1	JAMES L. DAY (WSBA #20474) THOMAS A. BUFORD (WSBA #52969)	HONORABLE WHITMAN L. HOLT
2	BUSH KORNFELD LLP 601 Union Street, Suite 5000 Seattle, WA 98101	
3	Tel: (206) 292-2110 Email: <u>jday@bskd.com</u> tbuford@bskd.com	
4		Vice
5	SAMUEL R. MAIZEL (Admitted <i>Pro Hac</i> DENTONS US LLP 601 South Figueroa Street, Suite 2500 Los Angeles, California 90017-5704	(<i>v</i> (<i>ce</i>)
6	Tel: (213) 623-9300 Fax: (213) 623-9924 Email: samuel.maizel@dentons.com	
7		
8	SAM J. ALBERTS (WSBA #22255) DENTONS US LLP 1900 K. Street, NW Washington, DC 20006	
9	Tel: (202) 496-7500 Fax: (202) 496-7756 Email: <u>sam.alberts@dentons.com</u>	
10	Attorneys for the Chapter 11 Debtors	
11	and Debtors In Possession	
12		S BANKRUPTCY COURT RICT OF WASHINGTON
12		Chapter 11
13	IN RE:	Lead Case No. 19-01189-11 (Jointly Administered)
14	ASTRIA HEALTH, et al.	
15	Debtors and Debtors in Possession. ¹	DEBTORS' NOTICE OF THIRD RENEWED MOTION AND THIRD RENEWED MOTION FOR ENTRY OF AN ORDER ENLARGING THE
16		TIME WITHIN WHICH THE DEBTORS MAY REMOVE ACTIONS; DECLARATION OF
17		MICHAEL LANE
18	(19-01193-11), Kitchen and Bath Furnishings, L	as follows: Astria Health (19-01189-11), Glacier Canyon, LLC LC (19-01194-11), Oxbow Summit, LLC (19-01195-11), SHC
19	01192-11), Sunnyside Community Hospital Asso	er-Toppenish (19-01190-11), SHC Medical Center-Yakima (19- ociation (19-01191-11), Sunnyside Community Hospital Home ome Health (19-01198-11), Sunnyside Professional Services, LLC
20		C (19-01201-11), and Yakima HMA Home Health, LLC (19-19-
21	NOTICE AND THIRD	DENTONS US LLP BUSH KORNFELD LLP
21	RENEWED MOTION TO EXTEND REMOVAL	1 601 South Figueroa Street, Suite 2500 LAW OFFICES 601 Union St. Suite 5000
	DEADLINE	
19-01	US Active\115225426\V-2 189-WLH11 Doc 1617 Filed 07/29/2	190118920072900000000014 0 Entered 07/29/20 18:37:57 Pg 1 of 18

1

2

TO: LIMITED MAILING LIST

TO: OFFICE OF UNITED STATES TRUSTEE

PLEASE TAKE NOTICE that Astria Health ("Astria") and the above-3 referenced affiliated debtors (collectively, the "Debtors"), the debtors and debtors 4 in possession in the above-captioned chapter 11 bankruptcy cases (collectively, the "Chapter 11 Cases"), hereby move (the "Motion") the United States Bankruptcy 5 Court for the Eastern District of Washington (the "Court") for entry of an order 6 pursuant to 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") further enlarging the period 7 within which the Debtors may seek removal of claims or causes of action in civil 8 actions (the "Actions") by an additional 120 days, up to and including November 9 26, 2020 (the "Removal Period"), without prejudice to the Debtors' right to seek additional extensions. This is the Debtors' fourth request to extend the removal 10 deadline. 11

PLEASE TAKE FURTHER NOTICE that the Motion is based on this 12 Notice and Motion, the attached Memorandum of Points and Authorities and the Declaration of Michael Lane (the "Lane Declaration"), the Debtors' Notice of 13 Motion and Motion for Entry of an Order Enlarging the Time Within Which the 14 Debtors May Remove Actions; Declaration Of Cary Rowan [Docket No. 431], the 15 Debtors' Notice of Renewed Motion and Renewed Motion for Entry of an Order Enlarging the Time Within Which the Debtors May Remove Actions; Declaration 16 Of Cary Rowan [Docket No. 795], the Debtors' Notice of Second Renewed Motion 17 and Second Renewed Motion for Entry of an Order Enlarging the Time Within 18 Which the Debtors May Remove Actions; Declaration Of Cary Rowan [Docket No. 1157], the Declaration of John M. Gallagher [Docket No. 21] (the "Gallagher 19 Declaration") and the Declaration of Michael Lane [Docket No. 16] (together with 20 NOTICE AND THIRD 21 DENTONS US LLP **RENEWED MOTION TO** 2 601 South Figueroa Street, Suite 2500

EXTEND REMOVAL
DEADLINE2601 South Figueroa street, suite 2500
Los Angeles, CA 90017-5704
Phone: (213) 623-9300601 U
Seattle, V
Telep
Fax: (213) 623-9924

BUSH KORNFELD LLP LAW OFFICES 601 Union St., Suite 5000 Seattle, Washington 98101-2373 Telephone (206) 292-2110 Facsimile (206) 292-2104

19-01189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 2 of 18

the Gallagher Declaration, the "<u>First Day Declarations</u>"), both filed in conjunction
with the "<u>First Day Motions</u>", the arguments of counsel, and other admissible
evidence properly brought before the Court at or before the hearing on this Motion,
if any. In addition, the Debtors request that the Court take judicial notice of all
documents filed with the Court in this case.

5

6

7

8

11

PLEASE TAKE FURTHER NOTICE that if you object to the entry of an order granting the relief requested in this Motion, please do so by filing a written objection with the Court and serve a copy upon the undersigned within twenty-one (21) days of the date of this Notice. Should you fail to timely and properly object to this Motion, the Court may enter an Order granting the relief requested herein without a hearing and without further notice to you.

9 PLEASE TAKE FURTHER NOTICE that failure to timely file and serve
10 any opposition may be considered consent to the granting of the Motion.

Dated: July 29, 2020

12 /s/ Sam J. Alberts JAMES L. DAY (WSBA #20474) 13 THOMAS A. BUFORD (WSBA #52969) BUSH KORNFELD LLP 14 SAMUEL R. MAIZEL (Admitted *Pro Hac Vice*) 15 SAM J. ALBERTS (WSBA #22255) DENTONS US LLP 16 *Attorneys for the Chapter 11 Debtors* 17 and Debtors In Possession 18 19 20 NOTICE AND THIRD 21 DENTONS US LLP **RENEWED MOTION TO** BUSH KORNFELD LLP 3 601 South Figueroa Street, Suite 2500 LAW OFFICES EXTEND REMOVAL 601 Union St., Suite 5000 Los Angeles, CA 90017-5704 Seattle, Washington 98101-2373 DEADLINE Telephone (206) 292-2110 Facsimile (206) 292-2104 Phone: (213) 623-9300 Fax: (213) 623-9924

19-01189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 3 of 18

1	MEMORANDUM OF POINTS AND AUTHORITIES	
2	I.	
3	RELIEF REQUESTED	
5	The Debtors respectfully request the entry of an order enlarging the period of	
4	time set forth in Bankruptcy Rule 9027(a)(2)(A) during which the Debtors may	
5	seek removal of Actions pursuant to 28 U.S.C. § 1452 and Bankruptcy Rules 9006	
6	and 9027 during the Removal Period by an additional 120 days, up to and including	
0	November 26, 2020, without prejudice to the Debtors' right to seek further	
7	extensions. ² This is the Debtors' fourth request to extend the removal deadline.	
8	The Debtors submit the attached Lane Declaration in support of this Motion.	
0	II.	
9	JURISDICTION AND VENUE	
10	The Court has subject matter jurisdiction to consider and determine this	
11	Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant	
10	to 28 U.S.C. § 157(b)(2). The Debtors consent to entry of final orders and	
12	judgments by the bankruptcy judge. Venue is proper before this Court pursuant to	
13	28 U.S.C. §§ 1408 and 1409.	
14	The statutory bases for the relief requested herein are 28 U.S.C. § 1452 and	
	Bankruptcy Rules 9006 and 9027.	
15		
16		
17		
18	² All references to "§" or "section" herein are to sections of the Bankruptcy Code,	
19	unless otherwise noted.	
20	uniess otherwise noted.	
	NOTICE AND THIRD	
21	RENEWED MOTION TO EXTEND REMOVALDENTONS US LLPBUSH KORNFELD LAW OFFICES Los Angeles CA 90017 5704	
	DEADLINEPhone: (213) 623-9300Seattle, Washington 98101-2Telephone (206) 292-211	2373 0
19-01	Fax: (213) 623-9924 Facsimile (206) 292-2104 US_Active\115225426\V-2 189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 4 of 18	

1		
2	BACKGROUND FACTS	
3	 A. <u>General Background.</u> 1. On May 6, 2019 (the "<u>Petition Date</u>"), each of the Debtors filed a 	
4	voluntary petition for relief under the Bankruptcy Code. These Chapter 11 Cases	
5	are being jointly administered before this Court. [Docket No. 10]. The Debtors are	
6		
7	operating their businesses as debtors in possession pursuant to §§ 1107 and 1108.	
	2. Debtor Astria, a Washington nonprofit corporation, is the direct or	
8	indirect corporate member of several entities that make it the largest non-profit	
9	healthcare system based in Eastern Washington. The Astria system is	
10	headquartered in the heart of Yakima Valley, Washington, with two operating	
11	hospitals in Sunnyside and Toppenish, Washington.	
12	3. The Astria system includes two operating hospitals: Astria Sunnyside	
13	Hospital, a 38-bed critical access hospital in Sunnyside, Washington ("Sunnyside"),	
14	and Astria Toppenish Hospital, a 63-bed hospital in Toppenish, Washington	
15	("Toppenish," and referred to collectively with Sunnyside and ARMC as the	
16	" <u>Hospitals</u> ").	
17	4. On May 24, 2019, the Office of the United States Trustee (the " <u>U.S.</u>	
18	<u>Trustee</u> ") appointed an Official Committee of Unsecured Creditors in these Chapter	
19	11 Cases.	
20		
21	NOTICE AND THIRD RENEWED MOTION TO EXTEND REMOVAL DEADLINEDENTONS US LLPBUSH KORNFELD I5601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Phone: (213) 623-9300 Fax: (213) 623-9924601 Union St., Suite 5000 Seattle, Washington 98101-22 Telephone (206) 292-2104) 373)
19-01	US Active)115225426\V-2 189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 5 of 18	

1	5. Additional background facts on the Debtors, including an overview of
2	the Debtors' business, information on the Debtors' capital structure, and events
3	leading up to these Chapter 11 Cases, are contained in the First Day Declarations.
4	B. <u>Relevant Background to Motion.</u>
5	6. The Debtors have requested three previous extensions, and now ask for
6	a fourth extension of the Removal Period by an additional 120 days, up to and
7	including November 26, 2020, without prejudice to the Debtors' right to seek
8	further extensions. Lane Declaration at \P 5.
9	7. The Debtors are involved in at least ten (10) Actions involving claims.
10	Lane Declaration at \P 6. On June 19-20, 2019, the Debtors filed their Schedules of
11	Assets and Liabilities (the "Schedules") and their Statements of Financial Affairs
12	(the "SOFAs"). Lane Declaration at \P 6. As part of the Schedules and SOFAs, the
13	Debtors identified two (2) Actions. See Case No. 19-01192, Docket No. 9, SOFAs,
14	Part 3, 7; see also Lane Declaration at ¶ 6. The Debtors are also aware of another
15	eight (8) Actions, and will update their SOFAs accordingly. Lane Declaration at \P
16	6. These Actions include:
17	a. CHG Healthcare Services, Inc., d/b/a Comphealth and Comphealth
18	Medical Staffing, Inc. v. Astria Health d/b/a Astria Regional Medical Center,
19	Third Judicial District Court of Salt Lake County, Utah, Case No. 19-

20 0903546, filed May 2, 2019 (pending);

21 NOTICE AND THIRD RENEWED MOTION TO EXTEND REMOVAL DEADLINE

DENTONS US LLP 6 601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Phone: (213) 623-9300 Fax: (213) 623-9924

BUSH KORNFELD LLP LAW OFFICES 601 Union St., Suite 5000 Seattle, Washington 98101-2373 Telephone (206) 292-2110 Facsimile (206) 292-2104

.

19-01189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 6 of 18

1	b. Delta Locum Tenens, LLC and Delta Flex Partners, LLC v. Astria
2	Health d/b/a Yakima Medical and Cardia Center, Texas District Court, Dallas
3	County, Case No. DC-19-05294, filed April 12, 2019 (pending);
4	c. Thoracic and Cardiovascular Surgery, Inc. (Sharma) v. SHC Medical
5	Center - Yakima, Superior Court of Yakima County, Washington, Case No.
6	19-20066939, filed February 22, 2019 (pending);
7	d. Bertha Maribel Fernandez v. SHC Medical Center d/b/a Yakima
8	Regional Medical and Cardiac Center, Superior Court of Yakima County,
9	Washington, Case No. 18-20459239, filed December 21, 2018 (pending);
10	e. 8gency Limited d/b/a The Field Group v. Astria Health, Superior
11	Court of Yakima County, Washington, Case No 18-20403539, filed
12	November 15, 2018 (settled but still pending);
13	f. Orthopedics Northwest, PLLC v. SHC Medical Center - Yakima,
14	Superior Court of Yakima County, Washington, Case No. 18-20399339, filed
15	November 7, 2018 (pending);
16	g. PPC Solutions, Inc. v. Astria Health and Astria Health Management,
17	Inc., Superior Court of Yakima County, Washington, Case No. 18-20381039,
18	filed October 26, 2018 (pending);
19	h. Maria Ricardo v. Miguel A. Brizuela, M.D., Yakima Valley Farm
20	Workers Clinic, and Sunnyside Community Hospital & Clinics, d/b/a
21	NOTICE AND THIRD RENEWED MOTION TO EXTEND REMOVAL DEADLINEDENTONS US LLPBUSH KORNFELD LLP LAW OFFICES 601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Phone: (213) 623-9300 Fax: (213) 623-9924BUSH KORNFELD LLP LAW OFFICES 601 Union St., Suite 5000 Seattle, Washington 98101-2373 Telephone (206) 292-2110 Facsimile (206) 292-2104
10.01	US Active 115225426/V-2 1617 Filed 07/20/20 Entered 07/20/20 18:27:57 Dg 7 of 18

19-01189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 7 of 18

1	Sunnyside Community Hospital Association, Superior Court of Yakima
2	County, Washington, Case No. 17-20210339, filed June 20, 2017 (pending -
3	automatic stay lifted);
4	i. Derek Weaver, D.O., and Brittany Weaver v. John Gallagher, Jane
5	Doe Gallagher, and Sunnyside Community Hospital, Superior Court of
6	Yakima County, Washington, Case No. 16-20219139, filed August 8, 2016
7	(pending); and
8	j. Frank v. Sunnyside Community Hospital Superior Court of Yakima
9	County, Washington, Case No. 20-00354-39, filed January 31, 2020
10	(pending).
11	Lane Declaration at ¶ 6.
12	8. At present, it is premature for the Debtors in these Chapter 11 Cases to
13	make a determination as to the benefits and burdens relating to the removal and
14	litigation of any Actions against the Debtors. Lane Declaration at \P 8. The Debtors
15	need more time to analyze the Actions to determine whether the Debtors will seek
16	to remove any of the Actions. Lane Declaration at \P 8. In addition, it is premature
17	to determine if litigation is the prudent means to resolve these potential claims,
18	pending greater clarity on the details surrounding the Debtors' exit strategy. Lane
19	Declaration at ¶ 8. The Debtors are not yet prepared to decide which, if any,
20	Actions they will seek to remove. Lane Declaration at ¶ 8. NOTICE AND THIRD
21	NOTICE AND THIRDRENEWED MOTION TO EXTEND REMOVALDENTONS US LLPBUSH KORNFELD LLPDEADLINE601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Phone: (213) 623-9300LAW OFFICES
19-01	US Active 115225426 V-2 189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 8 of 18

1	IV.	
2	LEGAL ARGUMENT	
3	The Debtors seek an extension of the Removal Period under 28 U.S.C.	
4	§ 1452 and Bankruptcy Rule 9027, which govern the removal of pending civil	
5	actions related to chapter 11 cases. Specifically, 28 U.S.C. § 1452(a) provides:	
6	A party may remove any claim or cause of action in a	
7	civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory	
8	power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of	
9	such claim or cause of action under section 1334 of this title.	
10	28 U.S.C. § 1452(a).	
11	Bankruptcy Rule 9027 sets forth the time periods for filing notices to remove	
12	claims or causes of action. Specifically, Bankruptcy Rule 9027(a)(2) provides, in	
13	pertinent part:	
14	If the claim or cause of action in a civil action is pending	
15	when a case under the [Bankruptcy] Code is commenced, a notice of removal may be filed only within the longest	
16	of (A) 90 days after the order for relief in the case under the [Bankruptcy] Code, (B) 30 days after entry of an order	
17	terminating a stay, if the claim or cause of action in a civil action has been stayed under § 362 of the [Bankruptcy]	
18	Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief	
19	the order for relief. Fed. R. Bankr. P. 9027(a)(2).	
20		
21	NOTICE AND THIRDRENEWED MOTION TOEXTEND REMOVALDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINEDEADLINE	373
19-01	US Active)115225426\V-2 189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 9 of 18	

1	Bankruptcy Rule 9006 permits the Court to extend the period to remove
2	actions provided by Bankruptcy Rule 9027. Specifically, Bankruptcy Rule
3	9006(b)(1) provides, in pertinent part:
4	
5	[W]hen an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause
6	shown may at any time in its discretion with or without motion or notice order the period enlarged if the
7	request therefor is made before the expiration of the period originally prescribed or as extended by a previous
8	order
9	Fed. R. Bankr. P. 9006(b)(1).
10	It is well-settled that the Court is authorized to enlarge the Removal Period.
11	See Pacor, Inc. v. Higgins, 743 F.2d 984, n.17 (3d Cir. 1984), overruled on other
12	grounds by Things Remembered, Inc. v. Petrarca, 516 U.S. 124, 134–35 (1995)
13	(holding the bankruptcy court's power to grant an extension of the removal period
14	pursuant to Bankruptcy Rule 9006(b) is "clear"); Caperton v. A.T. Massey Coal
15	Co., 251 B.R. 322, 325 (S.D. W. Va. 2000) (Bankruptcy Rule 9006 provides
16	authority to enlarge time periods for removing actions under Bankruptcy Rule
17	9027); In re Jandous Elec. Constr. Corp., 106 B.R. 48, 50 (Bankr. S.D.N.Y. 1989)
18	(period in which to file motion to remove may be expanded pursuant to Bankruptcy
19	Rule 9006); In re World Fin. Servs. Ctr., Inc., 81 B.R. 33, 39 (Bankr. S.D. Cal.
20	1987) (United States Supreme Court intended to give bankruptcy judges the power
21	NOTICE AND THIRD RENEWED MOTION TO EXTEND REMOVAL DEADLINEDENTONS US LLP 10BUSH KORNFELD LLP LAW OFFICES Los Angeles, CA 90017-5704 Phone: (213) 623-9300 Fax: (213) 623-9924BUSH KORNFELD LLP BUSH KORNFELD LLP CAN OFFICES 601 Union St, Suite 5000 Seattle, Washington 98101-2373
19-01	US Active 115225426\V-2 189=WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 10 of 18

to enlarge the filing periods under Bankruptcy Rule 9027(a) pursuant to Bankruptcy
 Rule 9006(b)); *Raff v. Gordon*, 58 B.R. 988, 990 (E.D. Pa. 1986) (an expansion of
 time to file notices of removal is authorized under the Bankruptcy Rules).

4 The Debtors' decision regarding whether to seek removal of any particular 5 Action depends on a number of factors, including: (a) the importance of the Action 6 to the expeditious resolution of these Chapter 11 Cases; (b) the time required to 7 complete the Action in its current venue; (c) the presence of federal subject matter 8 jurisdiction in the proceeding that may allow for one or more aspects thereof to be 9 heard by a federal court; (d) the relationship between the Action and matters to be 10 considered in connection with the Debtors' Chapter 11 Cases, the claims allowance 11 process, and the assumption or rejection of executory contracts and unexpired 12 leases; and (e) the progress made to date in the Action. To make the appropriate 13 determination, the Debtors must analyze each Action in light of such factors.

14 To date, the Debtors have not yet had an opportunity to conclusively determine which Actions they will seek to remove. Since the commencement of 15 16 these Chapter 11 Cases, the Debtors' Boards of Trustees, officers, staff, and 17 advisors have been focused on, among other things, negotiating the terms of critical 18 postpetition financing and a plan of reorganization; preparing monthly operating 19 reports; preparing and marketing the Debtors' assets for a possible sale; closing 20 ARMC; rejecting contracts and leases related thereto; preparing an updated cure NOTICE AND THIRD 21 DENTONS US LLP **RENEWED MOTION TO** BUSH KORNFELD LLP 11 601 South Figueroa Street, Suite 2500 LAW OFFICES EXTEND REMOVAL 601 Union St., Suite 5000 Los Angeles, CA 90017-5704

 S Angeles, CA 90017-5704
 Seattle, Washington 98101-2373

 Phone: (213) 623-9300
 Telephone (206) 292-2110

 Fax: (213) 623-9924
 Facsimile (206) 292-2104

19-01189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 11 of 18

DEADLINE

1	amounts list; responding to the infectious disease Severe Acute Respiratory	
2	Syndrome Coronavirus 2, which is the cause of the ongoing 2019 cornonavirus	
3	global pandemic (" <u>COVID-19</u> "); leasing ARMC to the DOH; searching for special	
4	counsel to assert claims against former accounts receivable vendor; providing	
5	continuous reporting to major creditors and the Official Committee of Unsecured	
6	Creditors; drafting the plan of reorganization and disclosure statement and working	
7	with various parties in interest to effectuate the same; litigating with various parties	
8	in adversary proceedings and on appeal; and addressing an unusual number of	
9	creditors threatening to violate the automatic stay through attempts to change	
10	contract terms or to terminate services contrary to contract terms. Lane Declaration	
11	at ¶ 7.	
12	The Debtors thus have been focused on addressing these time critical matters	
13	and have been unable to fully analyze each of the Actions and make the appropriate	
14	determinations concerning their removal. In addition, the Debtors may become	
15	aware of further Actions in connection with proofs of claim that are filed in these	
16	Chapter 11 Cases.	
17	The Debtors believe the extension requested herein will provide the Debtors	
18	with sufficient time to make well informed decisions concerning the removal of the	
19	Actions, and will ensure that the Debtors' rights provided by 28 U.S.C. § 1452 can	
20	be exercised in an appropriate manner. Moreover, the rights of parties to the NOTICE AND THIRD	
21	RENEWED MOTION TO EXTEND REMOVAL DEADLINEDENTONS US LLPBUSH KORNFELD LLF12601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Phone: (213) 623-9300 Fax: (213) 623-9924BUSH KORNFELD LLF LAW OFFICES 601 Union St., Suite 5000 Seattle, Washington 98101-2373 Telephone (206) 292-2110 Facsimile (206) 292-2104	
19-01	US Active/115225426/V-2 189=WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 12 of 18	

1 Actions will not be unduly prejudiced by the Debtors' requested extension of the 2 Removal Period. If the Debtors ultimately seek to remove Actions pursuant to 3 Bankruptcy Rule 9027, parties will retain their rights to seek to have such Actions remanded pursuant to 28 U.S.C. § 1452(b). Accordingly, the Debtors submit that 4 5 cause exists for the relief requested herein.

V.

CONCLUSION

For the foregoing reasons, the Debtors respectfully request that this Court 8 grant the Motion and enter an order further enlarging the period of time set forth in 9 Bankruptcy Rule 9027(a)(2)(A) during which the Debtors may seek removal of 10 Actions pursuant to 28 U.S.C. § 1452 and Bankruptcy Rule 9027 by an additional 11 120 days, up to and including November 26, 2020, and grant such further relief as 12 the Court deems appropriate.

Dated July 20 2020

6

7

13

	Dated. July 29, 2020	
14		/s/ Sam J. Alberts
		JAMES L. DAY (WSBA #20474)
15		THOMAS A. BUFORD (WSBA #52969)
		BUSH KORNFELD LLP
16		
		SAMUEL R. MAIZEL (Admitted Pro
17		Hac Vice)
		SAM J. ALBERTS (WSBA #22255)
18		DENTONS US LLP
19		Attorneys for the Chapter 11 Debtors and
		Debtors In Possession
20		
	NOTICE AND THIRD	
21	RENEWED MOTION TO	DENTONS US LLP BUSH KORNFELD LL
	EXTEND REMOVAL	13 601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Los Angeles, CA 90017-5704
	DEADLINE	Phone: (213) 623-9300 Seattle, Washington 98101-2373 Telephone (206) 292-2110
		Fax: (213) 623-9924 Facsimile (206) 292-2104
19-01	US Active 115225426 V-2 189 - WLH11 DOC 1617 Filed 07/2	9/20 Entered 07/29/20 18:37:57 Pg 13 of 18

1	DECLARATION OF MICHAEL LANE	
2	I, Michael Lane, submit this Declaration in support of the Debtors' Notice Of	
3	Third Renewed Motion And Third Renewed Motion For Entry Of An Order	
4	Enlarging The Time Within Which The Debtors May Remove Actions (the	
5	"Motion") and hereby state and declare as follows:	
6	1. I am the Chief Restructuring Officer of Astria Health (" <u>CRO</u> "). I was	
7	appointed CRO by the Astria Health Board of Directors as required by the subordinated promissory note dated January 18, 2019.	
8	2. I have been involved in the healthcare industry representing hospitals	
9	for more than 40 years as a financial and strategic advisor, CRO, interim Chief	
10	Executive Officer (" <u>CEO</u> ") as well as a commercial and investment banker. I am a non-practicing certified public accountant and hold a BS and MBA from Southeast	
11	Missouri State University. In the past ten years alone I have represented numerous	
12	distressed hospitals as CRO, interim CEO, financial and strategic advisor including	
13	numerous Chapter 11 proceedings involving acute care and behavioral organizations. In addition, I have been involved in asset-based lending to	
14	healthcare organizations and actively participated in numerous merger and	
15	acquisition assignments over the past decades.	
16	3. The statements herein are based upon my personal knowledge of the	
17	facts and information gathered by me in my capacity as CFO for Astria Health.	
18	4. On May 6, 2019 (the " <u>Petition Date</u> "), each of the Debtors filed a	
19	voluntary petition for relief under the Bankruptcy Code. These Chapter 11 Cases	
20	are being jointly administered before this Court. [Docket No. 10]. The Debtors are	
21	NOTICE AND THIRD RENEWED MOTION TO EXTEND REMOVAL DEADLINEDENTONS US LLPBUSH KORNFELD L14601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Phone: (213) 623-9300 Fax: (213) 623-9924LAW OFFICES 601 Union St, Suite 5000 Seattle, Washington 98101-23 Telephone (206) 292-2110 Fax: (213) 623-9924	
19-01	US Active\115225426\V-2 189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 14 of 18	

1	operating their businesses as debtors in possession pursuant to §§ 1107 and 1108.
2	On May 24, 2019, the Office of the United States Trustee (the "U.S. Trustee")
3	appointed an Official Committee of Unsecured Creditors in these Chapter 11 Cases.
4	5. The Debtors have requested three previous extensions, and now ask for
5	a fourth extension of the Removal Period by an additional 120 days, up to and
6	including November 26, 2020, without prejudice to the Debtors' right to seek
7	further extensions.
8	6. The Debtors are involved in at least ten (10) Actions involving claims.
9	On June 19-20, 2019, the Debtors filed their Schedules of Assets and Liabilities
10	(the " <u>Schedules</u> ") and their Statements of Financial Affairs (the " <u>SOFAs</u> "). As part
11	of the Schedules and SOFAs, the Debtors identified two (2) Actions. See Case No.
12	19-01192, Docket No. 9, SOFAs, Part 3, 7. The Debtors are also aware of another
13	eight (8) Actions, and will update their SOFAs accordingly. These Actions include:
14	a. CHG Healthcare Services, Inc., d/b/a Comphealth and Comphealth
15	Medical Staffing, Inc. v. Astria Health d/b/a Astria Regional Medical Center,
16	Third Judicial District Court of Salt Lake County, Utah, Case No. 19-
17	0903546, filed May 2, 2019 (pending);
18	b. Delta Locum Tenens, LLC and Delta Flex Partners, LLC v. Astria
19	Health d/b/a Yakima Medical and Cardia Center, Texas District Court, Dallas
20	County, Case No. DC-19-05294, filed April 12, 2019 (pending); NOTICE AND THIRD
21	NOTICE AND TIMEDRENEWED MOTION TO EXTEND REMOVAL DEADLINEDENTONS US LLPBUSH KORNFELD LLP15601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704
19-01	189-WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 15 of 18

1	c. Thoracic and Cardiovascular Surgery, Inc. (Sharma) v. SHC Medical
2	Center - Yakima, Superior Court of Yakima County, Washington, Case No.
3	19-20066939, filed February 22, 2019 (pending);
4	d. Bertha Maribel Fernandez v. SHC Medical Center d/b/a Yakima
5	Regional Medical and Cardiac Center, Superior Court of Yakima County,
6	Washington, Case No. 18-20459239, filed December 21, 2018 (pending);
7	e. 8gency Limited d/b/a The Field Group v. Astria Health, Superior
8	Court of Yakima County, Washington, Case No 18-20403539, filed
9	November 15, 2018 (settled but still pending);
10	f. Orthopedics Northwest, PLLC v. SHC Medical Center - Yakima,
11	Superior Court of Yakima County, Washington, Case No. 18-20399339, filed
12	November 7, 2018 (pending);
13	g. PPC Solutions, Inc. v. Astria Health and Astria Health Management,
14	Inc., Superior Court of Yakima County, Washington, Case No. 18-20381039,
15	filed October 26, 2018 (pending);
16	h. Maria Ricardo v. Miguel A. Brizuela, M.D., Yakima Valley Farm
17	Workers Clinic, and Sunnyside Community Hospital & Clinics, d/b/a
18	Sunnyside Community Hospital Association, Superior Court of Yakima
19	County, Washington, Case No. 17-20210339, filed June 20, 2017 (pending -
20	automatic stay lifted);
21	NOTICE AND THIRD RENEWED MOTION TO EXTEND REMOVALDENTONS US LLP 16BUSH KORNFELD LLP Los Angeles, CA 90017-5704 Phone: (213) 623-9300BUSH KORNFELD LLP Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Context Conte
19-01	US Active\115225426\V-2 189=WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 16 of 18

1	i. Derek Weaver, D.O., and Brittany Weaver v. John Gallagher, Jane
2	Doe Gallagher, and Sunnyside Community Hospital, Superior Court of
3	Yakima County, Washington, Case No. 16-20219139, filed August 8, 2016
4	(pending); and
5	j. Frank v. Sunnyside Community Hospital Superior Court of Yakima
6	County, Washington, Case No. 20-00354-39, filed January 31, 2020
7	(pending).
8	7. To date, the Debtors have not yet had an opportunity to conclusively
9	determine which Actions they will seek to remove. Since the commencement of
10	these Chapter 11 Cases, the Debtors' Boards of Trustees, officers, staff, and
11	advisors have been focused on, among other things, negotiating the terms of critical
12	postpetition financing and a plan of reorganization; preparing monthly operating
13	reports; preparing and marketing the Debtors' assets for a possible sale; closing a
14	214-bed hospital in Yakima, Washington ("ARMC") currently leased (pending
15	Court approval) to the Washington State Department of Health (acting through the
16	Department of Enterprise Services) (the "DOH") (see Docket No. 1150); rejecting
17	contracts and leases related thereto; preparing an updated cure amounts list;
18	responding to the infectious disease Severe Acute Respiratory Syndrome
19	Coronavirus 2, which is the cause of the ongoing 2019 cornonavirus global
20	pandemic (" <u>COVID-19</u> "); leasing ARMC to the DOH; searching for special
21	NOTICE AND THIRD RENEWED MOTION TO EXTEND REMOVAL DEADLINEDENTONS US LLP Angeles, CA 90017-5704BUSH KORNFELD LLP LAW OFFICES 601 Union St., Suite 5000 Seattle, Washington 98101-2373 Telephone (206) 292-2110 Fax: (213) 623-9924

Fax: (213) 623-9924 19-01 189=WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57 Pg 17 of 18

.

counsel to assert claims against former accounts receivable vendor; providing
continuous reporting to major creditors and the Official Committee of Unsecured
Creditors; drafting the plan of reorganization and disclosure statement and working
with various parties in interest to effectuate the same; litigating with various parties
in adversary proceedings and on appeal; and addressing an unusual number of
creditors threatening to violate the automatic stay through attempts to change
contract terms or to terminate services contrary to contract terms.

8 8. At present, it is premature for the Debtors in these Chapter 11 Cases to 9 make a determination as to the benefits and burdens relating to the removal and 10 litigation of any Actions against the Debtors. The Debtors need more time to 11 analyze the Actions to determine whether the Debtors will seek to remove any of 12 the Actions. In addition, it is premature to determine if litigation is the prudent 13 means to resolve these potential claims, pending greater clarity on the details surrounding the Debtors' exit strategy. The Debtors are not yet prepared to decide 14 15 which, if any, Actions they will seek to remove.

16 I declare under penalty of perjury under the laws of the United States of
17 America that the foregoing is true and correct.

18 Executed this 29th day of July 2020, in Yakima, Washington.

I fam

Michael Lane

DENTONS US LLP 18 601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 Phone: (213) 623-9300 Fax: (213) 623-9924

BUSH KORNFELD LLP LAW OFFICES 601 Union St., Suite 5000 Seattle, Washington 98101-2373 Telephone (206) 292-2110 Facsimile (206) 292-2104

20
21
NOTICE AND THIRD
21
RENEWED MOTION TO
EXTEND REMOVAL
DEADLINE

19

19-01

US Active/115225426/V-2 39=WLH11 Doc 1617 Filed 07/29/20 Entered 07/29/20 18:37:57

Pg 18 of 18