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Klamath Falls retirement homes named in lawsuit

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Class-action
suit filed against
parent company

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Three Klamath Falls retirement homes are among 50 centers throughout Oregon included in a lawsuit accusing the parent company of understaffing and charging senior citizens for services not provided.

The class-action suit, filed last week in Multnomah Circuit Court, alleges the Salem company, Sunwest Management, is promising services in contracts to residents that they're not upholding in their staffing numbers and levels of training. The lawsuit is seeking an unspecified amount of money to offset attorney fees.

A representative of the company says the lawsuit is unwarranted.

A class-action suit is a civil action filed by one or more people on behalf of a group with similar grievances.

Local centers

In Klamath Falls, Crystal Terrace Retirement Center, Pelican Pointe Assisted Living & Memory Care, and El Dorado Heights Assisted Living were named in the suit that totals nearly 3,000 plaintiffs in towns through the state, including Grants Pass, Eugene, Junction City, John Day and Hermiston.

Cathleen Naylor and Gwen Olmstead, two residents of a Sheridan center

are the representatives in the suit, which doesn't name any other plaintiffs. Kathryn Stebner, attorney for residents, filed the suit because she believes there's a widespread trend that residents are paying for provisions they aren't receiving.

"What we're saying is that they're not getting the level of services that they're contracting for," Stebner said. "We have people coming to us telling us this is happening throughout the state of Oregon."

'No specifics'

But Wally Gutzler, executive vice president for Sunset Management, said the company hardly ever receives complaints similar to the suit's allegations.

"They're asking for something that's really nebulous," he said. "There are no specifics whatsoever. They're hoping for a class of 3,000 and only have two plaintiffs."

The specific allegations vary from center to center, Stebner said. At some places, it may mean a resident was placed in an urgent care area for more pay, but received the same level of service as other parts of the center. Or it could mean they didn't have properly trained staffers taking care of them. Stebner said she's still sorting out the specifics at each center.

Sunwest operates more than 200 residential facilities nationally — about 25 percent are in Oregon. Stebner also has filed a similar class action suit in California.