



**UNITED STATES BANKRUPTCY COURT**  
SOUTHERN DISTRICT OF CALIFORNIA  
325 West "F" Street, San Diego, California 92101-6991

In re:

**BORREGO COMMUNITY HEALTH  
FOUNDATION, A CALIFORNIA NONPROFIT PUBLIC  
BENEFIT CORPORATION**

Debtor.

BANKRUPTCY NO. 22-02384-LT11

**BORREGO COMMUNITY HEALTH  
FOUNDATION, A CALIFORNIA NONPROFIT PUBLIC**  
Plaintiff.

ADVERSARY NO. 22-90056-LT

v.

**CALIFORNIA DEPARTMENT OF HEALTH CARE  
SERVICES, BY AND THROUGH ITS DIRECTOR, MICHELLE BAAS**  
Defendant.

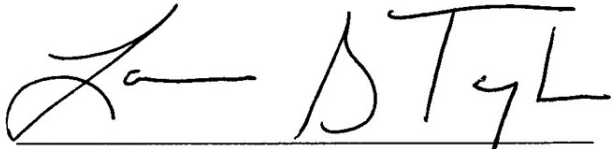
Settlement Conference Via Zoom:  
Date of Conference: TBD  
Time of Conference: TBD  
Name of Judge: Laura S. Taylor

### SETTLEMENT CONFERENCE ORDER

IT IS HEREBY ORDERED as set forth on the continuation page(s) attached, numbered two (2) through three (3).

Related Motion/Order Docket Entry No. 74

DATED: November 29, 2022

  
Judge, United States Bankruptcy Court



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Debtor: BORREGO COMMUNITY HEALTH FOUNDATION  
BORREGO COMMUNITY HEALTH FOUNDATION v. CALIFORNIA  
DEPARTMENT OF HEALTH CARE SERVICES

Bankruptcy No. 22-02384-LT11  
Adversary No. 22-90056-LT

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By Order dated November 7, 2022, (Dkt. No. 74), the Court approved the Stipulation among Borrego Community Health Foundation (“Debtor”), the California Department of Health Care Services (“DHCS”), and the Official Committee of Unsecured Creditors (“OCC”) agreeing to mediation of all disputes (the “Stipulation”).

1. Pursuant to the Stipulation, and with the agreement of Debtor, DHCS, and the OCC, the Court appoints Bankruptcy Judge Dennis Montali (“Settlement Judge”) as mediator.
2. A settlement conference via Zoom in the above main case and adversary proceeding regarding all disputes between Debtor and DHCS will be held before the Settlement Judge on a date to be determined by him.
3. Debtor and its counsel and DHCS and its counsel must be present at times to be determined. The OCC and its counsel must be ready to join the settlement conference when requested by the Settlement Judge. The settlement conference will not be postponed absent leave of the Settlement Judge.
4. The Settlement Judge will conduct a pre-settlement conference and the settlement conference via Zoom. The Settlement Judge’s staff will provide a link or URL (internet address) that enables participation in the video conference. No later than one week prior, all counsel must provide the Settlement Judge’s staff with the names, email addresses, and cell phone numbers of all counsel, clients, and others who will participate in the settlement conference.
5. Debtor, DHCS, and the OCC must each prepare and email to the Settlement Judge and to opposing counsel, but not file, a Settlement Conference Statement no later than dates to be determined. The Debtor will prepare and submit its statement first; the DHCS will prepare and submit its statement in response, seven days later. The OCC may submit and serve a Settlement Conference Statement as allowed on a date set by the Settlement Judge.
6. Settlement Conference Statements:
  - a. Must be efficient and must not utilize the redundant introductions typical of trial briefs or motions. The parties are not making a record; they will not waive something by not mentioning it to the Settlement Judge. In fact, the Settlement Conference Statements should be more like the outlines parties would use internally at trial to make sure they cover all the necessary bases to meet their burdens and rebut all of their opponents’ arguments.
  - b. Must utilize definitions and names consistently throughout the document and avoid redundancy. Do not leave things open because a party need more discovery.

Debtor: BORREGO COMMUNITY HEALTH FOUNDATION  
BORREGO COMMUNITY HEALTH FOUNDATION v. CALIFORNIA  
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c. Must refer to docket numbers for documents the Settlement Judge should consider – do not provide them separately. If they are not on the docket, attach them to a list of documents to include electronically and email them to the Settlement Judge. If hard copies are necessary because documents are long or hard to read, the parties will receive separate instructions from the Settlement Judge's staff for how to forward them to the Settlement Judge.

7. At the settlement conference, counsel should be prepared to present orally to the Settlement Judge a forthright evaluation of the likelihood of prevailing on claims and defenses. Counsel who will participate in the trial of the matter must be present at the settlement conference. The person or persons having full authority to settle the matter in dispute must also appear at the settlement conference, subject only to whatever final authority must be obtained by Debtor in its Chapter 11 case.

8. The settlement conference will not conclude absent leave of the Settlement Judge, who may continue the conference from time to time at the judge's discretion. The Settlement Judge may issue any order deemed appropriate to facilitate settlement or the expeditious resolution of the dispute. **Parties and their counsel should be prepared to remain beyond normal business hours if necessary; alternative arrangements should be made for routine personal and family commitments. The Settlement Judge will not normally excuse parties or counsel except in the case of emergency or extreme inconvenience.**

9. The parties must make a good faith attempt to settle the matter before the settlement conference.

10. Failure to comply with the terms and spirit of this order may lead to the imposition of sanctions under Bankruptcy Rule 7016 and Fed. R. Civ. P. 16(f).

## Notice Recipients

District/Off: 0974-3

User: Admin.

Date Created: 11/29/2022

Case: 22-90056-LT

Form ID: pdfO1

Total: 2

### Recipients of Notice of Electronic Filing:

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TOTAL: 2