Hunter Management, Inc.

Quality of Care Concerns

SAVE THE MANOR Coalition
AFSCME #2468
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The Lancaster County Board of Commissioners has stated to the residents of Lancaster Manor and the citizens of Lancaster County, Nebraska that it is considering selling Lancaster Manor in order to ensure that the residents will continue to receive the excellent care that they have enjoyed at Lancaster Manor.

“The highest priority of the Lancaster County Board of Commissioners is providing long-term quality care to you, the residents of Lancaster Manor.” – Chairman Bernie Heier, Letter to Residents, February 11, 2009.

“To ensure the continued operation of the Manor and the excellent care provided to you we have made the decision to issue a request for qualifications from those who may be better suited than the County Board in managing your home.” -- February 11, 2009 Letter from Board to Manor Residents.

“The [Board] is proceeding with the request for qualifications to guarantee the financial stability of Lancaster Manor and the best care for you.” -- March 12, 2009, Letter from Board to Residents.

“[t]he Board knows changes must be made so that you will receive the highest quality care for years to come.” -- Mar. 12, 2009 Letter from Board to Residents.

“Our number one concern is about the individuals we have at the Lancaster Manor.” -- Commissioner Bernie Heier, Journal-Star, March 3, 2009.

Of course the sentiments of the Board are correct. The health and safety of the residents of the Manor are the first priority for all parties involved with the Manor. If this is the case -- if the Board’s first concern is the quality of care for the residents -- the most important question for the Board ought to be is:

Is the particular buyer we are considering best suited to care for these residents? Can we trust them to provide the continued care levels that the residents of the Manor deserve?

This report seeks to present evidence to the Board and to the community to answer this question.
It is important to understand that the Rothner family and their nursing homes are the subject of this report only because the County Board is now considering selling the Manor to them. We have no ill will toward the Rothners themselves. We are presenting this information only because the treatment of Manor residents is a matter of important public concern.

It is also important to understand that the research we have compiled for this report is not new information. All the information contained herein is in the public domain, and is readily available from various sources, including Medicare’s government website, the Illinois Department of Public Health, other state governmental agencies, newspaper reports available on the Internet, and other similar sources. The supporting materials we have provided include copies of these original sources.

This report does nothing more than relay this information to the reader because when we reviewed it, we thought it was important that people be aware of what has been reported. Please make your own judgments about it.

**WHO IS HUNTER MANAGEMENT?**

As a matter of legal identity, Hunter Management, LLC is an Illinois limited liability company. It was organized in Illinois in 1994. Eric Rothner is identified in Illinois Secretary of State records as the managing member of the LLC. Eric Rothner is a principal in a family that owns interests in a large number of nursing homes throughout the Midwest, including many in Illinois, Indiana, Missouri and Ohio. Mr. Rothner has ownership interests in a large number of nursing homes personally, and often as a member of an operating LLC

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1 [http://www.ilsos.gov/corporatellc/CorporateLlcController](http://www.ilsos.gov/corporatellc/CorporateLlcController)
along with others. Many nursing homes are also owned in whole or in part by various other members of the Rothner family. The Rothner family also acquired Homestead Nursing Home in Lincoln, Nebraska approximately 1 ½ years ago.

We have been told that the primary contact for the family with the County Board has been Mr. Avi Rothner, and Mr. Avi Rothner has contacted Kim Kaspar personally to discuss the Manor.

**Rothner Nursing Home Holdings**

The public record indicates that members of the Rothner family own, in part, or in whole, a large number of nursing homes in various states. Because the nursing homes are often owned by LLCs, it can be difficult to identify all the homes in which the Rothners own equity interests. This report has included information only about those nursing homes that we have confirmed are owned by Rothner family members, or corporate entities in which they have an interest. Appendix 6 to this report contains a record of ownership information for the nursing homes that we have identified with the Rothner family discussed herein.

It should be emphasized that this report does not include all nursing homes owned by Rothner family members, for the reason that we do not have a comprehensive source for all Rothner nursing home holdings.

**Evaluating the Rothner Nursing Homes**

There are several publically available resources for evaluating nursing home quality of care. High profile measures include:

- Medicare’s 5 star nursing home rating system
- Medicare quality of care deficiency reports
• State agency reports of State Fines against a facility

We have also found numerous reports from state agency reports, newspapers and other secondary sources about the quality of care at Rothner nursing homes. In the instances we have referred to these, we have qualified these sources as having been “reported” by these newspapers. This qualification is meant to provide for proper attribution to these newspapers, but also to indicate to the reader that the reports of these issues are taken from reports about the facility and not from governmental documents or from first hand contact with witnesses.

a. Medicare’s 5-Star Rating System.

Medicare and Medicaid provide useful information for evaluating quality of care at nursing home facilities. First, the programs provide a 5-Star rating system to evaluate nursing homes. Medicare’s legend provides that nursing homes are given ratings as follows:

- Much better than average
- Better than average
- Average
- Worse than average
- Much worse than average

Accordingly, we reviewed the star ratings of each of the nursing homes that we are aware of that are owned in whole or in part by Rothner family members. Of the 38 nursing homes that we are able to confirm are currently owned in part or whole by members of

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2 These reports are available at [http://www.medicare.gov/Nursing/Overview.asp](http://www.medicare.gov/Nursing/Overview.asp)

3 When the numbers for this report were originally released, we released Medicare Star Ratings for 45 homes that we believed at the time were currently Rothner nursing homes. There are 6 of these homes that we have decided to pull from this section of the report for the reason that although they appear to have been owned by Rothner or family affiliate companies at one time in the past, we have not been able to confirm whether Rothner
the Rothner family, 21 of those homes have 1 star ratings by Medicare, indicating that the quality of care at these facilities, in Medicare’s judgment is “much below average.” In several cases, these nursing homes were the worst rated homes in their cities. Medicare also reports that these nursing homes are in the bottom 25% of all nursing homes rated by Medicare.

Secondly, 13 more of the Rothner homes have 2 star ratings, which Medicare states are “below average.” In sum, Medicare rates 34 out of the 38 Rothner nursing homes we found as “below average” or “much below average.”

The supporting material provided in Appendix 1 provides a list of the Rothner nursing homes that we were able to identify and their current Medicare star rating, along with a printout of the Medicare profile for each facility.

B. Quality of Care Inspection Deficiencies

currently owns these nursing homes as the date of the report. Accordingly, out of an abundance of caution we have not included their numbers here.

4 This list includes Homestead Nursing and Rehabilitation Center in Lincoln, Nebraska.
Secondly, Medicare provides a reporting of inspection “deficiencies” which indicate sub-par performance in inspection items. The number of deficiencies can be compared to the State-wide average to evaluate the quality of care provided at a nursing home relative to its peers.5

How do the Rothner homes perform on deficiency ratings relative to their peers?

In sum, 27 of the 38 Rothner Homes we have identified have health deficiencies that were higher than their state averages. 3 of these had deficiencies that were 5X their state averages or higher. 5 more of the Rothner homes had deficiencies that were 3X their state averages. 4 more of the Rothner homes had deficiencies that were 2X their state averages. The homes with the most substantial deficiencies are charted below.

5 These reports are available at http://www.medicare.gov/Nursing/Overview.asp.
The supporting material provided in Appendix 2 provides a complete list of the Rothner nursing homes that we have been able to identify and their current deficiency report.

C. **State Agency Fine Assessments**

State agencies that regulate nursing homes may assess fines for major deficiencies in quality of care, or for other violations of nursing home regulations. In Illinois, where many of the Rothner nursing homes are located, the Illinois Department of Health issues
quarterly reports that report the fines that are assessed against a facility during that quarter. A review of those fines can assist in evaluating the quality of care of the facility and the ongoing quality of administration. These reports are readily available for review on the State of Illinois website at:

http://www.idph.state.il.us/about/nursing_home_violations/quarterlyreports.htm

A review of these quarterly reports indicates that the State of Illinois has assessed extensive fines against Rothner nursing homes since 2001. 25 of the Rothner homes we reviewed have been assessed fines ranging from $10,000 to $55,000 on at least one occasion. 14 of these homes have been assessed fines of greater than $15,000, with several receiving multiple fines over these years. Fines have been assessed against Rothner nursing homes as follows:

<table>
<thead>
<tr>
<th>Nursing Home</th>
<th>Location</th>
<th>Fines Assessed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berwyn Nursing and Rehab</td>
<td>Berwyn, IL</td>
<td>50000 (9/25/2008)</td>
</tr>
<tr>
<td>Boulevard Care Center</td>
<td>Chicago, IL</td>
<td>10000 (6/14/2006)</td>
</tr>
<tr>
<td>Briar Place</td>
<td>Indian Head Prk, IL</td>
<td>10000 (9/20/2000)</td>
</tr>
<tr>
<td>Center Home Hispanic Elderly</td>
<td>Chicago, IL</td>
<td>35000 (3/2/2006)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5000 (10/27/2003)</td>
</tr>
<tr>
<td>Concord Extended Care</td>
<td>Oak Lawn, IL</td>
<td>5000 (2/3/2003)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15000 (12/10/2003)</td>
</tr>
<tr>
<td>Elmwood Care</td>
<td>Elmwood Park, IL</td>
<td>25000 (9/2/2008)</td>
</tr>
<tr>
<td>Fairview Nursing Plaza</td>
<td>Rockford, IL</td>
<td>20000 (4/3/2007)</td>
</tr>
<tr>
<td>Imperial</td>
<td>Hazel Crest, IL</td>
<td>30000 (3/28/2008)</td>
</tr>
<tr>
<td>International Village</td>
<td>Chicago, IL</td>
<td>50000 12/20/2007)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (9/13/2004)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5000 (12/9/2004)</td>
</tr>
<tr>
<td>Lemont</td>
<td>Lemont, IL</td>
<td>10000 (9/20/2000)</td>
</tr>
<tr>
<td>Maplewood Care</td>
<td>Elgin, IL</td>
<td>5000 (11/14/2008)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (4/10/2003)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (10/15/2002)</td>
</tr>
<tr>
<td>Neighbors Rehab Ctr</td>
<td>Byron, IL</td>
<td>5000 (11/24/2003)</td>
</tr>
<tr>
<td>Facility Name</td>
<td>City, State</td>
<td>Fines (Dates)</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>-------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>Pavilion of Forest Park Nurs Hme; DBA Berkshire Nurs. And Rehab.</td>
<td>Forest Park, IL</td>
<td>35000 (4/10/2007)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30000 (1/31/2006)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20000 (5/13/2005)</td>
</tr>
<tr>
<td>Prairie Manor Nursing &amp; Rehab Ctr</td>
<td>Chicago Heights, IL</td>
<td>20000 (3/16/2006);</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5000 (1/23/2003)</td>
</tr>
<tr>
<td>Prairie Village Healthcare Ctr</td>
<td>Jacksonville, IL</td>
<td>10000 (1/24/2000)</td>
</tr>
<tr>
<td>Rainforest Beach Care Center</td>
<td>Chicago, IL</td>
<td>10000 (08/15/2008)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (09/30/2008)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (07/20/2004)</td>
</tr>
<tr>
<td>Ridgeland Nursing &amp; Rehab</td>
<td>Palos Heights, IL</td>
<td>20000 (4/18/2008);</td>
</tr>
<tr>
<td>Sheridan Shores</td>
<td>Chicago, IL</td>
<td>10000 (2/6/2002)</td>
</tr>
<tr>
<td>Somerset Place</td>
<td>Chicago, IL</td>
<td>25000 (2/9/2009)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55000 (09/15/2008)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20000 (12/21/2006)</td>
</tr>
<tr>
<td>Washington Heights Nurs. Home</td>
<td>Chicago, IL</td>
<td>20000 (9/22/2006)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (9/6/2000)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (11/24/2003)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10000 (04/23/2002)</td>
</tr>
<tr>
<td>Westshire Nursing and Rehab</td>
<td>Cicero, IL</td>
<td>35000 (2/18/2009)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15000 (4/19/2007)</td>
</tr>
<tr>
<td>Wheaton Care Center</td>
<td>Wheaton, IL</td>
<td>10000 (11/3/2006)</td>
</tr>
<tr>
<td>Wilson Care</td>
<td>Chicago, IL</td>
<td>20000 (7/18/2006)</td>
</tr>
</tbody>
</table>

In sum, these reports indicate that the Rothner Nursing Homes we were able to identify were assessed fines totaling approximately $835,000 between 2001 and 2009 for an average of about $100,000 per year.\(^6\)

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\(^6\) These calculations include a fine and court costs assessed by an Illinois criminal court against a Rothner nursing home in Forest Park, IL. That fine was in the amount of $25,000. The home was also required to pay court costs of $75,000. This case is discussed at more length in section 4(e) below. Out of an abundance of caution we have also excluded a $25,000 fine assessed against International Village on (9/26/2008) for the reason that it is not clear whether International Village was still held by a Rothner entity on this date. Illinois corporate records indicate that an LLC was formed by current owners to acquire this nursing home on 9/11/2008. Because we are not aware of whether the acquisition was complete on 9/26/2008, we have excluded this $25,000 fine from our calculations.
The supporting material provided in Appendix 3 provides a list of the Rothner nursing homes with assessed fines. The records from the Illinois and Indiana Departments of Health that contains a record of each assessment are also provided.

4. **The Stories**

Finally, we also found numerous reports in secondary sources discussing the quality of care at various nursing homes owned by members of the Rothner family. These include newspaper reports, Medicare investigation reports and other similar sources. A summary of a few of the more notable stories about health concerns at these homes are provided here. Copies of the original reports regarding these stories are provided in Appendix 4 of the supporting materials. There are many others in the literature.

   a. **Berwyn Nursing Home, Chicago, IL**

   In February 2009, the Chicago Tribune reported this regarding violations found in 2008 at the Berwyn Nursing Home in Chicago:

   “The inspectors knew that there was trouble as soon as they entered the nursing home. The lobby smelled of urine. In one room, they found a 97-year-old woman, lying in her own waste she had severe bruises on her arm, foot and both legs that the staff could not immediately explain. Another resident had a bed sore dripping blood.”

   “Last March, inspectors found workers were improperly using side railings on beds. Four months later, a 53-year old obese resident suffocated when he got stuck between the mattress and side rails.”

   In January of 2009, inspectors found that the 145 person facility did not have a working mechanical lift to help residents out of bed, resulting in the facility not providing showers or getting some patients out of bed for days. Staff told the inspectors that there had been no lift for 10 days.
b. **Imperial Nursing Home, Hazel Crest, IL**

In March 2008, Imperial was fined $30,000 by the State for failing to provide for treatment of bed sores. “[T]wo residents required immediate hospitalization for treatment of pressure sores so developed that there was possible bone involvement.”

c. **Maplewood Care Center, Chicago, Illinois**

In May 2009, the Associated Press reported that a family had sued a Chicago nursing home owned by the Rothner family. A 21 year old resident raped a 69 year old woman. The facility administrator initially attempted to cover up the rape by claiming it was consensual. The family stated that the nursing home had not informed the family that they admitted young adult residents with histories of sexual abuse. The facility had also admitted the resident even though he had a felony warrant outstanding.

d. **Somerset Place, Chicago, Illinois**

Somerset Place is a 100% Medicaid facility in Chicago. In May of 2008, a federal investigation reported that a resident had left a Medicaid-only facility located in Chicago and owned by the Rothners unsupervised, even though she had been admitted while on parole. The resident had continued to use cocaine while in the facility, and her parole officer was never notified of this, or even of her admission. The resident disappeared in early May 2008. The Police were never notified of the disappearance so that a search could be initiated. Instead, the resident was found 12 days later. She had been murdered in a nearby motel room 4 blocks from the facility. When her body was found it was already in a state of decomposition.

At the same facility, in October of 2008, a Medicaid investigation surveyor noted that there were residents in the dining room eating with their fingers, wearing torn
clothing, butter toast with a spoon, no supervision by staff, and no staff in the dining room taking nutritional intake reports regarding residents.

e. *Pavilion at Forest Park*, Forest Park, IL (n/k/a *Berkshire Nursing and Rehab Center*).

In September 2005, an Illinois Grand Jury filed criminal indictments against Pavilion at Forest Park Nursing Home which is owned in part by members of the Rothner Family. The home was indicted for reckless failure to provide adequate medical care, after a 48 year old cancer patient died at the facility. The woman’s lawyer described the wounds of the patient as follows: “There were bedsores that went to the bone all up and down her back and thighs. . . The entire backside was one giant bedsore.”

The nursing home was eventually fined $25,000 by an Illinois criminal court and required to pay $75,000 in court costs.\(^7\)

f. *International Village*, Chicago, IL

Another Chicago Nursing Home, the International Village, (now known as International Nursing and Rehab) is currently a member of the Medicare and Medicaid Services list of Special Focus Facilities. *US News and World Report* has described this list as the list of the worst 135 nursing homes in America. Medicaid puts these nursing homes on this list to encourage them to reform. However, the International Village has been on the list for 53 months.\(^8\)

\(^7\) *Forest Park Review* Newspaper (9/21/2005).

\(^8\) According to Illinois Secretary of State records, International Village, Inc. was owned by Highlander Care Center LLC until some time in 2008. Eric Rothner was an equity holder in that LLC. In 2008, however, a new LLC was formed and apparently acquired International Village, Inc. The name of the facility was changed to International Nursing and Rehabilitation Center. It is unclear whether Eric Rothner continues to hold an interest in the nursing home today. However, the record indicates that Rothner’s prior LLC owned this facility while the facility was on the Medicare Special Focus Facilities list. As indicated above, the facility has been on
A family sued the International Village home in 2008, alleging that the nursing home failed to care for a resident’s condition and he wrongfully died at the age of 55. The lawsuit alleged the following:

The resident entered International Village on May 7, 2008 and was a quadriplegic and could not breathe on his own. He had a ventilator and tracheotomy tube which required daily maintenance and suctioning. On May 9, the nurse changing the oxygen supply on his ventilator failed to turn it back on. For 24 hours the resident had to breathe w/o oxygen from his ventilator. The resident was sent to the hospital and returned 4 days later with orders to continue tracheotomy care and suctioning along with chest physical therapy. These orders were never carried out and for 13 days the resident did not receive the therapy nor was his tube suctioned regularly. On May 26, nurses found the resident unresponsive, pulse-less and barely breathing in bed. After he was transported to the hospital the resident was pronounced dead.9

g. Concord Extended Care, Oak Lawn, Illinois

In March 2003, the Illinois State Health Department fined Concord Extended Care after an incident. A resident, who had a history of wandering and wore a electronic monitor, left the facility undetected. The resident was found unharmed about half a mile from the facility by an employee of a neighboring long-term care facility. The resident had made four previous attempts to leave the facility, the last one occurring just two days earlier. Nursing staff told surveyors that the resident, who was confused and anxious, had to be watched frequently and monitored every two hours. There was no evidence this was done.10

In January, 2004, the Illinois Department of Public Health moved to revoke the operating license of Concord after surveyors learned that another Concord resident, who was also wearing an electronic monitoring device, was able to cross a busy street and

this list for 53 months. A copy of the most recent Medicare Special Focus Facilities Report is contained in Appendix 5 of this report’s supporting materials.

9 See http://blog.levinperconti.com/2008/11/levin_perconti_files_lawsuit
10 http://www.idph.state.il.us/public/press03/concord.htm
intersection before he was noticed by members of the local fire department. Local police
returned him to the facility unharmed.11

h.  *Bethlehem Woods Nursing and Rehab, Fort Wayne, Indiana*12

In October 2003, the estate of a resident sued Bethlehem Woods for wrongful death
alleging that the home engaged in a series of actions that led to the death of their family
member. After breaking her leg, the resident was transferred to Bethlehem Woods. A few
days later her surgical incision was torn open because the home was using a wheelchair
that was too small for her. Later, she was left on her bedpan for 6 hours, causing her severe
ulcers. About a month later she was found lying in a pool of her own blood following a
dialysis treatment. She was then transferred to a hospital and died about two months later.
The case was later dismissed because the lawsuit had not been filed in time.

i.  *Inmate Housing in Nursing Homes.*

One more past practice of some Rothner Nursing homes is particularly alarming.
On November 24, 2002, the Chicago Tribune reported that in dozens of nursing homes
across Illinois, paroled inmates have been accepted into nursing homes that house elderly
people. The nursing homes apparently supported this practice as legitimate. The *Tribune*
reported that Eric Rothner was partial owner of 10 nursing homes that accepted inmates.

In one of these nursing homes in Joliet, Illinois, two mentally ill patients that
checked themselves out of the nursing home on a day pass in February 2001 and murdered
a man they met in a bar.13

11 http://www.idph.state.il.us/public/press04/1.29.04.htm
12 The Indiana public records appear to suggest that Bethlehem Woods is no longer
owned by Rothner family members. It was apparently sold in December 2003, shortly after
this lawsuit was filed.
It should be emphasized that we are not aware of whether the Rothner owned nursing homes continue to accept inmates into their facilities. This report was in 2002. Further investigation into the current policies of Rothner nursing homes regarding acceptance of inmates into nursing homes is advisable.

**CONCLUSION**

The County Board of Commissioners has rightly emphasized that the quality of care for the residents of the Lancaster Manor is the paramount consideration when evaluating any action regarding the future of the facility. With this in mind, the reported record of the quality of care provided to residents of Rothner affiliated nursing homes raises great concerns. The record of Medicare and State agency evaluations of these nursing homes is alarming, to say the least.

In light of the information contained in this report, our conclusion is that it would be not be a responsible course of action for public officials to continue to consider turning over the home of the most fragile members of our community to this organization or to any organization with a similar record of quality of care. Accordingly we respectfully ask the County Board to abandon the plan to sell the Manor to Hunter Management, LLC immediately.