

# Congress of the United States

Washington, DC 20515

November 10, 2025

Ramona D. Elliott  
Acting Director  
Executive Office for U.S. Trustees  
441 G Street, NW, Suite 6150  
Washington, D.C.

Dear Ms. Elliott,

We write regarding the bankruptcy of Genesis Healthcare, Inc. (Genesis) in the U.S. Bankruptcy Court for the Northern District of Texas. On July 9, 2025, Genesis filed a petition for Chapter 11 bankruptcy.<sup>1</sup> Genesis is one of the largest post-acute care providers in the country, operating nearly 200 skilled nursing facilities and senior living centers across 18 states at the time of the petition filing, with more than 15,000 residents and more than 27,000 employees.<sup>2</sup> On October 7, 2025, we wrote to Genesis and Joel Landau, managing partner of Pinta Capital Partners.<sup>3</sup> We received a response from Genesis<sup>4</sup> but not from Mr. Landau or Pinta Capital Partners, and received an additional letter from Genesis's lender ReGen Healthcare LLC (ReGen) and the stalking horse bidder CPE 88988 LLC.<sup>5</sup> We attach those letters here.

Our letter to Genesis and Mr. Landau outlined some of our concerns with the bankruptcy, and specifically that Genesis and Mr. Landau may be abusing our bankruptcy system to wipe away Genesis's debts and claims to victims by selling the company at a discount to insiders. As we noted in the letter, Genesis's takeover by private equity companies JER Partners and ReGen preceded worse outcomes for patients, while investors reaped the profits and left the company with unsustainable finances.<sup>6</sup> Specifically, Genesis's private equity owners orchestrated a sale of Genesis's real estate assets to a health care real estate investment trust named Health Care REIT, Inc. (now Welltower), to "distribute capital to [their] investors" while Genesis was saddled with costly leases and long term debts.<sup>7</sup>

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<sup>1</sup> Voluntary Petition for Non-Individuals Filing for Bankruptcy, Genesis Healthcare, Inc., Case No. 25-80185 (Docket No. 1), <https://document.epiq11.com/document/getdocumentbycode?docId=4487840&projectCode=GHI&source=DM>.

<sup>2</sup> Letter from Genesis Healthcare, Inc. to Senator Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, October 26, 2025, p. 2 [on file with the Office of Senator Warren].

<sup>3</sup> Letter from Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, to Genesis Healthcare, Inc. and Pinta Capital Partners, October 6, 2025, pp. 2-5, [https://www.warren.senate.gov/imo/media/doc/letter\\_on\\_genesis\\_healthcare\\_bankruptcy\\_10725.pdf](https://www.warren.senate.gov/imo/media/doc/letter_on_genesis_healthcare_bankruptcy_10725.pdf).

<sup>4</sup> Letter from Genesis Healthcare, Inc. to Senator Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, October 26, 2025 [on file with the Office of Senator Warren].

<sup>5</sup> Letter from ReGen Healthcare LLC and CPE 88988 LLC to Senator Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, October 26, 2025 [on file with the Office of Senator Warren].

<sup>6</sup> Letter from Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander to Genesis Healthcare, Inc. and Pinta Capital Partners, October 6, 2025, pp. 2-5, [https://www.warren.senate.gov/imo/media/doc/letter\\_on\\_genesis\\_healthcare\\_bankruptcy\\_10725.pdf](https://www.warren.senate.gov/imo/media/doc/letter_on_genesis_healthcare_bankruptcy_10725.pdf).

<sup>7</sup> PERE News, "JER sells Genesis HealthCare assets in \$2.4bn deal," Zoe Hughes, March 1, 2011,

At the time of the filing of the petition, Genesis owed patients, patients' families, and other individuals who won lawsuits against Genesis an estimated \$259 million.<sup>8</sup> It is likely Genesis owes much more to patients whose claims are still being adjudicated, with some experts estimating up to \$344 million more in payouts to victims.<sup>9</sup> Genesis has faced a stream of serious claims, including improper care of ulcers, wounds, and bed sores; failure to diagnose and treat illnesses and infections; emotional, physical, and sexual abuse; inadequate staff training; unsafe and unsanitary conditions; medication errors; and fractures and breaks from falls.<sup>10</sup> In 2022, the Connecticut Department of Public Health shut down Genesis's Quinnipiac Valley Center nursing home because of the death of two patients and additional safety concerns;<sup>11</sup> and two Genesis facilities in Massachusetts were fined for patient neglect and inadequate care of residents.<sup>12</sup>

Nevertheless, Genesis has proposed to sell itself to some of the same individuals who were at the helm of the company as it faced patient mistreatment lawsuits and made financial and management decisions that preceded its bankruptcy.<sup>13</sup> Bankruptcy practitioners have raised concerns about these types of bids made by insiders during Chapter 11 proceedings, called "stalking horse" bids.<sup>14</sup> As we noted in our letter to Genesis, the U.S. Trustee's Office has regularly intervened to object to such "stalking horse" bids,<sup>15</sup> which may result in lower recovery for creditors than other options.<sup>16</sup> This is a recipe for disaster for individuals, small businesses, and other entities that are owed hundreds of millions of dollars in unsecured debts: Genesis owes

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<https://www.perenews.com/jer-sells-genesis-healthcare-assets-in-2-4bn-deal/>.

<sup>8</sup> First Day Declaration of Louis E. Robichaux IV, Genesis Healthcare, Inc., Case No. 25-80185 (Docket No. 18), ¶¶ 84-85),

<https://document.epiq11.com/document/getdocumentbycode?docId=4488478&projectCode=GHI&source=DM>.

<sup>9</sup> September 10, 2025, Hearing Transcript, 11:19-25 - 12:1-9, Genesis Healthcare, Inc., Case No. 25-80185 [on file with the Office of Senator Warren].

<sup>10</sup> Legal Examiner, "Genesis HealthCare Has History of Nursing Home Abuse Lawsuits and Other Legal Troubles," September 26, 2023, <https://www.legalexaminer.com/texaminer/all/genesis-healthcare-has-history-of-nursing-home-abuse-lawsuits-and-other-legal-troubles>.

<sup>11</sup> WSHU, "Deaths and safety concerns shutter a Wallingford nursing home," Sabrina Garone, March 16, 2022, <https://www.wshu.org/connecticut-news/2022-03-16/deaths-and-safety-concerns-shutter-a-wallingford-nursing-home>.

<sup>12</sup> Legal Examiner, "Genesis HealthCare Has History of Nursing Home Abuse Lawsuits and Other Legal Troubles," September 26, 2023, <https://www.legalexaminer.com/texaminer/all/genesis-healthcare-has-history-of-nursing-home-abuse-lawsuits-and-other-legal-troubles>.

<sup>13</sup> Bloomberg Law, "Bankrupt Genesis Healthcare Gets Stalking Horse Bid From ReGen," Jonathan Randles, July 10, 2025, <https://news.bloomberglaw.com/bankruptcy-law/bankrupt-genesis-healthcare-gets-stalking-horse-bid-from-regen>; Supplemental Declaration of Narendra Ganti of FTI Consulting, Inc., Financial Advisor to the Statutory Unsecured Claimholders' Committee, in Support of Objections of the Statutory Unsecured Claimholders' Committee to the Debtors' Various Requests for Relief (Docket No. 479), August 18, 2025, p. 11

<https://document.epiq11.com/document/getdocumentsbydocket/?docketId=1175730&projectCode=GHI&docketNumber=479&source=DM>.

<sup>14</sup> ProQuest, "Sales to Insiders: Are They Entirely Fair?," Daniel Carragher, November 2010, <https://www.proquest.com/docview/808402306?sourcetype=Scholarly%20Journals>.

<sup>15</sup> Squire Patton Boggs, "U.S. Trustee Objects to Stalking Horse Bid Protections in Three Recent Delaware Bankruptcy Cases," Kyle Arendsen, March 14, 2025, <https://www.restructuring-globalview.com/2025/03/u-s-trustee-objects-to-stalking-horse-bid-protections-in-three-recent-delaware-bankruptcy-cases>.

<sup>16</sup> ProQuest, "Sales to Insiders: Are They Entirely Fair?," Daniel Carragher, November 2010, <https://www.proquest.com/docview/808402306?sourcetype=Scholarly%20Journals>.

more than \$12 million in unfunded liabilities to its employees' pension fund, and more than \$200 million to medical supply, pharmacy, and other vendors,<sup>17</sup> in addition to the hundreds of millions of dollars in liabilities resulting from neglect, wrongful death, and other suits.

We raised these concerns with Genesis and Mr. Landau in our letters, and asked a series of questions that would allow us to better assess whether Genesis is attempting to abuse the bankruptcy system. The letters we received in response did not answer our questions, and raised additional concerns. For one, the joint letter from ReGen and CPE 88988 LLC, which are represented by the same law firm, appears to indicate that the interests of the current owner (ReGen) and the prospective owner (the insider bidder) are the same, which is consistent with the concern that a very similar group of individuals who already own or control Genesis are trying to sell it to themselves, wiping away legal and other creditor debts in the process.<sup>18</sup>

Indeed, the response confirms that “Genesis ... sought, negotiated and obtained CPE’s ‘stalking horse’ bid,” and describes the goal of the transactions:

[A] path to exit the Bankruptcy Case through a value-maximizing transaction that provides for... (i) the continued operation of all or substantially all of Genesis’ 175 facilities and likely employment of substantially all of Genesis’ 27,000 employees; (ii) the payment or assumption of Genesis’ prepetition secured debt, (iii) the payment of Genesis’ estimated amounts of administrative and priority claims... (iv) a recovery for unsecured creditors.<sup>19</sup>

Notable in this description are the caveats and omissions: respondents indicate only that they are “likely” to retain employees, but make no promises or commitments to do so; moreover the goal of “recovery for unsecured creditors” does not indicate any attempt to establish a full – or even substantial – recovery for patients and families, small businesses, and employee pension funds that fall into this category.<sup>20</sup>

Similarly, the response from Genesis states that the “ultimate goal” of the sale is “maximizing value for all parties-in-interest,”<sup>21</sup> but we are concerned that Genesis does not plan to “maximize value” to the same extent for all parties, and could be incentivized to pay out debts to current Genesis insiders completely or almost completely, while non-insiders like patient victims and vendors “may get nothing.”<sup>22</sup>

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<sup>17</sup> Voluntary Petition for Non-Individuals Filing for Bankruptcy, Genesis Healthcare, Inc., Case No. 25-80185 (Docket No. 1), pp. 49-51, <https://document.epiq11.com/document/getdocumentbycode?docId=4487840&projectCode=GHI&source=DM>.

<sup>18</sup> Letter from ReGen Healthcare LLC and CPE 88988 LLC to Senator Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, October 26, 2025 [on file with the Office of Senator Warren].

<sup>19</sup> Letter from ReGen Healthcare LLC and CPE 88988 LLC to Senator Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, October 26, 2025, p. 2 [on file with the Office of Senator Warren].

<sup>20</sup> *Id.*

<sup>21</sup> Letter from Genesis Healthcare, Inc. to Senator Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, October 26, 2025, p. 2 [on file with the Office of Senator Warren].

<sup>22</sup> August 27, 2025, Hearing Transcript, Genesis Healthcare, Inc., Case No. 25-80185, p. 75; August 21, 2025, Hearing Transcript, p. 113 [on file with the Office of Senator Warren] (“Mr. Robichaux: They may get nothing on \$1.6 billion in claims. That is correct.”).

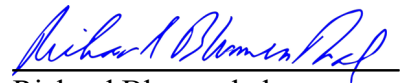
Further, the parties' refusal to respond to questions regarding the structure of Genesis and ReGen – despite Genesis's “commit[ment] to maintaining transparency” – is a red flag that warrants investigation prior to approval of the sale.<sup>23</sup> Genesis has asked that we “reserve additional questions” until after the sale has concluded,<sup>24</sup> which would be too late.

Given the U.S. Trustee's mission to “prevent fraud, dishonesty, and overreaching in the bankruptcy system” on behalf of taxpayers,<sup>25</sup> we urge you to press Genesis for answers that would help determine whether company insiders are attempting to exploit the bankruptcy system for their own gain, and to object to any sale to these insiders if it would compromise the integrity of the bankruptcy system.

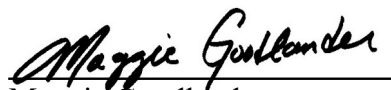
Sincerely,



Elizabeth Warren  
United States Senator



Richard Blumenthal  
United States Senator



Maggie Goodlander  
Member of Congress

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<sup>23</sup> Letter from Genesis Healthcare, Inc. to Senator Elizabeth Warren, Senator Welch, Senator Blumenthal, and Representative Goodlander, October 26, 2025, p. 4 [on file with the Office of Senator Warren].

<sup>24</sup> *Id.*

<sup>25</sup> U.S. Trustee Program, U.S. Department of Justice, “About the United States Trustee Program,” <https://www.justice.gov/ust/about-program>.