## UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF LOUISIANA Lafayette Division

IN RE:

CASE NO. 16-50740

# **PROGRESSIVE ACUTE CARE, LLC, et al.**

CHAPTER 11

DEBTORS

### JOINTLY ADMINISTERED

#### MOTION FOR EXPEDITED HEARING

NOW INTO COURT, through undersigned counsel, come Progressive Acute Care, LLC ("PAC"), Progressive Acute Care Avoyelles, LLC ("PAC Avoyelles"), Progressive Acute Care Oakdale, LLC ("PAC Oakdale") and Progressive Acute Care Winn, LLC ("PAC Winn") as debtors and debtors-in-possession (collectively, the "Debtors"), which request that the *Motion for Authority to Assume Insurance Premium Financing Agreements, Gant New Liens Against Insurance Policies and Provide Other Adequate Insurance* ("Motion to Assume IPFS Contract") [P-107]; and, the *Motion to Assume Executory Contract* [P-109] with Langlinais, Broussard & Kohlenberg, CPAs ("Motion to Assume LBK Agreements"), be heard on an expedited basis on June 28, 2016 at 10:00 a.m., and respectfully represent as follows:

1.

On May 31, 2016 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (11 U.S.C. §§ 101 *et seq.*, the "Bankruptcy Code").

2.

The Debtors own and operate three (3) community-based hospitals ("Hospitals"), ranging from 50-60 bed capacity, which provide inpatient, outpatient and emergency care, primarily for

residents of the immediate regions of the Hospitals. The Hospitals are located in Marksville (PAC Avoyelles), Oakdale (PAC Oakdale) and Winnfield (PAC Winn).

3.

Through the Motion to Assume IPFS Contract, the Debtors seek authority to assume certain insurance premium financing agreements with IPFS Corporation ("IPFS") pursuant to 11 U.S.C. § 365(b), and grant a lien against the Debtors' insurance policies in favor of IPFS, pursuant to § 364(c)(2). The Debtors must maintain various insurance policies, which policies are extremely valuable; and, it is essential to maintain them in the interest of the preservation of the property, assets, and business of the Debtors. The Debtors seek an expedited hearing on the relief requested in their Motion to Assume IPFS Contract as the Debtors do not have sufficient funds to pay the entire amount of the insurance policy premiums immediately, and, thus, to preserve coverage under the insurance policies, need to maintain the installment payment financing of the premiums with IPFS.

4.

Through the Motion to Assume LBK Agreements, the Debtors seek authority to assume their respective contracts with Langlinais, Broussard & Kohlenberg, CPAs ("LBK") for cost report accounting services pursuant to the provisions of 11 U.S.C. §365(a) and (b)(1)(A). LBK's production of the working papers generated in connection with the preparation of the Debtors' cost reports and related consultation services are immediate priorities and necessary for the fulfillment of the due diligence requirements of proposed purchasers of the Hospitals. Accordingly, the Debtors also seek an expedited hearing on the relief requested in their Motion to Assume LBK Agreements.

Debtors' counsel have been working diligently to come to terms with respect to payment plans with representatives of both IPFS and LBK; and was not able to finalize those agreements until June 22. Since payments to both IPFS and LBK are to be made on or about July 1, 2016 under both agreements, the Debtors assert that it is in the best interest of the estates to conduct hearings on these somewhat routine motions before July 1, 2016 so that the debtor can abide by these agreements. Furthermore, the estates will incur no additional attorney fees or expenses by scheduling the hearings for June 28th since there are numerous other matters set for hearing in this case on that same date.

#### 6.

Counsel for the Debtors has contacted counsel for the Office of the United States Trustee and proposed counsel for the Official Unsecured Creditors' Committee, who have no objection to the relief requested herein.

## 7.

Notice of this motion has been served upon i) the Debtors, through their counsel of record, ii) the Office of the United States Trustee; iii) secured creditors of the Debtors; (iv) members of the Unsecured Creditors' Committee and proposed counsel; and, (v) all parties requesting notices in these matters.

**WHEREFORE**, the Debtors respectfully request that this Honorable Court enter an order setting the Motion to Assume IPFS Contract and Motion to Assume LBK Agreements for hearing on an expedited basis on June 28, 2016 at 10:00 a.m., and for any and all other relief this Court

deems necessary and proper.

Respectfully submitted by:

<u>/s/ Barbara B. Parsons</u> WILLIAM E. STEFFES (#12426) BARBARA B. PARSONS (#28714) **STEFFES, VINGIELLO & McKENZIE, L.L.C**. 13702 Coursey Boulevard, Bldg. 3 Baton Rouge, Louisiana 70817 Telephone: (225) 751-1751 Fax: (225) 751-1998 Email: <u>bparsons@steffeslaw.com</u> *Counsel for Debtors*