Honorable Frank L. Kurtz 1 SILLS CUMMIS & GROSS P.C. Andrew H. Sherman 2 Boris Mankovetskiy 3 One Riverfront Plaza Newark, NJ 07102 4 Telephone: (973) 643-7000 5 E-mail: asherman@sillscummis.com (admitted pro hac vice) 6 bmankovetskiy@sillscummis.com 7 (admitted pro hac vice) 8 **POLSINELLI PC** 9 Jane Pearson, WSBA #12785 1000 Second Avenue, Suite 3500 10 Seattle, WA 98104 11 Telephone: (206) 393-5415 E-mail: jane.pearson@polsinelli.com 12 13 Proposed Co-Counsel for the Official Committee of Unsecured Creditors 14 UNITED STATES BANKRUPTCY COURT 15 EASTERN DISTRICT OF WASHINGTON 16 In re Lead Case No. 19-01189-11 17 18 ASTRIA HEALTH, et al., Jointly Administered 19 Debtors. DECLARATION OF JUSTIN PITT 20 21 22 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 23 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, 24 LLC (19-01199-11), Yakima Home Care Holdings, LLC (19-01201-11), and Yakima HMA Home Health, LLC (19-25 DECLARATION OF JUSTIN PITT -1 26 POLSINELLI 1000 SECOND AVENUE, SUITE 3500 SEATTLE, WA 98104 • (206) 393-5400 69151044.1

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IN SUPPORT OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS' APPLICATION FOR ORDER APPROVING EMPLOYMENT OF POLSINELLI PC NUNC PRO TUNC TO MAY 23, 2019 AS CO-COUNSEL TO THE COMMITTEE

Justin Pitt, Esq., makes this declaration (the "Declaration") pursuant to 28 U.S.C. § 1746 in support of the Official Committee of Unsecured Creditors' (the "Committee") Application for Order Approving Employment and the Supplement to Application of Official Committee of Unsecured Creditors for Order Approving Employment of Polsinelli PC Nunc Pro Tunc to May 23, 2019 (collectively the "Application"), requesting authority to retain Polsinelli PC ("Polsinelli") as the Committee's co-counsel in these bankruptcy cases pursuant to § 1103 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 2014-1 of the Local Rules of the United States Bankruptcy Court for the Eastern District of Washington (the "Local Rules"), and states and declares as follows:

- 1. I am an attorney at law and Senior Vice President and Chief Litigation Counsel of CHS/Community Health Systems, Inc. ("CHS"), the duly-appointed chair of the Committee in these chapter 11 cases.
- 2. I submit this Declaration pursuant to section (D)(2) of the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as

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of November 1, 2013 (the "U.S. Trustee Guidelines"), which requests a verified statement addressing the following issues in connection with an application for employment filed under Bankruptcy Code § 1103:

a. The identity and position of the person making the verification. The person ordinarily should be the general counsel of the debtor or another officer responsible for supervising outside counsel and monitoring and controlling legal costs.

- b. The steps taken by the client to ensure that the applicant's billing rates and material terms for the engagement are comparable to the applicant's billing rates and terms for other non-bankruptcy engagements and to the billing rates and terms of other comparably skilled professionals.
- c. The number of firms the client interviewed.
- d. If the billing rates are not comparable to the applicant's billing rates for other non-bankruptcy engagements and to the billing rates of other comparably skilled professionals, the circumstances warranting the retention of that firm.
- e. The procedures the client has established to supervise the applicant's fees and expenses and to manage costs. If the procedures for the budgeting, review and approval of fees and expenses differ from those the client regularly employs in non-bankruptcy cases to supervise outside counsel, explain how and why. In addition, describe any efforts to negotiate rates, including rates for routine matters, or in the alternative to delegate such matters to less expensive counsel.
- f. The client verification should be appropriately detailed and should not be a routine form prepared by the client's bankruptcy counsel.
- 3. As the designated representative of CHS, I was directly involved in the Committee's decision to retain Polsinelli as its co-counsel in these cases and participated in the negotiation of the terms of Polsinelli's employment.

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- 4. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein.
- 5. Upon its formation, the Committee interviewed 5 firms (and their respective co-counsel) seeking to provide their services as attorneys for the Committee before selecting Polsinelli as its co-counsel along with Sills Cummis & Gross P.C. ("Sills").
- 6. The Committee selected Polsinelli as its co-counsel in these bankruptcy cases after careful deliberation based on, among other things, Polsinelli's experience and knowledge in creditors' rights, business reorganizations and liquidations under chapter 11 of the Bankruptcy Code, its expertise, experience, and knowledge practicing before this Court, its proximity to the Court and its ability to respond quickly to emergency hearings and other emergency matters in this Court, as further stated in Polsinelli's Retention Application. The Committee believes that Polsinelli is well-qualified and able to represent its interests in the Cases.
- 7. Polsinelli has informed the Committee that its hourly rates for this engagement will be comparable to the hourly rates being charged by Debtors' local counsel, which represents a discount to Polsinelli's rates for other similarly situated clients on similar matters. Polsinelli further informed the Committee that it operates in a national and regional marketplace for legal services in which rates are driven by multiple factors relating to individual lawyers and their area of specialty, the firm's expertise, performance and reputation, the nature of the work involved, and other factors. Polsinelli further informed the Committee (and

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disclosed in its retention application) that its respective hourly rates are subject to periodic review and adjustments to reflect economic and other conditions.

- 8. The Committee will supervise the fees and expenses incurred by Polsinelli in these cases to manage the Committee's costs by, among other things, reviewing Polsinelli's invoices and applications for payment of fees and reimbursement of expenses. If the Committee objects to any fees or expenses requested by Polsinelli, the Committee will attempt to resolve the objection with Polsinelli consensually. Polsinelli has advised that, if the Committee and Polsinelli are unable to resolve any such issues with respect to any application for payment of fees and reimbursement of expenses, Polsinelli will file a notice of objection to the application while reserving all rights to contest the objection. The Committee reserves the right to retain conflicts counsel to prosecute any such objection to any application for payment of fees and reimbursement of expenses if the objection cannot be resolved by the Committee and Polsinelli consensually.
- 9. In addition, the Committee has been advised that Polsinelli will work closely with Sills to prevent unnecessary or inefficient duplication of services, and will utilize their respective skills and experience and take all necessary and appropriate steps to avoid any such duplication.
- 10. Nothing in this declaration is intended to impair (i) Polsinelli's right to request allowance and payment of fees and expenses under the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules or (ii) its right to defend any objection raised with respect to such allowance and payment.

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11. For the foregoing reasons, I believe that Polsinelli is eligible for retention and employment as co-counsel for the Committee in the Cases, and that such employment is in the best interest of the estates

Dated: June <u>/1</u>, 2019. Franklin, Tennessee

Justin Pitt

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