

So Ordered.

Dated: June 21st, 2019



Frank L. Kurtz
 Frank L. Kurtz
 Bankruptcy Judge

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

IN RE:

ASTRIA HEALTH, et al.,

Debtors and Debtors in
Possession.¹

Chapter 11

Lead Case No. 19-01189-11

Jointly Administered

**ORDER ON MOTION AUTHORIZING
 THE DEBTORS TO RETAIN AND
 COMPENSATE PROFESSIONALS
 UTILIZED BY THE DEBTORS IN THE
 ORDINARY COURSE OF BUSINESS
 NUNC PRO TUNC AS OF MAY 6, 2019**

¹ The Debtors, along with their case numbers, are: 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), SHS 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 (19-01200-11).

ORDER ON OCP MOTION

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 Los Angeles, California 90013-3000 / 621-6623-8924 / T 206-292-2118 / F 206-292-2104

1 Having considered the *Motion For An Order Authorizing The Debtors To*
2 *Retain And Compensate Professionals Utilized By The Debtors In The Ordinary*
3 *Course Of Business* Nunc Pro Tunc As Of May 6, 2019, the *Memorandum of Points*
4 *and Authorities* and the *Declaration of Cary Rowan* (the “Motion”)¹ [Docket #228],
5 the *Addendum To The Motion For An Order Authorizing The Debtors To Retain*
6 *And Compensate Professionals Utilized By The Debtors In The Ordinary Course Of*
7 *Business* Nunc Pro Tunc As Of May 6, 2019 [Docket No. 277], the *Declaration Of*
8 *No Objections And Request For Entry Of An Order Granting Debtors’ Motion*
9 *Authorizing The Debtors To Retain And Compensate Professionals Utilized By The*
10 *Debtors In The Ordinary Course Of Business* Nunc Pro Tunc As Of May 6, 2019
11 [Docket No. 299], no opposition having been filed, and good cause appearing
12 therefor,

13 IT IS THEREFORE ORDERED THAT:

14 1. The Motion is GRANTED.

15 2. In accordance with the agreement reached by and between the Debtors
16 and the Office of the United States Trustee, as set forth in the *Declaration of No*
17 *Objections*, the work to be performed by Butler Snow LLP, The Kullman Firm,
18 Garvey Schubert Barer P.C., and White & Company, CPA, and the monthly cap on
19 fees for Coopersmith Health Law Group, are amended as follows:

20 _____
21 ¹ Capitalized terms not otherwise defined herein have the meaning ascribed to them
in the Motion.

NATURE OF LEGAL SERVICES	ORDINARY COURSE PROFESSIONAL	ESTIMATE OF MAXIMUM MONTHLY FEES
Outside general counsel providing and/or coordinating legal services for all operational, regulatory, transactional, contract, medical staffing, workers compensation, pension plans, litigation and other matters in behalf of Astria Health	Butler Snow LLP	\$25,000
Non-bankruptcy related labor work (Sunnyside)	The Kullman Firm	\$25,000
Non-bankruptcy related labor work (Yakima and Toppenish) and Malpractice Representation	Garvey Schubert Barer, P.C.	\$60,000
Tax Consultations: Accounting assistance (general bookkeeping work) and consultation on employment taxes and related filings	White & Company, CPA	\$5,000
Insurance Contract Representation	Coopersmith Health Law Group	\$25,000

3. The Debtors are hereby authorized, pursuant to the terms and conditions set forth in the Motion, to employ, retain and compensate the Ordinary Course Professional(s) listed on Exhibit "A" attached to the Motion, and other Ordinary Course Professionals that the Debtors may list on any Supplemental Notice filed with the Court and served on the Notice Parties as required in the Motion.

4. Each Ordinary Course Professional (or the Debtors on behalf of an Ordinary Course Professionals) shall file with the Court, and serve upon (i) counsel

ORDER ON OCP MOTION

DENTONS US LLP BUSH KORNFIELD LLP
SUITE 2500 LAW OFFICES

601 South Figueroa Street 601 Union Street, Suite 5000
Los Angeles, California 90017-5704 Seattle, Washington 98101-2373
T 213 627 3300 / F 213 627 8924 T 206 292 2116 F 206 292 2104

1 for the Debtors, John A. Moe, II, Dentons US LLP, 601 South Figueroa Street,
2 Suite 2500, Los Angeles, California 90017-5704; (ii) the Office of the U.S. Trustee,
3 Attention: Gary Dyer, 920 West Riverside Avenue, Room 593, Spokane,
4 Washington 99201; (iii) all alleged secured creditors; (iv) counsel for the Official
5 Committee of Unsecured Creditors: Andrew H. Sherman, Sills Cummis Gross,
6 P.C., One Riverfront Plaza, Newark, New Jersey 07102; and (v) all parties
7 requesting special notice pursuant to Bankruptcy Rule 2002 (collectively, the
8 “Notice Parties”), a disclosure declaration (the “Declaration”), substantially in the
9 form attached as Exhibit “B” to the Motion. Such Declaration shall set forth the
10 following information: (a) to the best of the Ordinary Course Professional’s
11 knowledge, a description of the effort(s) that were taken to search for connections
12 with parties in interest; (b) a description of the proposed scope of services to be
13 provided by the Ordinary Course Professional; (c) the rate(s) proposed to be
14 charged for the services; (d) all information otherwise required to be disclosed
15 pursuant to Rule 2014 of the Federal Rule of Bankruptcy Procedure; (e) any
16 prepetition amounts owed to the Ordinary Course Professional by the Debtors;
17 (f) to the extent that the Ordinary Course Professional was not providing services as
18 of the Petition Date, the date on which such services began postpetition; and (g) any
19 supplemental information, if necessary.

20 5. The Notice Parties shall have ten (10) days from the date of the filing
21 and service of the Declaration (the “Objection Period”) to object to the retention of

1 the Ordinary Course Professional in question. The Notice Parties retain the rights
2 to: (1) assert that disclosure is not sufficient if an ordinary course of business
3 professional does not disclose personal relationships with members of the Debtors'
4 board or other agents or representatives of the Debtors; (2) assert that an Ordinary
5 Course Professional is not disinterested; (3) object to any *nunc pro tunc* approval of
6 any professional seeking compensation before an Order is entered approving such
7 professional's employment; and (4) object to the amount of compensation requested
8 by an Ordinary Course Professional, as well as reserving such other remedies as are
9 available with respect to the review and examination of the compensation
10 previously paid or to be paid to any such professional. Any Objection must be
11 timely filed with the Court and served upon the Ordinary Course Professional, the
12 Debtors and the Notice Parties.

13 6. If an Objection is filed and is not resolved and/or not withdrawn within
14 twenty days after service of such Objection, this Court shall adjudicate the matter at
15 a hearing scheduled by the Debtors. If no timely Objection is filed and received, or
16 if an Objection is withdrawn, the Debtors will be authorized to retain the Ordinary
17 Course Professional on a final basis without further order of this Court.

18 7. The Debtors are authorized to pay, without formal application to and
19 an order from this Court, one hundred percent (100%) of the fees and expenses of
20 each Ordinary Course Professional upon submission to, and approval by, the
21 Debtors of an appropriate billing statement setting forth in reasonable detail the

1 nature of the postpetition services rendered and expenses actually incurred.
2 Further, the Debtors are not authorized to pay any fees and expenses to an Ordinary
3 Course Professional unless (i) the professional has filed its Declaration, (ii) the
4 Objection Period has expired, and (iii) no timely Objection is pending. If a timely
5 Objection to the Declaration is received, no payment will be made until such
6 Objection is resolved and/or withdrawn, or the employment of the Ordinary Course
7 Professional is otherwise approved by this Court.

8 8. The Debtors' authority to pay each Ordinary Course Professional in
9 accordance with paragraph 6 above, is limited to the amounts set forth on Exhibit
10 "A" attached to Motion, unless a Declaration filed by an Ordinary Course
11 Professional sets forth a different amount so that the Notice Parties can review,
12 consider and have ten days to object to that amount.

13 9. As to those Ordinary Course Professionals listed on Exhibit "A" to the
14 Motion who receive no objections after their Declarations are filed, those Ordinary
15 Course Professionals are employed *nunc pro tunc* to May 6, 2019, as requested in
16 the Motion.

17 10. If in any given month the fees and expenses for any Ordinary Course
18 Professional exceed the maximum amount allowed on a rolling basis as described
19 above, such Ordinary Course Professional shall apply for approval by the Court of
20 all such Ordinary Course Professional's fees and expenses for such month under
21 sections 330 and 331 of the Bankruptcy Code; provided, however, that such

1 Ordinary Course Professional shall be entitled to an interim payment of up to the
2 maximum amount on a rolling basis as a credit against the invoices for such month
3 ultimately allowed by the Court.

4 11. Thirty days after every four months this chapter 11 case is pending, or
5 such other period as this Court directs, the Debtors shall file and serve a Statement
6 upon the Notice Parties, setting forth the fees and expenses paid to each Ordinary
7 Course Professional. The Summary Statement will include the following
8 information for each Ordinary Course Professional: (a) the name of the Ordinary
9 Course Professional; (b) the aggregate amounts paid as compensation for services
10 rendered and reimbursement of expenses incurred by such Ordinary Course
11 Professional during the statement period; and (c) a brief statement of the type of
12 services rendered.

13 12. The Court shall retain jurisdiction with respect to any matters, claims
14 rights or disputes arising from or related to the implementation of this Order.

15 //End of Order//

16 Submitted by:

17 By /s/ Thomas A. Buford
THOMAS A. BUFORD (WSBA #52969)
18 JAMES L. DAY (WSBA #20474)
BUSH KORNFELD LLP

19 SAMUEL R. MAIZEL (Admitted *Pro Hac Vice*)
SAM J. ALBERTS (WSBA #22255)
20 DENTONS US LLP

21 *Proposed Attorneys for the Chapter 11
Debtors and Debtors In Possession*

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