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 (A) SUSTAINING IN PART REORGANIZED DEBTORS' NOTICE OF TREATMENT OF ACTIVE EMPLOYEE PRIORITY CLAIMS AND, TO THE EXTENT APPLICABLE, OMNIBUS OBJECTION THERETO; (B) OVERRULING CERTAIN RESPONSES; AND (C) CONTINUING HEARING AS TO REMAINING RESPONSES PENDING FURTHER BRIEFING** Re: Docket Nos. 2390, 2422, 2425-34, 2438, 2444, 2458]

[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), 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).

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Upon the *Reorganized Debtors' Notice of Treatment of Terminated Employee Priority Claims and, to the Extent Applicable, Omnibus Objection Thereto* [Docket No. 2390] (the "Objection"), filed by Astria Health, SHC Medical Center - Yakima, formerly an operating hospital, SHC Medical Center - Toppenish, doing business as Astria Toppenish Hospital, Sunnyside Community Hospital Association, all Washington nonprofit corporations under § 501(c)(3) of title 26 of the United States Code, and along with the above-referenced affiliated debtors (collectively, the "Reorganized Debtors"), formerly the debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases (collectively, the "Chapter 11 Cases"), seeking to disallow or reduce and reclassify the proofs of claim set forth on Exhibit A thereto, all as set forth in the Objection and the Gibbons Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157; and that venue of these Chapter 11 Cases and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and that the Objection is a core proceeding pursuant to 28 U.S.C. § 157(b); and that due and adequate notice of the Objection having been given under the circumstances; and this Court having considered the Objection, the Gibbons Declaration, the Claims, any Responses, the *Reply to Claimant Responses to Reorganized Debtors' Notice of Treatment of*

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Terminated Employee Priority Claims and, to the Extent Applicable, Omnibus Objection Thereto [Docket No. 2444] (the "Reply"),[1] and the *Certification of Counsel and Request for Entry of Order Sustaining in Part and Continuing in Part Reorganized Debtors' Notice of Treatment of Terminated Employee Priority Claims and, to the Extent Applicable, Omnibus Objection Thereto* [Docket No. __]; and upon the record herein, including the hearing held on April 15, 2021 at 10:30 a.m. (Pacific Time) (the "April 15 Hearing"); and after due deliberation thereon and good and sufficient cause appearing thereof; it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Objection is sustained in part, and continued in part, as set forth herein.

2. The Objection is sustained with respect to the No-Response Claims, as listed on Exhibit A to this Order.

3. The Objection is further sustained with respect to the single Claim for which a Filed Response was submitted (the "SEIU Claim") that is already subject to the SEIU Settlement approved by an Order of this Court [Docket No. 2149].

4. The Clerk of the Court is authorized and directed to adjust the Claims Register to reclassify and/or disallow the No-Response Claims and SEIU Claim as set forth on Exhibit A.

[1] Capitalized terms used in this Order but not otherwise defined herein shall have the meanings ascribed to such terms in the Objection and Reply.

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5. The Non-Claimant Letters are hereby overruled.

6. The Objection is continued as to the Claims held by the individuals who submitted Filed Responses and Informal Inquiries as set forth in the Reply, with the exception of the SEIU Claim, (collectively, the "Continued Claims"), as listed on Exhibit A.

7. A telephonic hearing on the Objection to the Continued Claims is scheduled for May 18, 2021, at 10:30 a.m. (Pacific Time). The deadline for the Reorganized Debtors to file further briefing on the Objection to the Continued Claims as requested at the April 15 Hearing is May 10, 2021.

8. The Reorganized Debtors and the GUC Distribution Trustee shall retain and shall have the right to seek to amend, modify, and/or supplement this Order as may be necessary.

9. Notwithstanding the relief granted in this Order or any actions taken pursuant to such relief, nothing in this Order shall (a) constitute an allowance of any GUC of the affected employees not otherwise previously allowed; or (b) be deemed a waiver of any of the Reorganized Debtors' and the GUC Distribution Trustee's rights, claims, defenses, causes of action and/or objections, including, without limitation, objections to any general unsecured claims asserted by such employees, which are expressly reserved and hereby preserved.

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10. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. This Court shall retain jurisdiction over all affected parties with respect to any matters, claims or rights arising from or related to the implementation and interpretation of this Order.

///End of Order///

Presented by:

/s/ Sam J. Alberts
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