pawtucket Falls,” together with Attorney General and RIDOH collectively, the “Parties”). The Parties hereby petition the Superior Court to appoint a receiver for Pawtucket Falls, pursuant to R.I. Gen. Laws § 7-16-40 and Rhode Island Rules of Civil Procedure, Rule 66.

Pawtucket Falls is a 154-bed skilled nursing facility located at 70 Gill Avenue, Pawtucket, RI 02861. Licensee Pawtucket Falls is subject to RIDOH’s regulatory oversight of all such licensed facilities. R.I. Gen. Laws § 23-17-1 *et seq.* The Parties agree that due to the financial condition of the facility this action is necessary to stabilize the financial condition and operations of Pawtucket Falls and protect the safety and wellbeing of residents of Pawtucket Falls.

1. The Attorney General is the chief law enforcement officer of the State of Rhode Island and, by statute, the State’s health care advocate under R.I. Gen. Laws § 42-9.1-1 *et seq.*

2. RIDOH is the State of Rhode Island’s primary public health agency and health care licensing entity.

3. Pawtucket SNF Operator, LLC d/b/a/ Pawtucket Falls Health Care Center, a domestic limited liability company organized under the laws of the State of Rhode Island, located at 70 Gill Avenue, Pawtucket, RI 02861, is the Licensee of the facility licensed by the Rhode Island Department of Health to operate Pawtucket Falls Health Care Center as a nursing facility.

4. Starlight Healthcare, LLC, is an authorized member of Pawtucket Falls and assents to this petition.

5. Subject matter jurisdiction in this case is properly conferred in this Court pursuant to R.I. Gen. Laws §§ 8-2-13, 8-2-14, and 7-16-1 *et seq.*

6. Personal jurisdiction in this case is properly conferred in this Court based on the Pawtucket Falls presence and business within the State of Rhode Island and pursuant to R.I. Gen. Laws § 7-16-40.

7. Venue is proper pursuant to R.I. Gen. Laws § 9-4-3 because Pawtucket Falls has carried on a regular business in Providence County.

8. Pawtucket Falls is a licensed skilled nursing facility, pursuant to R.I. Gen. Laws § 23-17-1, *et seq.* and 216 R.I. Code R. 40-10-1.

9. The Parties have made a determination that due to the financial condition of the facility and its impact on day-to-day operations and the health, safety, and well-being of residents of the facility, the appointment of a Court receiver is necessary and in the best interests of the facility and will facilitate the protection of health, safety, and well-being of the residents, in accordance with the Court's inherent powers of equity and R.I. Gen. Laws § 7-16-1 *et seq.* Pawtucket Falls has similarly made its own, independent determination that due to the financial condition of the facility and its impact on day-to-day operations and the health, safety, and well-being of residents of the facility, the appointment of a Court receiver is necessary and in the best interests of the facility and will facilitate the protection of health, safety, and well-being of the residents, in accordance with the Court's inherent powers of equity and R.I. Gen. Laws § 7-16-1 *et seq.*

10. Based thereon, the Parties petition the Court to appoint a receiver with all powers necessary to protect the health, safety, and well-being of the residents of Pawtucket Falls, which include (i) all power under common law and the laws of this state and the rules of its courts regarding receiverships generally; (ii) the power to continue to operate the facility for the benefit of the residents of the facility; (iii) the power to sell the facility with the approval of the court; and (iv) the power to facilitate the safe and orderly removal and placement of all residents of the facility in a manner which will not be detrimental to the health and safety of the residents.

11. This Petition is submitted in good faith for the protection of the residents of Pawtucket Falls.

12. This Petition is filed to seek relief as prayed by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

WHEREFORE, The Parties respectfully pray that this Honorable Court:

- a. Appoint a Receiver forthwith to take charge of the operations, business assets, affairs, estate, effects and property of Pawtucket Falls;
- b. Authorize and direct the Receiver to take charge of such operations and assets, to marshal the assets and to dispose of the assets as the Receiver deems reasonable and necessary to stabilize the financial condition of Pawtucket Falls and protect the health, safety, and well-being of its residents;
- c. Grant the Receiver all the typical powers and responsibilities of a receiver as subject to and permitted under the Rhode Island Limited Liability Company Act, § 7-16-1 *et seq.* and Rhode Island Rules of Civil Procedure, Rule 66, and further grant the Receiver the following powers:
 - i. All power under common law and the laws of this state and the rules of its courts regarding receiverships generally;
 - ii. The power to continue to operate the facility for the benefit of the residents of the facility;
 - iii. The power to sell the facility with the approval of the court; and
 - iv. The power to facilitate the safe and orderly removal and placement of all residents of the facility in a manner which will not be detrimental to the health and safety of the residents.

However, requiring the Receiver to obtain prior approval from this Honorable Court for the proposed sale of any portion of the Pawtucket Falls assets or prior to terminating any contract or making any material changes, in which the RIDOH, Attorney General, Pawtucket Falls, and any

other interested party shall be entitled to no less than ten (10) days prior notice, unless a shorter notice period is authorized by this Court, and an opportunity for those parties to be heard; and

- d. Grant the Parties such other or further relief as this Court shall deem proper.

Dated: May 15, 2023

Respectfully and Jointly submitted,

STATE OF RHODE ISLAND; and
UTPALA BANDY, MD, MPH,
INTERIM DIRECTOR OF THE
RHODE ISLAND DEPARTMENT
OF HEALTH,

By:

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PAWTUCKET SNF OPERATOR,
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HEALTH CARE CENTER

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CERTIFICATION OF SERVICE

I, the undersigned, hereby certify that on the 15th day of May, 2023, I filed this document electronically and it is available for viewing and/or downloading from the Rhode Island Judiciary's Electronic Filing System.

/s/Karen M. Ragosta