

## **Citing Lawsuits, South Florida Plastic Surgery Center Files for Bankruptcy**

By Bob LaMendola  
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One of South Florida's biggest and best-known plastic surgery centers has filed for bankruptcy, saying a rash of medical malpractice lawsuits and the resulting bad publicity has hurt the operation.

The Florida Center for Cosmetic Surgery in Fort Lauderdale -- and its Atlanta-area parent -- asked a Georgia court to set aside their debts so the two firms can reorganize.

Two attorneys representing malpractice patients said the bankruptcy case halts their lawsuits from advancing, and would delay or possibly prevent victims from collecting money in court.

The Florida Center, which built a mass-market practice with frequent TV ads, said in its June 10 bankruptcy filing that it has been sued 14 times in the past 19 months. Court records also show that since 2000 it settled at least 18 suits and since 2001 reported to the state seven injuries to patients, including deaths in November and January.

"The medical actions and the negative publicity associated with the medical actions have led to a significant decrease in the number of plastic surgery procedures... and thus to a significant decrease in the gross surgical revenue," the filing says.

The center lost \$ 224,000 since April as the number of surgeries tumbled 20 percent, compared with the same period last year, the filing says. The center owes 114 creditors including a former surgeon, the lawsuit plaintiffs, its landlord, utilities, medical labs and suppliers. Another page of the filing says 200 to 1,000 creditors are owed total debts of \$ 1 million to \$ 10 million.

John Nord, chief executive of the center's parent, the American Plastic Surgery chain, and the chain's attorney, John Thomson Jr. of Atlanta, could not be reached with calls to their offices.

Also, the center said it has spent \$ 295,000 so far on legal bills in a lawsuit by Hollywood housewife Mona Alley, 50, who lost both legs after complications from a 2000 liposuction. Alley's attorneys are asking for \$ 12 million to settle the suit,

the center said.

"It's clear this bankruptcy action is driven by Mona Alley's claim," said her Miami attorney, Stuart Ratzan. "You gotta figure they will use the bankruptcy court to find a way out of this predicament."

The Atlanta chain bought the Florida Center in July 2002 and has asserted in court that it is not responsible for harm caused under the prior owners, who were led by one-time telemarketer Paul Refkin. Malpractice lawyers insist the chain inherited the liability.

Alley contends in her suit that surgeons pierced her intestines and spread wastes throughout her abdomen, causing a raging infection and loss of circulation that claimed her legs.

The bankruptcy and the center's uncertain future due to the lawsuits likely will scare away customers, said Kenneth Sobel, a Fort Lauderdale attorney for two women who sued the center.

The chain also says it is not responsible for mistakes by the surgeons, contending they are independent contractors.

One of the two deaths of center patients was not related to the surgeries, the Broward County Medical Examiner ruled.

Fort Lauderdale bartender James McCormick, 51, died in November less than a day after a facelift and a chin implant, but the cause was an accidental overdose of painkillers he took after the surgery, combined with heart disease and emphysema, said a spokesman for the ME's office.

The death of advertising worker Jacquelyn Roberts, 45, in January after a liposuction and tummy tuck is still under investigation. She had a history of high blood pressure, diabetes, smoking and obesity that raised her risk in surgery, her lawyer says.