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Attorneys for the Chapter 11 Debtors and
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION**

In re:

VERITY HEALTH SYSTEM OF
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In
Possession.

- ☒ Affects All Debtors
☐ Affects Verity Health System of
California, Inc.
☐ Affects O'Connor Hospital
☐ Affects Saint Louise Regional Hospital
☐ Affects St. Francis Medical Center
☐ Affects St. Vincent Medical Center
☐ Affects Seton Medical Center
☐ Affects O'Connor Hospital Foundation
☐ Affects Saint Louise Regional Hospital
Foundation
☐ Affects St. Francis Medical Center of
Lynwood Foundation
☐ Affects St. Vincent Foundation
☐ Affects St. Vincent Dialysis Center, Inc.
☐ Affects Seton Medical Center
Foundation
☐ Affects Verity Business Services
☐ Affects Verity Medical Foundation
☐ Affects Verity Holdings, LLC
☐ Affects De Paul Ventures, LLC
☐ Affects De Paul Ventures - San Jose
Dialysis, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

CASE NO.: 2:18-bk-20162-ER
CASE NO.: 2:18-bk-20163-ER
CASE NO.: 2:18-bk-20164-ER
CASE NO.: 2:18-bk-20165-ER
CASE NO.: 2:18-bk-20167-ER
CASE NO.: 2:18-bk-20168-ER
CASE NO.: 2:18-bk-20169-ER
CASE NO.: 2:18-bk-20171-ER
CASE NO.: 2:18-bk-20172-ER
CASE NO.: 2:18-bk-20173-ER
CASE NO.: 2:18-bk-20175-ER
CASE NO.: 2:18-bk-20176-ER
CASE NO.: 2:18-bk-20178-ER
CASE NO.: 2:18-bk-20179-ER
CASE NO.: 2:18-bk-20180-ER
CASE NO.: 2:18-bk-20181-ER

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**THIRD STIPULATION CONTINUING HEARING
REGARDING PAYOR CURE OBJECTIONS
[RELATED DOCKET NO. 1153]**

Continued Hearing:

Date: February 20, 2019
Time: 10:00 a.m. (PST)
Place: United States Bankruptcy Court
Courtroom 1568
255 East Temple Street
Los Angeles, California 90012

This Stipulation is entered between Verity Health System Of California, Inc. ("VHS") and
the above-referenced affiliated debtors, the debtors and debtors in possession in the above-captioned



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chapter 11 bankruptcy cases (collectively, the “Debtors”), Cigna HealthCare of California, Inc. and Life Insurance Company of North America (collectively, “Cigna”), California Physicians’ Service dba Blue Shield of California (“Blue Shield”), Aetna Life Insurance Company (“Aetna”), UnitedHealthcare Insurance Company (“UnitedHealthcare”) and Kaiser Foundation Hospitals (“Kaiser”) (Cigna, Blue Shield, Aetna, UnitedHealthcare and Kaiser, collectively (the “Payors”), with respect to the following:

1. On December 27, 2018, the Court entered an *Order (A) Authorizing the Sale of Certain of the Debtors’ Assets to Santa Clara County Free and Clear of Liens, Claims and Encumbrances, and Other Interests; (B) Approving the Assumption and Assignment of an Unexpired Lease Related Thereto; and (C) Granting Related Relief* [Dkt. No. 1153] (the “Sale Order”).

2. The Sale Order provides that the Court will hold a hearing on January 30, 2019, at 10:00 a.m. (Pacific Time) (the “Hearing Date”) to consider any outstanding objections to proposed cure amounts and/or to the assumption and assignment of executory contracts and unexpired leases to Santa Clara County (“Cure Objections”). Sale Order, ¶ 34.

3. The Payors have each filed Cure Objections (the “Payor Cure Objections”).¹ The Debtors filed a *Notice of Resolved and Unresolved Cure Objections Relating to Executory Contracts and Unexpired Leases Designated By Santa Clara County For Assumption and Assignment* [Dkt. No. 1290], listing each of the Payor Cure Objections as unresolved.²

4. On January 28, 2019, the Court entered an *Order Approving Stipulation Continuing Hearing Regarding Payor Cure Objections* [Dkt. No. 1387], continuing the Hearing Date to February 6, 2019.

¹ Cigna’s Cure Objections were filed at Dkt. Nos. 905, 1071 and 1088. Blue Shield’s Cure Objections were filed at Dkt. Nos. 920 and 1121. Aetna’s Cure Objection was filed at Dkt. No. 1018. UnitedHealthcare’s Cure Objection was filed at Dkt. No. 1062. Kaiser’s Cure Objection was filed at Dkt. No. 1173.

² On February 4, 2019, the Debtors filed a supplement to the notice to list certain non-payor cure objections filed by Cigna at Docket No. 1088 as resolved as moot. [See Dkt. No. 1456.]

5. On February 6, 2019, the Court entered an *Order Approving Second Stipulation Continuing Hearing Regarding Payor Cure Objections* [Dkt. No. 1484], further continuing the Hearing Date to February 13, 2019 (the “Continued Hearing Date”).

6. The Debtors and the Payors have agreed to continue the Continued Hearing Date. The parties are currently negotiating issues concerning the Payor Cure Objections and need additional time to reach a consensual resolution.

NOW, THEREFORE, all of the parties to this Stipulation hereby stipulate as follows:

The Continued Hearing Date shall be continued from February 13, 2019, at 10:00 a.m. to February 20, 2019, at 10:00 a.m. (Pacific Time).

Verity Health System of California, Inc., et al.

By: /s/ Tania M. Moyron
Samuel R. Maizel
Tania M. Moyron
Dentons US LLP
Counsel to Debtors and Debtors In Possession

Cigna HealthCare of California, Inc. and Life Insurance Company of North America

By: Jeffrey C. Wisler
 Connolly Gallagher LLP
 Counsel to Cigna HealthCare of California, Inc. and
 Life Insurance Company of North America

California Physicians' Service dba Blue Shield of California

By: _____
Michael B. Reynolds
Snell & Wilmer LLP
Counsel to California Physicians' Service dba Blue Shield of
California

1 5. On February 6, 2019, the Court entered an *Order Approving Second Stipulation*
2 *Continuing Hearing Regarding Payor Cure Objections* [Dkt. No. 1484], further continuing the
3 Hearing Date to February 13, 2019 (the "Continued Hearing Date").

4 6. The Debtors and the Payors have agreed to continue the Continued Hearing Date.
5 The parties are currently negotiating issues concerning the Payor Cure Objections and need
6 additional time to reach a consensual resolution.
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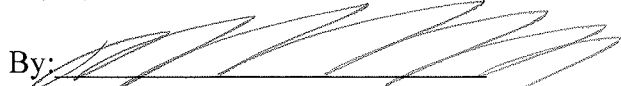
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12 **Verity Health System of California, Inc., et al.**

13
14 By: /s/ Tania M. Moyron
15 Samuel R. Maizel
16 Tania M. Moyron
17 Dentons US LLP
18 Counsel to Debtors and Debtors In Possession

19
20 **Cigna HealthCare of California, Inc. and Life**
21 **Insurance Company of North America**

22 By: _____
23 Jeffrey C. Wisler
24 Connolly Gallagher LLP
25 Counsel to Cigna HealthCare of California, Inc. and
26 Life Insurance Company of North America

27 **California Physicians' Service dba Blue Shield of**
28 **California**

By: 
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Aetna Life Insurance Company

By: JK Krause
Jeffrey S. Krause
Gibson, Dunn & Crutcher LLP
Counsel to Aetna Life Insurance Company

UnitedHealthcare Insurance Company

By: _____
Eric S. Goldstein
Shipman & Goodwin LLP
Counsel to UnitedHealthcare Insurance Company

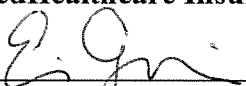
Kaiser Foundation Hospitals

By: _____
Christopher Prince
Lesnick Prince Pappas LLP
Counsel to Kaiser Foundation Hospitals

1 **Aetna Life Insurance Company**

2 By: _____
3 Jeffrey S. Krause
4 Gibson, Dunn & Crutcher LLP
5 Counsel to Aetna Life Insurance Company

6 **UnitedHealthcare Insurance Company**

7 By:  _____
8 Eric S. Goldstein
9 Shipman & Goodwin LLP
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14 Lesnick Prince Pappas LLP
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Kaiser Foundation Hospitals

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