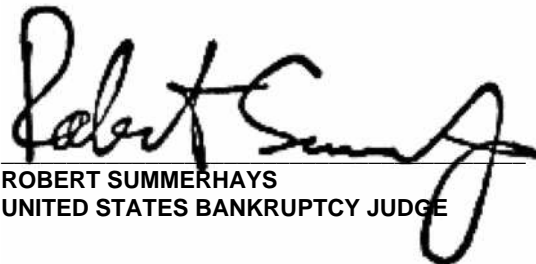




SO ORDERED.

SIGNED August 31, 2016.


ROBERT SUMMERHAYS
UNITED STATES BANKRUPTCY JUDGE

**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

FINDINGS OF FACT AND CONCLUSIONS OF LAW

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” or sometimes referred to as “Sellers”), in the above-captioned administratively consolidated cases (the “*Chapter 11 Cases*”), filed a *Motion Under 11 U.S.C. §§ 363(b) and (f) and 365 for: (I) Preliminary Order (i) Approving Bidding Procedures and Stalking Horse Bid and Fee, (ii) Prescribing Notice Requirements, and (iii) Setting Hearing Date, Time and Place for Auction of Debtors’ Property; and, for (II) Order Approving Sale of Assets and Assumption and Assignment of Certain Contracts and Leases and Amounts of Cure, if any, Related Thereto* (Doc.183)(the “Sale

Motion”), and the Supplemental Motion thereto filed on August 25, 2016 [Doc. 282] (the “Amended Sale Motion”). The Court held a preliminary hearing on the Sale Motion on July 26, 2016, for the purpose of considering (i) approval of the Proposed Stalking Horse Bid, as set forth in the Asset Purchase Agreement¹ (“APA”) submitted by Central Louisiana Hospital Group, LLC (“CLHG”²), (ii) the Proposed Bid Procedures, prescribing Notice requirements, and setting a date, time and place for Auction. Following that hearing, the Court entered a Preliminary Order [Doc. 226] (the “Procedures Order”), setting the matter for final hearing (“Sale Hearing”) on August 26, 2016. The Auction was set to take place on August 22, 2016, if any other parties other than CLHG became Qualified Bidders prior to noon CDT on August 19, 2016. Debtors’ counsel represented that notice of the auction and the hearing was duly given to all creditors, other parties in interest, and certain other persons in accordance with the terms of the Procedures Order. No other persons became Qualified Bidders; so, under the Procedures Order, CLHG was the only Qualified Bidder and no auction was conducted.

There being no other Qualified Bidders, CLHG was deemed to be the Successful Bidder (as defined in the Procedures Order) for the Purchased Assets and assumption and assignment of certain Assumed Contracts (“the Sale and Assignments”) as set forth in the APA, as modified by the parties in the Amendment to Asset Purchase Agreement [Doc. 282]³ (“the Amended APA”) (the APA as modified by the Amended APA collectively referred to as “the Final APA”).

As provided in the Procedures Order, the Court took up the hearing on approval of the bid and consideration of entry of a final order approving the Sale and Assignments, pursuant to 11

¹ The Asset Purchase Agreement, attached as Exhibit 1 to the *Procedures Order*, represents the Stalking Horse Bid.

² “CLHG” herein shall mean Central Louisiana Hospital Group, LLC or its permitted designees, including, Oakdale Real Estate Holdings, LLC, CLHG-Oakdale LLC, Avoyelles Real Estate Holdings, LLC, CLHG-Avoyelles LLC, Winn Real Estate Holdings, LLC, CLHG-Winn LLC.

³ The Amendment to the Asset Purchase Agreement is attached as Exhibit A to the *Supplemental Motion* [Doc. 282]

U.S.C. §§ 363(b), 363(f) and 365, free and clear of liens, claims and encumbrances as modified by the Final APA. Debtors' counsel represented that proper notice of the Sale Hearing was given in accordance with the requirements set forth in the Procedures Order.

Considering the representations of counsel for the Debtors and CLHG, and the evidence, testimony, and the record of these Chapter 11 Cases,

THE COURT FINDS THAT:

The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052, made applicable to this proceeding pursuant to Fed. R. Bankr. P. 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

1. This Court has jurisdiction to hear and determine the Sale Motion and Amended Sale Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A) and (N).
2. Sufficient notice of the Sale Motion and the Sale Hearing and the Amended Sale Motion has been provided in accordance with Bankruptcy Rules 2002 and 6004(a), which notice is sufficient for all purposes under the Bankruptcy Code, and no further notice of, or hearing on, the Sale Motion or the Amended Sale Motion is necessary or required.
3. The relief requested in the Sale Motion and the Amended Sale Motion is a reasonable exercise of the Debtors' business judgment, complies with 11 U.S.C. §§ 105, 363, and 365, and is in the best interest of the Debtors, their respective estates and creditors, and all other parties-in-interest.

4. Any delay in consummating the Sale and Assignments will be detrimental to the Debtors, their estates, and their creditors.
5. The bidding and auction procedures established pursuant to the Procedures Order and the procedures for the assumption, assignment and cure of Assumed Contracts are fair and reasonable and have been complied with in all respects.
6. CLHG's bid for the Purchased Assets is fair, reasonable and in good faith and offers the highest and best offer available to the estates and is in the best interests of the Debtors, their respective estates and their creditors.
7. CLHG has been at all times and shall be a purchaser in good faith for purposes of Section 363(m) of the Bankruptcy Code.
8. For purposes of 11 U.S.C. §363(m) and §363(n), CLHG's bids were arm's length, non-collusive bids and were not the subject of or controlled by any agreement among potential bidders.
9. The Sale and Assignments were approved after a hearing properly and timely noticed, at which reasonable opportunity was given to all interested parties to object to the relief requested and to make higher and better offers. The only cure amounts due or which will become due by the estimated date of closing to the other parties to the Assumed Contracts are those set forth on Exhibit "A."
10. Good cause exists for waiving the fourteen-day stay under Bankruptcy Rule 6004(h).

####

Respectfully submitted by:

WILLIAM E STEFFES (LA Bar Roll No. 12426)

Steffes, Vingiello & McKenzie, LLC

13702 Coursey Blvd., Building 3

Baton Rouge, Louisiana 70817

Telephone: (225) 751-1751

Facsimile: (225) 751-1998

E-mail: bsteffes@steffeslaw.com

Counsel for Debtors

United States Bankruptcy Court
Western District of Louisiana

In re:
Progressive Acute Care, LLC
Debtor

Case No. 16-50740-RRS
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0536-4

User: mcomeaux
Form ID: pdf8

Page 1 of 2
Total Noticed: 25

Date Rcvd: Aug 31, 2016

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Sep 02, 2016.

db +Progressive Acute Care, LLC, Post Office Box 5309, Abita Springs, LA 70420-5309
aty Boris I. Mankovestskiy, Sillis Cummins & Gross, PC, One Riverfront Plaza,
Newark, NJ 07102
aty +Cliff A LaCour, 1001 W Pinhook Rd Ste 200, Lafayette, LA 70503-2451
aty +George C. Freeman, III, Barrasso Usdin Kupperman et al, 909 Poydras Street, Suite 2400,
New Orleans, LA 70112-4004
cr +CLECO Corporation, Wheelis & Rozanski, P.O. Box 13199, Alexandria, La 71315-3199
cr +De Leo Law Firm, 800 Ramon St., Mandeville, la 70448-5035
cr Doerle Food Services LLC, 103 Kol Drive, Broussard, La 70518
cr +Global Physicians Network, LLC, 504 Texas Street, Suite 200, Shreveport, LA 71101-3526
sp +Jack M. Stoller, Sullivan Stoller Knight, LC, 909 Poydras Street, Suite 2600,
New Orleans, LA 70112-1033
intp Louisiana Department of Health & Hospitals, c/o Kimberly Humbles, P. O. Box 3836,
Baton Rouge, LA 70821-3836
cr +Mobile Imaging Services, LLC, Wheelis & Rozanski, P.O. Box 13199,
Alexandria, LA 71315-3199
cr +NES Louisiana, Inc., 39 Main Street, Tiburon, CA 94920-2507
cr +Official Committee of Unsecured Creditors for Prog, c/o Christopher Lehmann,
7000 Cardinal Place, Dublin, OH 43017-1091
cr +Parallon Business Solutions, LLC, c/o NeunerPate, 1001 W. Pinhook Rd., Suite 200,
Lafayette, LA 70503-2451
cr +Pharmacy Service of Winnfield, Incorporated, c/o Stephen Shelton, P.O. Box 1437,
Winnfield, LA 71483-1437
cr +Prime Alliance Bank, 1868 South 500 West, Woods Cross, UT 84010-7453
cr +Richard Hylland, 3500 S Phillips Ave Ste 110, Sioux Falls, SD 57105-6864
fa +SOLIC Capital LLC, c/ Neil Luria, 1603 Orrington Ave Ste 1600, Evanston, IL 60201-5064
fa +SOLIC Captial Advisors, LLC, c/o Neil Luria, 1603 Orrington Ave Ste 1600,
Evanston, IL 60201-5064
cr +Shelton Property West Court Division, LLC, c/o Stephen Shelton, P.O. Box 1437,
Winnfield, LA 71483-1437
cr +Siemens Financial Services, Inc., 170 Wood Avenue South, Iselin, NJ 08830-2726
intp +Southern Textile Services, L.L.C., c/o Armistead M. Long,
Gordon Arata McCollam Duplantis & Eagan, 400 E. Kaliste Saloom Rd., Suite 4200,
Lafayette, LA 70508-8522
cr +Southern Textile Services, L.L.C., c/o Armistead M. Long, Esq.,
Gordon Arata McCollam Duplantis & Eagan, 400 East Kaliste Saloom Rd., Suite 4200,
Lafayette, LA 70508-8522
intp +Trent McMorris, Sr., Oscar L. Shoenfelt, III, 2109 Perkins Road,
Baton Rouge, LA 70808-1488

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

cr +E-mail/Text: bankruptcynotices@tcfef.com Aug 31 2016 20:42:32 TCF Equipment Finance, Inc.,
Gregory A. Payer, 11100 Wayzata Blvd., Suite 801, Minnetonka, MN 55305-5503
TOTAL: 1

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

tr DIP
cr Allen Emergency Group, LLC
cr Avoyelles Emergency Group, LLC
intp CHRISTUS Health
cr De Lage Landen Financial Services, Inc.
op Garden City Group, LLC
cr Iberia Emergency Group, LLC
cr Iberia Physician Services, LLC
cr Jefferson Sprinkler, Inc.
cr Karl Storz Capital
cr Philips Medical Capital, LLC
cr Sheridan Healthcare of Louisiana, Inc.
cr The Schumacher Group of Louisiana, Inc.
cr Winn Emergency Group, LLC

TOTALS: 14, * 0, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

***** BYPASSED RECIPIENTS (continued) *****

I, Joseph Speetjens, 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: Sep 02, 2016

Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on August 31, 2016 at the address(es) listed below:

- Alan H. Goodman on behalf of Interested Party CHRISTUS Health alan.goodman@bswllp.com, kathy.moore@bswllp.com
- Andrew H. Sherman on behalf of Creditor Committee Official Committee of Unsecured Creditors for Progressive Acute Care, LLC asherman@sillscummis.com
- Armistead M. Long on behalf of Creditor Southern Textile Services, L.L.C. along@gordonarata.com, sroberts@gordonarata.com
- Barbara B. Parsons on behalf of Debtor Progressive Acute Care Avoyelles, LLC bparsons@steffeslaw.com, akujawa@steffeslaw.com;bparsons@ecf.courtdrive.com
- Bradley L. Drell on behalf of Creditor Pharmacy Service of Winnfield, Incorporated bdrell@goldweems.com, ddrago@goldweems.com;slouviere@goldweems.com
- Brandon A. Brown on behalf of Creditor De Lage Landen Financial Services, Inc. bbrown@stewartrobbins.com, kheard@stewartrobbins.com
- Gail Bowen McCulloch on behalf of U.S. Trustee Office of U. S. Trustee gail.mcculloch@usdoj.gov
- George C. Freeman, III on behalf of Debtor Progressive Acute Care Avoyelles, LLC gfreeman@barrassousdin.com
- J. Eric Lockridge on behalf of Creditor Committee Official Committee of Unsecured Creditors for Progressive Acute Care, LLC eric.lockridge@keanmiller.com, Brenda.seneca@keanmiller.com
- John M. Landis on behalf of Creditor Sheridan Healthcare of Louisiana, Inc. jlandis@stonepigman.com, pblackman@stonepigman.com
- Joseph P. Hebert on behalf of Creditor Allen Emergency Group, LLC jphebert@liskow.com
- Kimberly L. Humbles on behalf of Interested Party Louisiana Department of Health & Hospitals kimberly.humbles@la.gov
- Mark P. Seyler on behalf of Creditor NES Louisiana, Inc. mseylor@barkleythompson.com
- Michael H. Piper on behalf of Plaintiff Progressive Acute Care Avoyelles, LLC mpiper@steffeslaw.com, mpiper@ecf.courtdrive.com;schassaing@steffeslaw.com
- Noel Steffes Melancon on behalf of Debtor Progressive Acute Care, LLC nsteffes@steffeslaw.com
- Office of U. S. Trustee USTPRegion05.SH.ECF@usdoj.gov
- Randall L. Wilmore on behalf of Creditor Siemens Financial Services, Inc. rwilmore@goldweems.com, atam@goldweems.com
- Richard J. Reynolds on behalf of Creditor Global Physicians Network, LLC rreynolds@ahmgt.com
- Robin R. DeLeo on behalf of Creditor De Leo Law Firm Elaine@dreher-la.com
- Ronald J. Savoie on behalf of Creditor Doerle Food Services LLC ronnie@jlaw.net, bob@jlaw.net;konrad@jlaw.net;kincaid@jlaw.net;terry@jlaw.net
- Stephen D. Wheelis on behalf of Creditor CLECO Corporation steve@wheelis-rozanski.com
- Thomas J. Lutkewitte on behalf of Creditor TCF Equipment Finance, Inc. tlutkewitte@favretlaw.com
- Victoria Viator Theriot on behalf of Creditor Parallon Business Solutions, LLC ttheriot@neunerpate.com
- William E. Steffes on behalf of Debtor Progressive Acute Care Avoyelles, LLC bsteffes@steffeslaw.com, akujawa@steffeslaw.com;bsteffes@ecf.courtdrive.com

TOTAL: 24