

**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 TO WITHDRAW MOTION TO ASSUME TRUVEN CONTRACT

NOW INTO COURT, comes Progressive Acute Care, LLC (“PAC” or “Debtor”), as debtor and debtor-in-possession, which moves this Court for entry of an order authorizing it to withdraw the *Motion for Order Approving Assumption and Assignment of Executory Contracts in Connection with the Order Authorizing and Approving Bidding and Sale Procedures* [P-301] (the “Motion”) for the reasons as set forth below:

Background

1.

On May 31, 2016, the Debtor filed a petition for voluntary relief under chapter 11 of the Bankruptcy Code. A creditors’ committee has been appointed in this administratively consolidated case; and, the Debtor continues to operate its business in the ordinary course as debtor-in-possession, pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

2.

On July 14, 2016, the Debtor 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* [P-183] (“Sale

Motion”), as amended on August 25, 2016 [P-282] (collectively the “Amended Sale Motion”). After notice and a hearing held on August 26, 2016, the Amended Sale Motion was granted pursuant to the final sale order [P-290] (“Final Sale Order”) entered on August 31, 2016, and certain assets of the Debtors and related entities were sold to certain assignees of Central Louisiana Hospital Group, LLC (“CLHG”).

3.

Through the Motion and at the request of CLHG, the Debtor sought to assume and assign to CLHG-Avoyelles, LLC, one of the assignees of CLHG, an executory contract entered into between it and Truven Health Analytics, Inc. (“Truven”) on July 1, 2012 which was not included on Exhibit A of the Final Sale Order (the “Contract”) as same was amended. A hearing on the Motion is currently scheduled for October 4, 2016 at 10:00 a.m. No response to the Motion has been filed by any party.

Relief Requested

4.

Following the filing of the Motion, CLHG entered into discussions with Truven regarding the exact cure amount for the Contract. While the parties continue in good faith to negotiate the terms required for assumption and assignment of the Contract, as of this date, no resolution has been reached. Accordingly, CLHG is currently uncertain as to whether or not it will be able to accept the assignment of the Contract.

5.

For these reasons, the Debtor respectfully requests that the Motion be withdrawn and the hearing thereon, currently scheduled for October 4, 2016, be cancelled. The Debtor reserves the

right to re-file the Motion at a later date if CLHG and Truven reach an agreement regarding the cure amount associated with the Contract.

WHEREFORE, the Debtor respectfully requests that this Court enter an Order (i) permitting the Debtor to withdraw the *Motion for Order Approving Assumption and Assignment of Executory Contracts in Connection with the Order Authorizing and Approving Bidding and Sale Procedures* [P-301], (ii) cancelling the hearing on the Motion, and (iii) for such other and further relief as may be just and equitable.

Respectfully submitted by:

STEFFES, VINGIELLO & McKENZIE, L.L.C.

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