Docket #0069 Date Filed: 8/17/2023 Case 23-03049 Document 69 Filed in TXSR on 08/17/23

Southern District of Texas

ENTERED

August 15, 2023 Nathan Ochsner, Clerk

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:)) Chapter 11
TEHUM CARE SERVICES, INC., ¹)) Case No. 23-90086 (CML)
Debtor.))
TEHUM CARE SERVICES, INC.,	_))
Plaintiff,)
v.) Adv. Pro. No. 23-03049
THOSE PARTIES LISTED IN APPENDIX A TO THE COMPLAINT,)))
Defendants.))

STIPULATION AND AGREED ORDER REGARDING (I) DEBTOR'S MOTION TO EXTEND AND ENFORCE THE AUTOMATIC STAY AND (II) AGREEMENT TO MODIFY THE AUTOMATIC STAY

Tehum Care Services, Inc., the above-captioned debtor and debtor-in-possession (the "Debtor"), and defendants St. Luke's Health System, Ltd. and St. Luke's Regional Medical Center, Ltd. (collectively, "St. Luke's") and Saint Alphonsus Health Alliance, Inc. and Saint Alphonsus Health System, Inc. (collectively, "Saint Alphonsus"), by and through their undersigned counsel, hereby enter into this Stipulation and Agreed Order as follows:

WHEREAS, on February 13, 2023 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") commencing the above-captioned chapter 11 case (the "Main Case");



¹ The last four digits of the Debtor's federal tax identification number is 8853. The Debtor's service address is: 205 Powell Place, Suite 104, Brentwood, Tennessee 37027.

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WHEREAS, on February 17, 2023, the Debtor filed its *Emergency Motion to Extend and Enforce the Automatic Stay* [Main Case Docket No. 7] (the "<u>Stay Motion</u>");

WHEREAS, on March 3, 2023, the Court entered its Order Regarding Debtor's Emergency Motion to Extend and Enforce the Automatic Stay [Main Case Docket No. 118] (the "Initial Stay Order"), temporarily extending the automatic stay to certain non-debtors listed therein, including (a) YesCare Corp. and CHS TX, Inc., as non-debtor affiliates (collectively, the "Non-Debtor Affiliates") in the case styled St. Luke's Health System, Ltd. and St. Luke's Regional Medical Center, Ltd. v. Corizon, LLC, Case No. 1:18-cv-00289, which is currently pending before the United States District Court for the District of Idaho (the "St. Luke's Lawsuit"), (b) the Non-Debtor Affiliates and Sara Tirschwell and Scott King, as indemnified D&O's, in the case styled Saint Alphonsus Health System, Inc. v. Corizon, LLC, Case No. 1:18-cv-00183, which is currently pending before the United States District Court for the District of Idaho, and (c) the Non-Debtor affiliates in the case styled Saint Alphonsus Health System, Inc. v. Tehum Care Servs., Inc., Case No. 1:23-cv-00065, which is currently pending before the United States District Court for the District of Idaho (collectively, the "Saint Alphonsus Lawsuits");

WHEREAS, the St. Luke's Lawsuit is currently stayed (i) solely with respect to the Debtor, by operation of section 362(a)(1) of the Bankruptcy Code and (ii) with respect to certain non-Debtor defendants, pursuant to the Stay Order;

WHEREAS, the Saint Alphonsus Lawsuits are currently stayed (i) solely with respect to the Debtor, by operation of section 362(a)(1) of the Bankruptcy Code and (ii) with respect to certain non-Debtor defendants, pursuant to the Stay Order;

WHEREAS, on March 23, 2023, the Debtor filed its (i) Complaint Seeking (I)(A) a Declaratory Judgment that the Automatic Stay Applies to Certain Claims and Causes of Actions

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Asserted Against Certain Non-Debtors and (B) an Extension of the Automatic Stay to Certain Non-Debtors, or in the Alternative, (II) a Preliminary Injunction Related to Such Actions [Adv. No. 23-03049, Docket No. 1] (the "<u>Adversary Complaint</u>") and (ii) *Motion for an Order (I)(A) Declaring that the Automatic Stay Applies to Certain Claims and Causes of Action Asserted against Certain Non-Debtors and (B) Extending the Automatic Stay to Certain Non-Debtors, or in the Alternative, (II) Preliminary Enjoining Such Actions* [Adv. No. 23-03049, Docket No. 2] (the "<u>Adversary Stay</u> <u>Motion</u>"), whereby the Debtors commenced the above-captioned adversary proceeding (the "<u>Adversary Proceeding</u>") and requested the Court enter an order extending the automatic stay to certain litigation listed therein, including the St. Luke's Lawsuit and the Saint Alphonsus Lawsuits, until the earlier of: (a) confirmation of a chapter 11 plan in the Debtor's chapter 11 case; (b) conversion of the Debtor's chapter 11 case;

WHEREAS, the Court extended the Stay Order through August 10, 2023 by the entry on May 18, 2023 of that certain Order (I)(A) Declaring that the Automatic Stay Applies to Certain Claims and Causes of Action Asserted Against Certain Non-Debtors and (B) Extending the Automatic Stay to Certain Non-Debtors, or in the Alternative, (II) Preliminarily Enjoining Such Actions [Adv. No. 23-03049, Docket No. 43] (the "Second Stay Order," and together with the Initial Stay Order, the "Stay Orders"); and

WHEREAS, the Debtor, St. Luke's, and Saint Alphonsus have reached an agreement with respect to the Stay Motion, the Adversary Complaint, the Adversary Stay Motion, the Adversary Proceeding, and the Stay Orders as set forth herein.

NOW, THEREFORE, IT IS HEREBY STIPULATED, AGREED, AND ORDERED

AS FOLLOWS:

1. The automatic stay shall continue to apply in the St. Luke's Lawsuit and the Saint

Alphonsus Lawsuits until the earlier of the following:

- a. December 31, 2023, unless a chapter 11 plan has been confirmed before that date;
- b. The entry by the Court of an order appointing a chapter 11 trustee, responsible officer, or any examiner in this chapter 11 case;
- c. The dismissal of this chapter 11 case or conversion of the chapter 11 case to a case under chapter 7 of the Bankruptcy Code; or
- d. The entry by the Court of an order terminating or vacating the Stay Orders.

2. Upon the occurrence of the earlier of any of the events in paragraph 1, the automatic stay is modified solely to permit the St. Luke's Lawsuit and the Saint Alphonsus Lawsuits to proceed against the Non-Debtor Affiliates including (i) YesCare Corp., (ii) CHS TX, Inc., (iii) Sara Tirschwell and (iv) Scott King. The Debtor retains its right to seek an extension of the automatic stay for cause, following notice and a hearing.

3. The Adversary Proceeding is stayed as to St. Luke's and Saint Alphonsus with respect to all deadlines and calendar dates and no further action is required herein on the part of St. Luke's and Saint Alphonsus unless and until either St. Luke's, Saint Alphonsus, or the Debtor files a motion seeking further relief.

4. St. Luke's and Saint Alphonsus reserve all rights in the Main Case and in the Adversary Proceeding, including, but not limited to, the right to file and respond to pleadings, claims, applications, documents, and notices, as applicable, and the Debtor reserves all rights to respond to same.

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5. This Court retains jurisdiction to hear and determine all matters arising from or related to the implementation of this Stipulation and Agreed Order. This Stipulation, as approved by the Bankruptcy Court, shall be binding on any chapter 7 or chapter 11 trustee appointed in this case.

Signed: August 15, 2023

Christopher Lopez // United States Bankruptcy Judge

AGREED AS TO FORM AND CONTENT:

STOEL RIVES LLP

GRAY REED

By: <u>/s/ Bryan T. Glover (w/permission)</u> Wendy J. Olson Idaho Bar No. 7634 (*admitted pro hac vice*) Bryan T. Glover WA Bar No. 51045 (*admitted pro hac vice*) 101 S. Capitol Blvd., Ste. 1900 Boise, ID 83702 Telephone: (208)389-9000 Email: wendy.olson@stoel.com bryan.glover@stoel.com

Attorneys for St. Luke's Health System, Ltd. and St. Luke's Regional Medical Center, Ltd.

MEHAFFY WEBER, P.C.

By: /s/ Blake Hamm (w/permission) Blake Hamm State Bar No. 24069869 Holly C. Hamm State Bar No.24036713 P.O. Box 16 Beaumont, TX 77704 Telephone: (409) 835-5011 Facsimile: (409) 835-5177 Email: BlakeHamm@mehaffyweber.com HollyHamm@mehaffyweber.com

-and-

DUKE EVETT, PLLC Keely E. Duke Idaho State Bar No. 6044 Molly E. Mitchell Idaho State Bar No. 10035 1087 W. River Street, Suite 300 P.O. Box 7387 Boise, ID 83702 Telephone: (208) 342-3310 Facsimile: (208) 342-3299 Email: ked@dukeevett.com mem@dukeevett.com

Attorneys for Saint Alphonsus Health System, Inc. and Saint Alphonsus Health Alliance, Inc. By: /s/ Jason S. Brookner Jason S. Brookner Texas Bar No. 24033684 Aaron M. Kaufman Texas Bar No. 24060067 Lydia R. Webb Texas Bar No. 24083758 Amber M. Carson Texas Bar No. 24075610 1300 Post Oak Boulevard, Suite 2000 Houston, Texas 77056 Telephone: (713) 986-7127 Facsimile: (713) 986-5966 Email: jbrookner@grayreed.com akaufman@grayreed.com lwebb@grayreed.com acarson@grayreed.com

Counsel to the Debtor and Debtor in Possession

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United States Bankruptcy Court

Southern District of Texas

Tehum Care Services, Inc.,

Plaintiff

Those Parties Listed in Appendix A to Co,

Defendant

CERTIFICATE OF NOTICE

User: ADIuser

Date Rcvd: Aug 15, 2023

District/off: 0541-4

Form ID: pdf002

Page 1 of 3 Total Noticed: 11

The following symbols are used throughout this certificate: Symbol Definition

-+

Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Aug 17, 2023:

Recip ID dft	Recipient Name and Address + Adree Edmo, M.E. Heard, Attorney, PLLC, 100 NE Loop 410, Suite 605, SAN ANTONIO, TX 78216, UNITED STATES 78216-4742
cr	+ Alex Scott, IMSL, J-2Unit, Cell 52A, POB 51, Boise, ID 83707-0051
dft	+ Arizona Department of Corrections, Rehabilitation,, c/o Christopher Simpson, 2929 N Central Ave Ste 2000, Phoenix, AZ 85012-2838
intp	+ Kurtzman Carson Consultants LLC, 222 N Pacific Coast Highway, 3rd Floor, El Segundo, CA 90245-5614
dft	+ Mark Stewart, 203381, Arizona State Prison Complex - Elyman, South Unit, POB 8400 Florence, AZ 85132-8400
dft	RMSC Plaintiffs, c/o Walker & Patterson, P.C., Johnie Patterson, 4815, Houston, 77092
dft	+ Saint Alphonsus Health Alliance, Inc., Mehaffy Weber P.C., c/o Blake Hamm, P.O. Box 16, Beaumont, TX 77704-0016
dft	+ Saint Alphonsus Health System, Inc., Mehaffy Weber P.C., c/o Blake Hamm, P.O. Box 16, Beaumont, TX 77704-0016
dft	+ St Luke's Health System LTD, Stoel Rives LLP, c/o Bryon Glover, 101 S Capitol Blvd, Ste. 1900, Boise, ID 83702-7705
dft	+ St Luke's Regional Medical Center, Ltd., Stoel Rives LLP, c/o Bryan T. Glover, 101 S. Capitol Blvd., Ste. 1900, Boise, ID 83702-7705
pla	+ Tehum Care Services, Inc., 205 Powell Place, Suite 104, Brentwood, TN 37027-7522

TOTAL: 11

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center. Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). NONE

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID dft	Bypass Reason	Name and Address Capital Region Medical Center
cr		James Hyman
dft		Kerrie Milkiewicz
dft		Kerry Milkiewicz
dft		Kohchise Jackson, US
dft		The Curators of the University of Missouri
dft		Those Parties Listed in Appendix A to Complaint
dft		William Kelly, US

TOTAL: 8 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Aug 17, 2023

Signature:

/s/Gustava Winters

Adv. Proc. No. 23-03049-cml

District/off: 0541-4 Date Rcvd: Aug 15, 2023 User: ADIuser Form ID: pdf002 Page 2 of 3 Total Noticed: 11

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities below:	were sent notice through the court's CM/ECF electronic mail (Email) system on August 15, 2023 at the address(es) listed	
Name	Email Address	
Christopher C Simpson	on behalf of Defendant Arizona Department of Corrections Rehabilitation, and Reentry csimpson@omlaw.com, pnieto@omlaw.com	
Erin Elizabeth Jones	on behalf of Defendant The Curators of the University of Missouri erin@jonesmurray.com 8597346420@filings.docketbird.com	
Erin Elizabeth Jones	on behalf of Defendant Capital Region Medical Center erin@jonesmurray.com 8597346420@filings.docketbird.com	
Ethan M Lange	on behalf of Defendant The Curators of the University of Missouri lange@stuevesiegel.com hicks@stuevesiegel.com	
Ethan M Lange	on behalf of Defendant Capital Region Medical Center lange@stuevesiegel.com hicks@stuevesiegel.com	
Evan Gershbein	on behalf of Interested Party Kurtzman Carson Consultants LLC ECFpleadings@kccllc.com ecfpleadings@kccllc.com	
Ian Cross	on behalf of Defendant William Kelly ian@lawinannarbor.com	
Ian Cross	on behalf of Defendant Kohchise Jackson ian@lawinannarbor.com	
Jacqueline Chiba	on behalf of Defendant Capital Region Medical Center jackie@jonesmurray.com 8234279420@filings.docketbird.com	
Jacqueline Chiba	on behalf of Defendant The Curators of the University of Missouri jackie@jonesmurray.com 8234279420@filings.docketbird.com	
James Blake Hamm	on behalf of Defendant Saint Alphonsus Health System Inc. blakehamm@mehaffyweber.com, mikkagorden@mehaffyweber.com;brendabrewton@mehaffyweber.com	
James Blake Hamm	on behalf of Defendant Saint Alphonsus Health Alliance Inc. blakehamm@mehaffyweber.com, mikkagorden@mehaffyweber.com;brendabrewton@mehaffyweber.com	
James Blake Hamm	on behalf of Defendant St Luke's Regional Medical Center Ltd. blakehamm@mehaffyweber.com, mikkagorden@mehaffyweber.com;brendabrewton@mehaffyweber.com	
James Blake Hamm	on behalf of Defendant St Luke's Health System LTD blakehamm@mehaffyweber.com mikkagorden@mehaffyweber.com;brendabrewton@mehaffyweber.com	
Jason S Brookner	on behalf of Plaintiff Tehum Care Services Inc. jbrookner@grayreed.com, lwebb@grayreed.com	
Johnie J Patterson	on behalf of Defendant RMSC Plaintiffs wandp.ecf@gmail.com;WalkerPatterson@jubileebk.net;wp@ecf.courtdrive.com	
Kenneth Beams	on behalf of Defendant Kerry Milkiewicz kennethbeams@gmail.com	
Kenneth Beams	on behalf of Defendant Kerrie Milkiewicz kennethbeams@gmail.com	
Lori Rifkin	on behalf of Defendant Adree Edmo lrifkin@rifkinlawoffice.com sabbatical@rifkinlawoffice.com	
Mary Elizabeth Heard	h Heard on behalf of Defendant Adree Edmo meheard@heardlawfirm.net ecf@heardlawfirm.net	
Michael Anthony Johnson	Johnson on behalf of Creditor James Hyman mjohnson@kaygriffin.com maj_kgnotices@ecf.courtdrive.com;rwalker@kaygriffin.com	
Wendy Olson	on behalf of Defendant St Luke's Regional Medical Center Ltd. wendy.olson@stoel.com, tracy.horan@stoel.com;emina.hasanovic@stoel.com;kelly.tonkin@stoel.com;docketclerk@stoel.com;peter.dittmer@stoel.com	
Wendy Olson		

Wendy Olson

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on behalf of Defendant St Luke's Health System LTD wendy.olson@stoel.com tracy.horan@stoel.com;emina.hasanovic@stoel.com;kelly.tonkin@stoel.com;docketclerk@stoel.com;peter.dittmer@stoel.com

TOTAL: 23