

So Ordered.

Dated: May 29th, 2019



Frank L. Kurtz
Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON**

IN RE:

ASTRIA HEALTH, *et al.*Debtors.¹

Lead Case No. 19-01189-11

(Jointly Administered)

**ORDER GRANTING DEBTORS'
EMERGENCY MOTION TO
ENFORCE THE AUTOMATIC
STAY**

Re: Docket No. 126

Upon consideration of the emergency motion, dated May 22, 2019, of Astria Health and the above-referenced affiliated debtors (collectively, the “Debtors”), the

¹ The Debtors, along with their case numbers, are as follows: Astria Health (19-01189-11), Glacier Canyon, LLC (19-01193-11), Kitchen and Bath Furnishings, LLC (19-01194-11), Oxbow Summit, LLC (19-01195-11), SHC Holdco, LLC (19-01196-11), SHC Medical Center-Toppenish (19-01190-11), SHC Medical Center-Yakima (19-01192-11), Sunnyside Community Hospital Association (19-01191-11), Sunnyside Community Hospital Home Medical Supply, LLC (19-01197-11), Sunnyside Home Health (19-01198-11), Sunnyside Professional Services, LLC (19-01199-11), Yakima Home Care Holdings, LLC (19-01201-11), and Yakima HMA Home Health, LLC (19-19-01200-11).

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1 debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases
2 (collectively, the “Chapter 11 Cases”), for the entry of an order, pursuant to § 362(a)
3 of title 11 of the United States Code, 11 U.S.C. § 101, *et seq.* (the “Bankruptcy
4 Code”),² enforcing and enjoining further violation of the automatic stay to require
5 LRS Healthcare, Inc. (“LRS”) to continue performing under that certain Client
6 Contract (the “LRS Agreement”), with effective date of November 15, 2018, between
7 LRS and Astria Sunnyside Hospital (“Sunnyside,” a d/b/a for Debtor Sunnyside
8 Community Hospital Association) [Docket No. 126] (the “Motion”),³ all as more
9 fully set out in the Motion, and the exhibits attached thereto; and upon consideration
10 of the Declarations of Brian Gibbons [Docket No. 127], Lori Cortes [Docket No.
11 128], and Sam J. Alberts [Docket No. 129] in support of the Motion; and upon
12 consideration of the arguments of counsel made at the emergency hearing held on
13 May 29, 2019; and the *Objection to Debtor’s Emergency Motion to Enforce the*
14 *Automatic Stay* [Docket No. 153] having been overruled by the Court, and no other

15 _____
16 ² All references to “§” or “sections” herein are to sections of the Bankruptcy Code.
17 All references to the “Bankruptcy Rules” are to the Federal Rules of Bankruptcy
18 Procedure. All references to “LBR” are to the Local Rules of the United States
19 Bankruptcy Court for the Eastern District of Washington.

20 ³ Capitalized terms not otherwise defined herein have the meanings ascribed to them
21 in the Motion.

1 objections to the Motion having been received; and it further appearing that the Court
2 has jurisdiction over this matter; and it further appearing that notice of the Motion as
3 set forth therein is sufficient under the circumstances, and that no other or further
4 notice need be provided; and it further appearing that the relief requested in the
5 Motion is in the best interests of the Debtors, their estates and their creditors; and
6 after due deliberation of the arguments for and against the Motion and sufficient
7 cause appearing therefor, it is hereby

8 ORDERED that notice of the Motion was appropriate under the circumstances
9 and in compliance with the Bankruptcy Code, Bankruptcy Rules, and LBR; and it is
10 further

11 ORDERED that the Motion is granted, as set forth herein; and it is further

12 ORDERED that LRS has violated, and is in continued violation of, the
13 automatic stay of § 362(a); and it is further

14 ORDERED that LRS shall continue to abide by the terms of the LRS
15 Agreement pending further order by this Court; and it is further

16 ORDERED that LRS is directed to return Sunnyside to the staffing under the
17 LRS Agreement that was in place immediately prior to the Petition Date; and it is
18 further

19 ORDERED, for the sake of clarity, that LRS is directed to (1) return (through
20 assignment or reassignment) the two ICU nurses who were staffed at Sunnyside on
21 the Petition Date (with initials D.G. and R.R.) to Sunnyside within 48 hours of entry

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1 of this Order, and (2) assign the third ICU nurse who was scheduled to be staffed at
2 Sunnyside beginning on June 3, 2019 (with initials V.C.), to begin on that date as
3 scheduled; and it is further

4 ORDERED that LRS shall not take any action inconsistent with the provisions
5 of this Order; and it is further

6 ORDERED that the Debtors are authorized to take all action necessary to
7 effectuate the relief granted in this Order; and it is further

8 ORDERED that the Debtors are authorized to separately notice a future
9 hearing to determine the amount of fees, costs, damages, and for any other sanction
10 resulting from LRS' violation of the automatic stay; and it is further

11 ORDERED that the Court shall retain jurisdiction to hear and determine all
12 matters arising from or related to the implementation, interpretation, and/or
13 enforcement of this Order.

14 ///End of Order///

15 PRESENTED BY:

16 /s/ Sam J. Alberts

SAM J. ALBERTS (WSBA #22255)

17 SAMUEL R. MAIZEL (Admitted *Pro Hac Vice*)

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21 *Debtors and Debtors In Possession*

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Notice Recipients

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