

63167

STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

Gary J. Gaube, Chief Executive Officer  
and Trustee  
Plaintiff

v.

Landmark Medical Center,  
Defendant

C.A. No.: 08-4371

RECEIVED  
CLERK OF STATE  
JUDICIAL DIVISIONS  
2012 FEB - 1 AM 11:30

**NOTICE OF HEARING**

1. **Please Take Notice** that the Twenty-Fifth Interim Report and Request For Fees ("Report") of the Temporary and Permanent Special Master has been set down for Hearing at **9:30 am on the 10<sup>th</sup> day of February, 2012**, before the Providence County Superior Court, on the Business Calendar, sitting in **COURTROOM 17, 4<sup>th</sup> FLOOR**, The Governor Licht Judicial Complex, 250 Benefit Street, Providence, Rhode Island.

2. Since the filing of the Special Master's last interim report there have been cumulative receipts of \$18,525,458 and cumulative disbursements of \$18,162,972 leaving cash on hand in the sum of \$1,645,828.

3. The Special Master will file with the Court an itemized Statement of the Special Master's services rendered and expenses incurred for the period of November 1, 2011 to December 31, 2011 totaling approximately \$105,000. At said Hearing, the Special Master will ask the Court to approve such fees and expenses.

Copies of the Special Master's Report and itemized Statement of the Special Master's fees and expenses will be on file with the Clerk's Office of said Court. For further information, please feel free to call Jonathan N. Savage, Special Master, at (401) 272-1400.

4. This Notice is being sent by the Special Master by forwarding a copy of said Report, this Notice of Hearing and the Omnibus Calendar Assignment Form to all parties listed on Schedules A, annexed to the Affidavit of Notice filed with said Report, via electronic mail and first class mail, postage prepaid; to all parties listed on Schedule B, annexed to the Affidavit of Notice, via first class mail, postage prepaid and by forwarding a copy of this Notice of Hearing and Omnibus Calendar Assignment Form to all Defendant's stockholders, creditors and employees known to the Special Master, via first class mail, postage prepaid, at least ten days prior to the date of said Hearing.

**NOTICE:** **CREDITORS AND OTHER INTERESTED PARTIES ARE WELCOME TO ATTEND THE HEARING, BUT ARE NOT REQUIRED TO DO SO.**

STATE OF RHODE ISLAND



AND PROVIDENCE PLANTATIONS

### OMNIBUS CALENDAR ASSIGNMENT FORM SUPERIOR COURT

<input checked="" type="checkbox"/> PROVIDENCE/BRISTOL COUNTY <input type="checkbox"/> KENT COUNTY <input type="checkbox"/> WASHINGTON COUNTY <input type="checkbox"/> NEWPORT COUNTY	
Gary J. Gauba, Chief Executive Officer and Trustee VS Landmark Medical Center	CASE NO. 08-4971
<b>REQUESTED CALENDAR ASSIGNMENT</b> <input type="checkbox"/> J JURY TRIAL                      TRIAL CALENDAR <input type="checkbox"/> N NON-JURY TRIAL	
<b>FORMAL SPECIAL CAUSE CALENDAR</b> BUSINESS	
<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> AGA AGENCY APPEAL  <input type="checkbox"/> AOD ASSESSMENT OF DAMAGES  <input type="checkbox"/> CNA CONFIRM ARBITRATION  <input type="checkbox"/> DEJ DECLARATORY JUDGMENT  <input type="checkbox"/> EOJ ENTRY of JUDGMENT  <input type="checkbox"/> FFR FIRST &amp; FINAL REPORT  <input type="checkbox"/> FRR FORCLOSURE of RIGHT of REDEMPTION  <input type="checkbox"/> FRS FRIENDLY SUIT  <input type="checkbox"/> OPC ORAL PROOF OF CLAIM  <input type="checkbox"/> MMN MANDATORY INJUNCTION  <input type="checkbox"/> MEL MECHANIC'S LIEN  <input type="checkbox"/> MAT MOTION TO ATTACH  <input type="checkbox"/> PRT PARTITION PROCEEDINGS  <input type="checkbox"/> PAT PETITION TO APPOINT TEMPORARY RECIEVER         </div> <div style="width: 48%;"> <input type="checkbox"/> PEN PETITION TO ENFORCE  <input type="checkbox"/> PIN PETITION FOR INSTRUCTIONS  <input type="checkbox"/> PRC PETITION TO RECLAIM  <input type="checkbox"/> PES PETITION TO SELL  <input type="checkbox"/> PPI PRELIMINARY INJUCTION  <input type="checkbox"/> PCL PROOF OF CLAIM  <input checked="" type="checkbox"/> RCP RECEIVERSHIP PROCEEDINGS  <input type="checkbox"/> SPP SUPPLEMENTARY PROCEEDINGS  <input type="checkbox"/> TPR TEMPORARY RESTRAINING ORDER  <input type="checkbox"/> TIP TITLE PROCEEDINGS  <input type="checkbox"/> TSP TRUSTEE PROCEEDINGS  <input type="checkbox"/> VAR VACATE ARBITRATION  <input type="checkbox"/> WOM WRIT OF MANDAMUS  <input type="checkbox"/> WOR WRIT OF REPLEVIN         </div> </div>	
<input checked="" type="checkbox"/> OTH OTHER FSC MATTER: Special Master's Twenty-Fifth Interim Report & Request for Fees	
<b>DISPOSITIVE MOTION CALENDAR</b>	
<input type="checkbox"/> MTD MOTION TO DISMISS UNDER RULE 12 <input type="checkbox"/> MJP MOTION FOR ENTRY OF JUDGMENT ON PLEADINGS <input type="checkbox"/> MPS MOTION FOR PARTIAL SUMMARY JUDGMENT <input type="checkbox"/> MSG MOTION FOR SUMMARY JUDGMENT <input type="checkbox"/> MOT OTHER DISPOSITIVE MOTION:	
HEARING DATE: 2/10/12      FSC MOTION CLERK: <i>[Signature]</i> DATE: 1/24/2012	
<b>SPECIAL MASTER CALENDAR</b>	
<input type="checkbox"/> OTH OTHER MATTER:	
HEARING DATE:                      CLERK:	
<b>METHOD OF ASSIGNMENT</b>	
<input type="checkbox"/> MOTION TO ASSIGN <input type="checkbox"/> STIPULATION TO ASSIGN <input type="checkbox"/> COURT ORDER PURSUANT TO TEMPORARY EX PARTE ORDER	
BASED ON METHOD OF ASSIGNMENT STATE ANY RELEVANT INFORMATION BELOW	
<b>ATTORNEYS</b>  SIGNATURES: <i>[Signature]</i>	DATE: 1/03/12  DATE/TIME STAMP:
PRINT NAME: Matthew R. Shechtman, Esq. (6397) Shechtman Halperin Savage, LLP 1080 Main Street, Pawtucket, RI 02860	

STATE OF RHODE ISLAND  
PROVIDENCE, S.C.

SUPERIOR COURT

Gary J. Gaube, Chief Executive Officer  
and Trustee,  
Plaintiff

vs.

Landmark Medical Center,  
Defendant

P.B. No: 08-4371

RECEIVED  
SECRETARY OF STATE  
CORPORATIONS DIV  
2012 FEB -1 AM 11:30

**SPECIAL MASTER'S TWENTY-FIFTH INTERIM REPORT**  
**AND REQUEST FOR FEES**

To the Honorable Superior Court for the County of Providence, respectfully represents  
Jonathan N. Savage, Esquire (the "Special Master"), as follows:

1. Jonathan N. Savage, Esq. is the duly appointed Permanent Special Master of Landmark Medical Center ("Landmark"). This Honorable Court appointed your Special Master as Temporary Special Master on or about June 26, 2008, and thereafter as Permanent Special Master on or about July 25, 2008. At all times since his appointment your Special Master has acted as such Special Master under surety bond ordered by this Court in the amount of \$1,000,000.00. The Special Master has submitted and filed and this Court has approved twenty-four (24) prior Interim Reports which set forth the details of your Special Master's appointment as Temporary and Permanent Special Master and other initial acts and doings conducted by the Special Master. Rather than recite such details, your Special Master relies on the information set forth in those prior Interim Reports and by reference incorporates each herein.

2. Subsequent to your Special Master's appointment and qualification as aforesaid, your Special Master took possession of Landmark's assets that were located at 115 Cass Avenue, Woonsocket, Rhode Island, where Landmark operates as a not-for-profit, community hospital (the "Main Hospital"). In addition to the Main Hospital, your Special Master took possession of and arranged for the preservation of Landmark's operations and assets conducted and located at numerous facilities. These related facilities are located at the following locations:

- a. 196 Cass Avenue, Woonsocket, Rhode Island (the “Business Office”);
- b. 186 Cass Avenue, Woonsocket, Rhode Island (the “Heart Center”);
- c. 206 Cass Avenue, Woonsocket, Rhode Island (the “Vacant Suite”);
- d. 219 Cass Avenue, Woonsocket, Rhode Island (the “Medical Office Bldg”);
- e. 20 Cumberland Hill Road, Woonsocket, Rhode Island (the “Drawing Station”);  
and
- f. 115 Cass Avenue, Suite 2, Woonsocket, Rhode Island (the “Oncology Practice”).

3. Your Special Master has continued to arrange and maintain insurance over Landmark’s assets, operations and its employees, and has continued to arrange and maintain security over Landmark’s tangible assets and for protection of Landmark’s financial books and records.

4. Your Special Master has communicated with over 2,800 creditors and other parties in interest relative to the aforescribed matters. Your Special Master continues to field approximately ten to fifteen (10-15) calls per week and the exchange of written correspondence to and from numerous creditors, vendors and parties in interest. In addition, your Special Master has maintained the dedicated electronic mail address ([landmarkmaster@shslawfirm.com](mailto:landmarkmaster@shslawfirm.com)) (the “Email”) which has provided a direct and confidential means for creditors, employees, community members and other interested parties to ask questions, raise various issues and concerns and/or provide personal insight, commentary and suggestions. Since the commencement of this mastership the Special Master has received and responded to hundreds of electronic mail inquiries sent to the Email.

5. In addition to designating Pricewaterhouse Coopers, LLP (“PwC”) as the health care expert charged with assisting this Court and the Special Master with, among other things, the oversight of Landmark in the Order Appointing Permanent Special Master, this Honorable Court approved your Special Master’s engagement of Strategic Alliances, Ltd., to assist in his review of the books and records of Landmark, cash flow analysis and projections as well as Landmark’s business operations.

6. Since his appointment as Permanent Special Master your Special Master, with the assistance of Strategic Alliances, Ltd., has prepared and circulated weekly cash flow reports to all counsel of record who have requested the same.

7. Your Special Master continues to significantly reduce his daily presence at Landmark and continues to rely more heavily on the Landmark executive staff to address typical, day-to-day operational issues. During those times when the Special Master is present on the Landmark campus, he and/or his team have continued to meet with members of the medical staff, physician staff, department directors, administration and business staff to discuss and/or resolve the numerous issues that arise during operations.

8. On or about December 8, 2011, your Special Master attended a Hearing before this Honorable Court on the Special Master's Twenty-Fourth Interim Report and Request for Fees (the "Twenty-Fourth Report"), the Rhode Island Office of the Attorney General's (the "Attorney General") Response to the Twenty-Fourth Report (the "Attorney General's Response")<sup>1</sup> and Blue Cross Blue Shield of Rhode Island's ("Blue Cross") Limited Objection to the Twenty-Fourth Report (the "Blue Cross Objection")<sup>2</sup>. Copies of the Special Master's First through Twenty-Fourth Interim Reports (the "Interim Reports") have been filed with the Court and the Special Master relies on the information set forth in the Interim Reports and by reference incorporates each herein.

9. At the conclusion of the Hearing on the Twenty-Fourth Report, Blue Cross' Objection and the Attorney General's Response, this Honorable Court accepted the Twenty-Fourth Report and approved, confirmed and ratified all the acts, doings and disbursements of the Special Master as of that date, except those acts, doings and disbursements related to the lawsuit the Special Master filed against Blue Cross, captioned as *Jonathan N. Savage, in his capacity as Special Master of Landmark Medical Center v. Blue Cross Blue Shield of Rhode Island, Inc.*, and docketed as P.B. No. 11-1560 (the "Blue Cross Litigation"), which the Court indicated it will

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<sup>1</sup> In its Response, the Attorney General requested (i) that fees in the amount of \$2,156.00 be denied as unsupported, excessive, or redundant; (ii) that fees in the amount of \$7,103.00 be denied as attributable to the Blue Cross Litigation, and that such amount be held in escrow pending further proceedings; and (iii) any additional relief the Court deemed equitable and just.

<sup>2</sup> In its Objection, Blue Cross requested that the Court deny the Special Master's request for fees in the amount of \$6,453.00, reflecting amounts attributable to the Blue Cross Litigation and not approve, confirm or ratify the Special Master's acts and doings insofar as they related to the Blue Cross Litigation.

address at a later date. Further, the Court directed the Special Master to hold fees in the amount of \$7,103.00 relative to the Blue Cross Litigation and \$2,156.00 in connection with the Attorney General's Response, pending further Order of this Court. In addition, the Court approved the remainder of the Special Master's Twenty-Fourth Request for Fees, which accrued during the period of September 1, 2011 through September 31, 2011, in the amount of \$91,508.00 (the "Fees"). Lastly, the Court denied the Special Master's request to pay himself all or a portion of the fees currently being held in reserve in the amount of \$140,000.00.

10. Consistent with the previous Orders entered by this Honorable Court relative to the Interim Reports, this Court, subject to the conditions and restrictions set forth in the Order approving the Twenty-Fourth Report, approved all of the Special Master's Fees associated with the Twenty-Fourth Report. Also, as indicated previously, the Court directed the Special Master to hold a reserve in an amount equal to approximately twenty (20%) to twenty-five (25%) percent of each of the Special Master's first four (4) Interim Reports and the Seventeenth Report, ten percent (10%) of the Fourteenth, Fifteenth and Nineteenth Reports, \$15,000.00 associated with the Sixteenth Report, \$9,693.00 associated with the Eighteenth Report, \$11,000.00 associated with the Twenty-Second Report, and \$9,012.01 associated with the Twenty-Third Report (the "Reserve Funds"). The total amount of the Reserve Funds currently totals \$140,000.00.

11. Subsequent to the filing of and hearing on the Special Master's Twenty-Fourth Report, the following events and actions took place:

a. *Southern New England Regional Cancer Center ("SNERCC")*

On or about December 8, 2011 this Honorable Court conducted an initial Hearing relative to Radiation Therapy Services, Inc. d/b/a 21<sup>st</sup> Century Oncology's ("21<sup>st</sup> Century") Motion to Continue Hearing on the Special Master's Motion to Compel 21<sup>st</sup> Century (the "Motion to Compel"). Following a brief hearing on the Motion to Compel the Court continued the matter until December 15, 2011. On or about December 15, 2011, this Honorable Court conducted the continued hearing relative to the Motion to Compel and 21<sup>st</sup> Century's Objection to the Special Master's Motion to Compel (the "21<sup>st</sup> Century Objection"). At the conclusion of that hearing, the Court entered an Order granting the Motion to Compel and directed 21<sup>st</sup> Century to produce the information

sought by the Special Master on or before the close of business on December 21, 2011, subject to certain limitations such as redaction of patient names, social security numbers and other general identifying information and the agreement of the parties to terms of confidentiality (the "December 15<sup>th</sup> Order"). Subsequent to the Court's entry of the December 15<sup>th</sup> Order the Special Master, 21<sup>st</sup> Century and Steward Health Care System LLC ("Steward") engaged in extensive discussions and electronic mail correspondence regarding the terms of confidentiality. Finally, on or about December 20, 2011, the parties agreed upon the terms of and executed a Consent Confidentiality Order. Thereafter, on or about December 22, 2011, 21<sup>st</sup> Century provided a portion of the information that this Court ordered it to produce in the December 15<sup>th</sup> Order. Based upon 21<sup>st</sup> Century's failure to produce all of the information as contemplated in the December 15<sup>th</sup> Order, the Special Master filed a Motion to Adjudge 21<sup>st</sup> Century in Contempt and to Compel the Turnover of Information in accordance with the December 15<sup>th</sup> Order (the "Motion to Compel and Adjudge in Contempt").

On or about January 9, 2012, this Honorable Court conducted a Hearing with respect to the Special Master's Motion to Compel and Adjudge in Contempt, 21<sup>st</sup> Century's Objection to Motion to Compel and Adjudge in Contempt and 21<sup>st</sup> Century's Motion to Vacate Order Compelling Production of Documents. Following the arguments of your Special Master and 21<sup>st</sup> Century this Honorable Court "suggested" that the Special Master, Steward and 21<sup>st</sup> Century attempt to negotiate a possible agreement on how the missing information would be provided to the Special Master in a manner that would be agreeable to all parties. Your Special Master, Steward and 21<sup>st</sup> Century conducted a lengthy telephone conference where the parties agreed that the missing information would be provided to the Special Master in an agreed, redacted form. Subsequent to that telephone conference 21<sup>st</sup> Century provided a portion of the missing information in a redacted form as contemplated by the parties. However, 21<sup>st</sup> Century still did not include the redacted Payor agreements as the Special Master and Steward had expected. The specific issue of 21<sup>st</sup> Century's production of the Payor agreements came before the Court for conference on January 27, 2012. At the conclusion of that conference the Court scheduled a hearing on that specific issue for January 30, 2012.

*b. Hospital Conversion Act Application*

On or about December 13, 2011 and in accordance with and response to the correspondence received from the Attorney General and Department of Health (the “DoH”) dated November 10, 2011 advising that the Hospital Conversion Act Application (the “HCAA”) was incomplete, your Special Master and Steward submitted additional materials in connection with the HCAA (the “HCAA Resubmission”).

On or about December 22, 2011, your Receiver and Steward received correspondence from the Attorney General and the DoH advising that the HCAA was still incomplete despite the HCAA Resubmission (the “Second HCAA Letter”). In the Second HCAA Letter, the Attorney General and the DoH outlined additional information and documentation required for the HCAA to be considered complete. Following receipt of the Second HCAA Letter, your Special Master and Steward worked to prepare and compile the requested information and documentation. Thereafter, on or about January 11, 2012, your Special Master and Steward provided the Attorney General and the DoH with the documentation as requested in the Second HCAA letter to supplement their HCAA Resubmission (the “HCAA Supplement”).

Your Special Master is pleased to advise the Court and interested parties that, as a result of the information provided in the HCAA Supplement, on or about January 17, 2012, your Special Master and counsel to Steward received correspondence from the Attorney General and the DoH advising that in accordance with R.I. Gen. Laws 23-17.14-7(b)(7) the HCAA had been accepted for review.

*c. Blue Cross Blue Shield of Rhode Island*

On or about December 15, 2011, this Honorable Court conducted a Hearing relative to the Special Master’s Motion for Clarification of Order entered on June 8, 2011, and Modification of Order entered on May 25, 2010 (the “Motion to Clarify”) and Blue Cross’ Objection to the Special Master’s Motion to Clarify. Following a lengthy hearing regarding whether or not the post-mastership security interest afforded to Blue Cross in connection with the Radian Final Order entered on May 25, 2010, had been modified through entry of the Order dated June 8, 2011, this Honorable Court directed the Special



Master and Blue Cross to file Supplemental Memorandum with the Court on or before December 20, 2011 to support their arguments with respect to the same. Both the Special Master and Blue Cross filed additional pleadings with respect to the aforementioned issue. The issues are currently under consideration by this Honorable Court and no new hearing date has been scheduled.

*d. Steward Health Care System LLC*

*i. Working Capital Loan*

On or about December 22, 2011 and in accordance with Section 17.1 of the AAS and Section 2.1 of the Working Capital Loan Agreement (“WCLA”), your Special Master made a request for a \$550,000.00 loan advance from Steward under the WCLA. In response to the loan advance request, Steward funded the Estate in the amount requested on or about December 28, 2011. There have been no other requests for advance under the WCLA since the filing of the Twenty-Fourth Interim Report through the date of filing of this Twenty-Fifth Interim Report.

*ii. Extensions to APA and WCLA*

Between December 19, 2011 and January 20, 2012 your Special Master and Steward entered into three (3) separate amendments to the APA and WCLA (the “Amendments”) each of which was also approved by this Court. The sole effect of each of the Amendments was to modify and extend the closing deadline and maturity date as contained in the APA and WCLA, respectively. Based upon the terms of the third amendment the closing/maturity date under the APA/WCLA is January 31, 2012. Your Special Master is hopeful that he will have obtained an additional extension of the APA and WCLA on or prior to the current deadline.

e. On or about December 16, 2011, this Honorable Court conducted a conference relative to the Special Master’s Ex Parte Petition to Hire Legal Counsel necessary to handle certain immigration issues relative to the employment of a member of the hospital medical staff. At the conclusion of the conference, this Honorable Court entered an Order authorizing your Special Master to retain the law firm of Rodio & Brown, Ltd. to

act as the Special Mastership Estate's legal counsel relative to certain employee immigration issues.

12. In addition to the recent events set forth above, the issue relative to UNAP's Claim for a Payment of 2% Pay Raise (the "Claim") and the Special Master's Memorandum in Opposition to UNAP's Claim remains open.

13. Your Special Master continues to meet and/or engage in discussions regularly with this Honorable Court and/or the Attorney General and the DoH, regarding, among other matters, cash flow issues and progress relative to the sale of the assets and business of Landmark to Steward.

14. Your Special Master and/or members of his team have also continued to attend/conduct regular meetings/discussions with State of Rhode Island agencies and officials and have continued to meet/communicate regularly with union officials and outsourced services representatives. In an effort to assure the community that Landmark continues to provide a high level of medical care and services during this Mastership proceeding, your Special Master, with the assistance of True North, has participated in various media interviews with the Providence Journal, the Woonsocket Call and the Valley Breeze. In addition, your Special Master regularly meets with and/or participates in conferences with this Court.

15. To avoid termination and/or a gap in services and/or supplies, your Special Master continues to work diligently to renew and re-negotiate the terms of expiring contracts. Furthermore, your Special Master has negotiated the terms of many new contracts with vendors and third party medical service providers who maintain or provide oversight of various critical hospital services and activities to ensure the continued and uninterrupted operations of Landmark. Your Special Master also continues to recruit and fill various Landmark positions in order to maintain appropriate staffing levels at Landmark across all three of its shifts.

16. As had been regularly reported, one of the most time consuming and critical tasks that requires daily attention from your Special Master and/or his team is related to Landmark vendors. While the majority of the 10-15 weekly phone calls received by the Special Master

continue to come from current vendors of Landmark, the Special Master can report that due to his efforts, the efforts of Mr. Leo DeRouin from Strategic Alliances, Ltd., and the exhaustive efforts of the Landmark finance, accounting and purchasing departments, the issues and concerns raised by critical vendors have substantially decreased and most calls now concern the continued maintenance regarding those vendors and accounts.

17. The pre-mastership accounts payable showing on the books and records of Landmark is approximately \$7,800,000.00 (to date, the amount of general, unsecured claims, as filed but not approved, total approximately \$7,300,000.00<sup>3</sup>). During your Special Master's operations of Landmark, the Special Master has accrued outstanding business debts, on terms. In addition, your Special Master incurs an average weekly payroll of approximately \$850,000.00 with an additional \$100,000.00 paid on a bi-weekly basis.

18. Since the engagement of PwC, it has submitted regular invoices representing its fees and costs associated with its services provided to your Special Master. Currently, PwC has an outstanding invoice in the amount of \$15,086.00 for services rendered through April 29, 2011. A copy of the outstanding PwC invoice is attached hereto as Exhibit A. It is your Special Master's recommendation that this Honorable Court authorize him to satisfy the outstanding PwC invoice in full.

19. Your Special Master has remained relatively current with respect to all appropriate administrative expenses. In connection with the administration of the within proceeding, as of the filing of the Twenty-Fourth Report, your Special Master held a cash balance of **\$1,283,341**. Since the filing of the Twenty-Fourth Report, your Special Master has had receipts totaling **\$18,525,458** and disbursements totaling **\$18,162,972**, leaving cash on hand in the sum of **\$1,645,828**, all as set forth in the attached **Schedule of Receipts and Disbursements**.<sup>4</sup>

20. In connection with this Twenty-Fifth Interim Report and Request for Fees, your Special Master is requesting that the Court authorize him to pay himself his fees and expenses

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<sup>3</sup> The bar date for filing claims expired on November 24, 2008.

<sup>4</sup> Please note that the cash-on-hand does not include the funds held in escrow relative to the Rehabilitation Hospital of Rhode Island building and Medistar Agreement (\$624,463).

incurred from November 1, 2011 through December 31, 2011. The sum of the Special Master's fees and expenses incurred through the identified time period totals approximately \$105,000.00. A copy of your Special Master's Twenty-Fifth Interim fee invoice will be presented under separate cover to the Court for review in advance of the Hearing on this Twenty-Fifth Interim Report and Request for Fees.

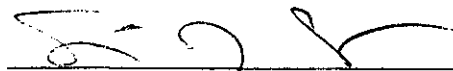
21. In light of the above, your Special Master recommends that he be authorized to continue Landmark's operations.

WHEREFORE, your Special Master prays that: (1) all of his acts, doings and disbursements as Temporary and Permanent Special Master, including all disbursements made against pre-mastership employee and patient debts, as of the filing of this Twenty-Fifth Interim Report be approved, confirmed and ratified; (2) the Special Master be awarded a Twenty-Fifth Interim allowance for his services as Temporary and Permanent Special Master herein, plus his expenses; (3) the Special Master be authorized to satisfy the outstanding administrative expenses accrued by PwC; and, (4) that this proceeding remain open pending final resolution of all the issues identified herein.

Respectfully submitted,

**JONATHAN N. SAVAGE, ESQ. IN HIS CAPACITY AS  
SPECIAL MASTER OF LANDMARK MEDICAL  
CENTER AND NOT INDIVIDUALLY**

By his attorneys,  
**SHECHTMAN HALPERIN SAVAGE, LLP**



Stephen F. Del Sesto, Esq. (#6336)  
Matthew R. Shechtman, Esq. (#8397)  
1080 Main Street  
Pawtucket, RI 02860  
(401)272-1400 telephone  
(401)272-1403 facsimile  
Date: January 30, 2012

**EXHIBIT A**



August 23, 2011

Jonathan Savage  
Special Master  
Landmark Medical Center  
115 Cass Avenue  
Woonsocket, RI 02895  
USA

**PAYMENT DUE: 09/07/11**  
**INVOICE NUMBER : 1031936956-6**

**SEND CHECK PAYMENT TO:**  
PricewaterhouseCoopers LLP  
P.O. Box 7247-8001  
Philadelphia, PA 19170-8001

**WIRE TRANSFER INSTRUCTIONS:**  
Citibank NA, New York, NY  
Account #: 30408437  
ABA #: 021000089 or Swift #: CITIUS33  
**To Credit: PricewaterhouseCoopers LLP**  
**To initiate Automated Clearing House payments,**  
**please visit our website:**  
**[www.pwc.com/us/ach](http://www.pwc.com/us/ach) or call:**  
**1 877 351 6402**  
PwC TAX ID #: 134008324  
PwC D&B #: 00-186-37-94

Professional fees for period ending 4/29/11 for assistance to the Special Master for Landmark Medical Center, including support and participation in investor presentations and meetings at the request of the special master, court and hospital; Cash flow analysis scoping, data collection and two-day on-site review of materials. See attachment for breakout of fees.	\$	13,870.00
Expenses	\$	1,216.00
<b>Total Invoice Due By September 07, 2011</b>	\$	<u>15,086.00</u>

For questions, contact: Anna Thompson at (617) 530-4843, [anna.dang.thompson@us.pwc.com](mailto:anna.dang.thompson@us.pwc.com)

**TO ENSURE PROPER CREDIT TO YOUR ACCOUNT, PLEASE INDICATE ON YOUR PAYMENT:**

**Invoice Number: 1031936956-6**  
**Client Account Number: 6079**

**Landmark Medical Center  
Assistance to the Special Master  
Billing Detail**

Weeks ending 4/29/2011

<u>Staff</u>	<u>Level</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
G. Bielak	Partner	18.0	\$ 640.00	11,520
M. Lusnar	Director	5.0	470.00	2,350
<b>Fees</b>		<u>23.0</u>	<b>\$ 603.04</b>	<b>13,870</b>
<b>Expenses:</b>				<u>1,216</u>
<b>Total:</b>				<b><u>\$ 15,086</u></b>

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS**



**Landmark Medical Center**  
**Analysis of Operating Cash Receipts and Disbursements**  
**For the Period of November 19, 2011 - January 21, 2012**

**Cash Balance - November 19, 2011** **\$ 1,283,341**

**Cash Receipts**

Patient receipts, rents, transfers from related entities, interest and misc cash receipts	17,098,060
Add: State of Rhode Island Upper Limit payment	202,398
Add: Loan proceeds from Steward	<u>1,225,000</u>
	18,525,458

**Cash Disbursements:**

Payroll (all payroll, taxes, related garnishments and withholdings):	
<i>Pre Mastership</i>	-
<i>Post Mastership</i>	(8,617,000)

Patient refunds :	
<i>Pre Mastership</i>	-

Patient refunds, medical staff expense and vendor payments:	
<i>Post Mastership</i>	<u>(9,545,972)</u>

(18,162,972)

**Cash Balance - January 21, 2012** **\$ 1,645,828**

**Landmark Medical Center**  
**Detailed Cash Analysis by Bank Account**  
**January 21, 2012**

***Operating accounts:***

Operating/payroll	\$ 1,093,365
Special Master Account	44,439
	<hr/> 1,137,804

***Other accounts:***

Payroll accounts	306,470
Endowment Account	7,217
Campaign Account	2,459
Physician Hospital Org (inactive)	48,390
Rental Properties (Cass Ave Bldg)	362
Landmark Phys Office Svcs (LPOS)	47,331
	<hr/> 412,229

***Restricted/Charitable Funds:***

Specific Purpose Fund	35,639
	<hr/> 35,639

***Bond Funds:***

Debt Service	40,788
Expense Account	18,902
Principal Account	466
	<hr/> 60,156

<b>Total Landmark Medical Center Cash</b>	<b><u>\$ 1,645,828</u></b>
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<b>Total Available Line of Credit - Steward</b>	<b><u>\$ 1,350,000</u></b>
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**Other Funds Held - not available for operations:**

***LMC - RHRI Building Escrow Funds:***

Repairs Escrow	\$ 19,508
Future Rents Escrow	624,463
	<hr/> <b>\$ 643,972</b> <hr/>

**Landmark Medical Center**  
**Payroll and Related Garnishment Disbursements - Post-Master**  
**For the Period of November 20, 2011 - January 21, 2012**

<u>VENDOR</u>	<u>AMOUNT</u>	<u>PAYMENT DATE</u>
AFLAC	2,189.62	11/23/11
AFLAC	2,192.76	11/30/11
AFLAC	2,197.91	12/08/11
AFLAC	2,214.15	12/15/11
AFLAC	2,188.28	12/22/11
AFLAC	2,133.34	12/29/11
AFLAC	2,138.30	01/05/12
AFLAC	2,138.30	01/12/12
AFLAC	2,134.00	01/19/12
<b>AFLAC Total</b>	<b>19,526.66</b>	
APPLEBAUM LAW OFFICES	97.40	11/30/11
APPLEBAUM LAW OFFICES	127.07	12/15/11
APPLEBAUM LAW OFFICES	117.40	12/22/11
APPLEBAUM LAW OFFICES	97.52	01/05/12
APPLEBAUM LAW OFFICES	95.72	01/12/12
APPLEBAUM LAW OFFICES	90.26	01/19/12
APPLEBAUM LAW OFFICES	126.79	11/23/11
APPLEBAUM LAW OFFICES	95.80	12/08/11
<b>APPLEBAUM LAW OFFICES Total</b>	<b>847.96</b>	
BLACKSTONE RIVER FCU	11,785.00	11/23/11
BLACKSTONE RIVER FCU	11,730.00	11/30/11
BLACKSTONE RIVER FCU	11,930.00	12/08/11
BLACKSTONE RIVER FCU	12,368.00	12/15/11
BLACKSTONE RIVER FCU	12,570.94	12/22/11
BLACKSTONE RIVER FCU	12,808.00	12/29/11
BLACKSTONE RIVER FCU	12,603.00	01/05/12
BLACKSTONE RIVER FCU	12,808.00	01/12/12
BLACKSTONE RIVER FCU	12,570.94	01/19/12
<b>BLACKSTONE RIVER FCU Total</b>	<b>111,173.88</b>	
CLERK OF FAMILY COURT	70.00	11/23/11
CLERK OF FAMILY COURT	150.00	11/23/11
CLERK OF FAMILY COURT	153.00	11/23/11
CLERK OF FAMILY COURT	18.46	11/23/11
CLERK OF FAMILY COURT	54.00	11/23/11
CLERK OF FAMILY COURT	165.00	11/23/11
CLERK OF FAMILY COURT	91.00	11/23/11
CLERK OF FAMILY COURT	137.00	11/23/11
CLERK OF FAMILY COURT	116.00	11/23/11
CLERK OF FAMILY COURT	125.00	11/23/11
CLERK OF FAMILY COURT	70.00	11/30/11
CLERK OF FAMILY COURT	150.00	11/30/11
CLERK OF FAMILY COURT	153.00	11/30/11
CLERK OF FAMILY COURT	18.46	11/30/11
CLERK OF FAMILY COURT	54.00	11/30/11
CLERK OF FAMILY COURT	165.00	11/30/11
CLERK OF FAMILY COURT	91.00	11/30/11
CLERK OF FAMILY COURT	137.00	11/30/11
CLERK OF FAMILY COURT	116.00	11/30/11
CLERK OF FAMILY COURT	125.00	11/30/11
CLERK OF FAMILY COURT	70.00	12/08/11
CLERK OF FAMILY COURT	150.00	12/08/11
CLERK OF FAMILY COURT	153.00	12/08/11
CLERK OF FAMILY COURT	18.46	12/08/11
CLERK OF FAMILY COURT	54.00	12/08/11
CLERK OF FAMILY COURT	165.00	12/08/11
CLERK OF FAMILY COURT	91.00	12/08/11
CLERK OF FAMILY COURT	137.00	12/08/11
CLERK OF FAMILY COURT	116.00	12/08/11
CLERK OF FAMILY COURT	125.00	12/08/11
CLERK OF FAMILY COURT	70.00	12/15/11
CLERK OF FAMILY COURT	150.00	12/15/11
CLERK OF FAMILY COURT	153.00	12/15/11
CLERK OF FAMILY COURT	18.46	12/15/11
CLERK OF FAMILY COURT	54.00	12/15/11
CLERK OF FAMILY COURT	165.00	12/15/11

**Landmark Medical Center**  
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<u>VENDOR</u>	<u>AMOUNT</u>	<u>PAYMENT DATE</u>
CLERK OF FAMILY COURT	91.00	12/15/11
CLERK OF FAMILY COURT	137.00	12/15/11
CLERK OF FAMILY COURT	116.00	12/15/11
CLERK OF FAMILY COURT	125.00	12/15/11
CLERK OF FAMILY COURT	70.00	12/22/11
CLERK OF FAMILY COURT	150.00	12/22/11
CLERK OF FAMILY COURT	54.00	12/22/11
CLERK OF FAMILY COURT	165.00	12/22/11
CLERK OF FAMILY COURT	91.00	12/22/11
CLERK OF FAMILY COURT	137.00	12/22/11
CLERK OF FAMILY COURT	153.00	12/22/11
CLERK OF FAMILY COURT	18.46	12/22/11
CLERK OF FAMILY COURT	116.00	12/22/11
CLERK OF FAMILY COURT	125.00	12/22/11
CLERK OF FAMILY COURT	150.00	12/29/11
CLERK OF FAMILY COURT	54.00	12/29/11
CLERK OF FAMILY COURT	165.00	12/29/11
CLERK OF FAMILY COURT	91.00	12/29/11
CLERK OF FAMILY COURT	137.00	12/29/11
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CLERK OF FAMILY COURT	116.00	12/29/11
CLERK OF FAMILY COURT	125.00	12/29/11
CLERK OF FAMILY COURT	70.00	01/05/12
CLERK OF FAMILY COURT	150.00	01/05/12
CLERK OF FAMILY COURT	54.00	01/05/12
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CLERK OF FAMILY COURT	153.00	01/19/12
CLERK OF FAMILY COURT	18.46	01/19/12
CLERK OF FAMILY COURT	54.00	01/19/12
CLERK OF FAMILY COURT	165.00	01/19/12
CLERK OF FAMILY COURT	91.00	01/19/12
CLERK OF FAMILY COURT	137.00	01/19/12
CLERK OF FAMILY COURT	116.00	01/19/12
CLERK OF FAMILY COURT	125.00	01/19/12
<b>CLERK OF FAMILY COURT Total</b>	<b>9,715.14</b>	
COMMONWEALTH OF MASSACHUSETTS	50.00	11/23/11
COMMONWEALTH OF MASSACHUSETTS	297.00	11/23/11
COMMONWEALTH OF MASSACHUSETTS	50.00	11/30/11
COMMONWEALTH OF MASSACHUSETTS	297.00	11/30/11
COMMONWEALTH OF MASSACHUSETTS	50.00	12/08/11
COMMONWEALTH OF MASSACHUSETTS	297.00	12/08/11
COMMONWEALTH OF MASSACHUSETTS	50.00	12/15/11
COMMONWEALTH OF MASSACHUSETTS	297.00	12/15/11
COMMONWEALTH OF MASSACHUSETTS	297.00	12/22/11
COMMONWEALTH OF MASSACHUSETTS	50.00	12/22/11