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Heron Pointe among facilities named in suit

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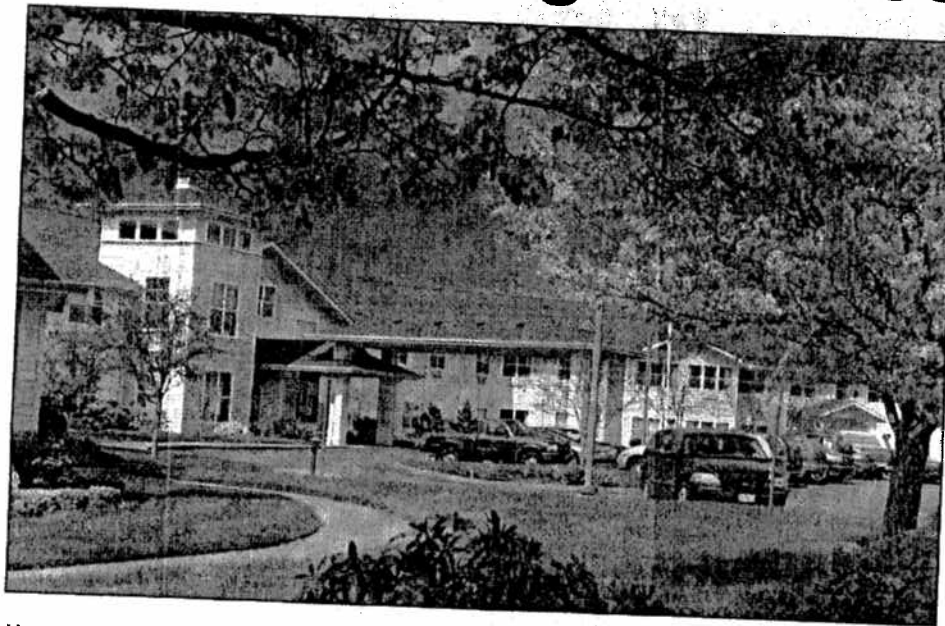
MONMOUTH — Heron Pointe Retirement and Assisted Living is one of 50 senior homes in Oregon named as a defendant in a class-action lawsuit filed in Portland in March.

It alleges that the facilities operated by Sunwest Management of Salem was charging tenants for services administrators did not provide.

The suit was filed in Multnomah County Circuit Court by Kathryn Stebner, a San Francisco attorney. She was the co-counsel in a similar lawsuit against Sunwest in California. That case was settled earlier this year.

"This is about broken promises for higher profits," Stebner said in a written statement.

Gwen Olmstead and Cathleen Naylor, residents of the Deer Meadow Assisted Living Facility in Sherwood, are the only named representative plaintiffs. In a class action suit, however, up to 3,000 plaintiffs could take part, Stebner said. Sunwest op-



Heron Pointe Retirement and Assisted Living center is among sites named in a lawsuit.

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erates about 180 homes nationwide.

In a written response, Wallace Gutzler, Sunwest legal counsel, called the lawsuit a "frivolous

and inaccurate claim."

Among the allegations listed in the suit:

- Sunwest officials approved and directed budgets that call

for "widespread non-compliance with minimum staffing standards" in all of the homes.

- The company misrepresented staffing figures at its homes.

Personnel who weren't qualified to provide, or be involved in, resident care were included in descriptions of overall staff ratios in tenant contracts.

- The defendants practiced chronic understaffing, at levels in violation of Oregon law. As such, they did not provide services at a standard originally advertised to tenants.

Built in 1999, Heron Pointe has 61 units, including 10 cottages built as part of an expansion last year.

Forty-nine people currently reside at the center.

Heron Pointe officials conducted a meeting for residents and their family members on March 30 to discuss issues related to the lawsuit. An *Itemizer-Observer* reporter who attempted to sit in on the meeting was asked to leave.

While the Monmouth site was not cited specifically in the suit, all of Sunwest's facilities "have a pattern of understaffing and poor training," Stebner said.

"When people enter into a contract with Sunwest, they think they're getting a certain

level of care, and they're not," she said. "The decisions are made at upper levels and then trickle down."

The plaintiffs seek injunctive relief to stop Sunwest's alleged administrative practices, attorney fees, and financial restitution for damages. Amounts have not yet been specified.

"We deeply regret the actions of a handful of trial lawyers who file such misguided class action lawsuits in a variety of states in order to advance their own practices," Gutzler said in his statement, "as opposed to doing what is truly best for ... senior citizens in general."

This isn't the first legal challenge the company has faced in recent years.

In 2004, Sunwest's former chief financial officer filed a federal lawsuit which alleged that the firm's owners and president illegally diverted \$1.6 million in company funds for their personal and business uses.

That matter was later settled in an out-of-court agreement, terms of which were confidential.