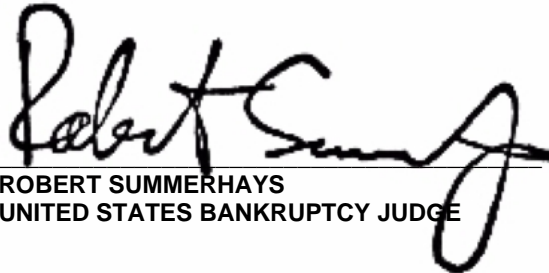




SO ORDERED.

SIGNED October 17, 2017.

  
ROBERT SUMMERHAYS  
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
LAFAYETTE DIVISION

*In re:*

Progressive Acute Care, LLC, *et al.*

No. 16-50740

Chapter 11

Substantively Consolidated

**ORDER GRANTING FIRST OMNIBUS OBJECTION TO CLAIMS**

Upon the objection (the “Objection”)<sup>1</sup> of Matthew E. Rubin, the Liquidation Trustee (the “Liquidation Trustee”) for the PAC Liquidation Trust (the “Liquidation Trust”), appointed in the proceedings of the above-captioned debtors (collectively the “Debtors”), seeking entry of an order (this “Order”) modifying and/or reclassifying, or disallowing, certain Disputed Claims pursuant to sections 502 and 503(b) of the

<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Objection.

Bankruptcy Code and Rule 3007 of the Bankruptcy Rules; and it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157; and it appearing that venue of this proceeding is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and adequate notice of the Objection and opportunity for response having been given; and it appearing that no other notice need be given; and the Court having considered the Objection and the Disputed Claims listed on Exhibits 1, 2, and 3 attached hereto, and any responses thereto; and the Court having determined that there exists just cause for the relief granted herein; and upon the record herein; and after due deliberation and sufficient cause appearing therefore, it is HEREBY ORDERED:

1. The Objection is sustained to the extent set forth herein.
2. The Late Filed Claims set forth on the attached Exhibit 1 are hereby disallowed and expunged in their entirety.
3. Each No Liability Claim listed on the attached Exhibit 2 is hereby disallowed to the extent set forth on the attached Exhibit 2.
4. Each Improperly Classified Claim listed on the attached Exhibit 3 is hereby reclassified to the extent and to the priority level indicated in the columns on Exhibit 3 titled “*Amount to Reclass to Unsecured*” and “*Valid Admin Claim Amount.*”
5. The Objection as to each of the Late Filed Claims, each No Liability Claim, and each Improperly Classified Claim constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate

Order with respect to each claim. Any stay of this Order pending appeal by any of the claimants subject to this Order shall only apply to the contested matter which involves such Claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters covered hereby.

6. Notwithstanding the relief granted in this Order or any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity of any particular claim; (b) a waiver of the Liquidation Trust's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Objection; or (e) a waiver or limitation of the Liquidation Trust's rights under the Bankruptcy Code or any other applicable law.
7. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
8. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

###

RESPECTUFLY SUBMITTED:

/s/ Wade R. Iverstine  
Wade R. Iverstine (#31793)  
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**EXHIBIT 1**  
**LATE FILED CLAIMS**  
**(See Objection, Page 7)**

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Disallowed Claim Amount</b>	<b>Valid Admin Claim Amount</b>	<b>Date Filed</b>	<b>Rationale for Objection</b>
GE Healthcare Monitoring Solutions	Admin	Progressive Acute Care, LLC	174	\$718.17	\$718.17	\$0.00	12/06/16	Claim was filed after the bar date
GE Healthcare Datex	Admin	Progressive Acute Care, LLC	175	\$257.98	\$257.98	\$0.00	12/06/16	Claim was filed after the bar date
Metropolitan Life Insurance Company	Admin	Progressive Acute Care, LLC	180	\$39,203.47	\$39,203.47	\$0.00	05/4/17	Claim was filed after the bar date

**EXHIBIT 2  
NO LIABILITY**

(See Objection, Page 7-8)

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Disallowed Claim Amount</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
Advanced Radiographics, Inc.	Admin	Progressive Acute Care, LLC	168	\$83,340.94	\$83,340.94	\$0.00	Claimant filed a claim for services rendered. The services were rendered to Dauterive Hospital which is not the responsibility of the Debtors.
Charles J. Moore, Jr.	Priority Unsecured	Progressive Acute Care, LLC	93	\$4,150.37	\$4,150.37	\$0.00	Claimant filed a claim for accrued vacation time but was an employee of Dauterive Hospital and not the responsibility of the Debtors.
DataFile, Inc.	Admin	Progressive Acute Care, LLC	169	\$3,577.20	\$3,577.20	\$0.00	Claimant filed a claim for services rendered. The services were rendered for Dauterive Hospital and not the responsibility of the Debtors.
Debbie Gage	Admin	Progressive Acute Care, LLC	76	\$1,803.20	\$1,803.20	\$0.00	Claimant filed a claim for unpaid compensation but was an employee of Dauterive Hospital and not the responsibility of the Debtors.
Delta Pathology Group, LLC	Admin	Progressive Acute Care, LLC	124	\$2,000.00	\$2,000.00	\$0.00	Claimant filed a claim for services rendered. The hospitals were sold on 09/01/16. Services rendered were provided after the sale of the hospitals and are not the responsibility of the Debtors.
Donna Varnado	Priority Unsecured	Progressive Acute Care, LLC	28	\$12,475.00	\$12,475.00	\$0.00	Claimant filed a claim for wages, salary & compensation amounts. Claimant was inappropriately paid vacation time of \$10,500 without approval and also first day wages of \$3,735.74. The combined amounts exceed the allowable amount of \$12,850.00. Claim was filed without any supporting documentation to support basis of claim.

**EXHIBIT 2 (CONT'D)**

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Disallowed Claim Amount</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
Hector Lopez	Priority Unsecured	Progressive Acute Care, LLC	27	\$12,475.00	\$12,475.00	\$0.00	Claimant filed a claim for wages, salary & compensation amounts. We are objecting to claim based on claim being filed without any supporting documentation. To the extent that claimant provides applicable support, claimant should be aware that claim amount should be reduced by first day wages of \$3,983.57.
Karen Bordelon	Admin	Progressive Acute Care, LLC	135	\$60.00	\$60.00	\$0.00	Claimant filed a claim for employee insurance deduction withheld from paycheck. The hospitals were sold on 09/01/16. The withholding was after the sale of the hospitals and are not the responsibility of the Debtors.
LA Credentials, LLC	Admin	Progressive Acute Care, LLC	105	\$2,950.64	\$398.00	\$2,552.64	Claimant filed a claim for services rendered. Amount claimed was for post-petition admin expenses and amounts for services rendered after the sale of the hospitals. The amount of services after the sale of the hospitals is \$398.00 and are not the responsibility of the Debtors.
Louisiana Health Care Quality Forum	Admin	Progressive Acute Care, LLC	104	\$3,937.50	\$1,312.50	\$2,625.00	Claimant filed a claim for license fees. Amount claimed was for post-petition admin expenses and amounts for services rendered after the sale of the hospitals. The amount of services after the sale of the hospitals is \$1,312.50 and are not the responsibility of the Debtors.
Majestic Medical Solutions, LLC	Admin	Progressive Acute Care, LLC	129	\$4,425.41	\$4,425.41	\$0.00	Claimant filed a claim for services rendered. Amount claimed was for post-petition admin expenses and amounts for services rendered after the sale of the hospitals. By review of the support provided it appears that all of the dollars related to the claim amount are after the sale of the hospital.

**EXHIBIT 2 (CONT'D)**

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Disallowed Claim Amount</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
Majestic Medical Solutions, LLC	Admin	Progressive Acute Care, LLC	130	\$5,425.32	\$5,209.85	\$215.47	Claimant filed a claim for services rendered. Amount claimed was for post-petition admin expenses and amounts for services rendered after the sale of the hospitals. By review of the support provided it appears that only \$215.47 is in the post-petition period. The amount of services rendered after the sale of the hospitals is \$5,209.85 and are not the responsibility of the Debtors.
Mary Jo D'Amico	Admin	Progressive Acute Care, LLC	140	\$2,745.57	\$2,745.57	\$0.00	Claimant filed a claim for unpaid compensation but was an employee of Dauterive Hospital and not the responsibility of the Debtors.
Michael Johnson	Admin	Progressive Acute Care, LLC	155	\$60.00	\$60.00	\$0.00	Claimant filed a claim for employee insurance deduction withheld from paycheck. The hospitals were sold on 09/01/16. The withholding was after the sale of the hospitals and are not the responsibility of the Debtors.
Michelle Fontenot	Admin	Progressive Acute Care, LLC	74	\$7,776.00	\$7,776.00	\$0.00	Claimant filed a claim for unpaid compensation but was an employee of Dauterive Hospital and not the responsibility of the Debtors.
Mike Butts	Admin	Progressive Acute Care, LLC	152	\$3,750.00	\$3,750.00	\$0.00	Claimant filed a claim for services rendered. The services rendered were for Dauterive Hospital and are not the responsibility of the Debtors.
Mike Butts	Admin	Progressive Acute Care, LLC	151	\$3,808.25	\$270.43	\$3,537.82	Claimant filed a claim for services performed. The invoices were for services within the 503(b)(9) period. Late fees of \$270.43 were incurred during post-petition and are not allowed.



**EXHIBIT 2 (CONT'D)**

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Disallowed Claim Amount</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
OfficeLinx	Admin	Progressive Acute Care, LLC	102	\$5,925.64	\$131.98	\$0.00	Claimant filed a claim for goods provided. Goods provided were in pre-petition period but includes post-petition finance charges, which are not allowable. See exhibit 3 for reclassification of admin claim to unsecured.
Sameria A. Powell	Admin	Progressive Acute Care, LLC	166	\$546.00	\$546.00	\$0.00	Claimant filed a claim for retirement benefits from 2009. The claim was filed without any supporting documentation to support basis of claim.
Synergy Care, Inc.	Admin	Progressive Acute Care, LLC	96	\$11,571.90	\$5,999.20	\$5,572.70	Claimant filed a claim for services rendered. Amount claimed was for post-petition admin expenses and amounts for services rendered after the sale of the hospitals. The amount of services after the sale of the hospitals is \$5,999.20 and are not the responsibility of the Debtors.
Terrill Schannette	Priority Unsecured	Progressive Acute Care, LLC	114	\$2,500.00	\$2,500.00	\$0.00	Claimant filed a claim for accrued vacation time but was an employee of Dauterive Hospital and not the responsibility of the Debtors.
The SSI Group, Inc.	Admin	Progressive Acute Care, LLC	64	\$8,514.40	\$4,990.33	\$3,524.07	Claimant filed a claim for services rendered. Amount claimed was for post-petition admin expenses and amounts for services rendered after the sale of the hospitals. The amount of services after the sale of the hospitals is \$4,990.33 and are not the responsibility of the Debtors.

**EXHIBIT 3  
RECLASSIFICATION OF CLAIMS FILED AS  
ADMINISTRATIVE PRIORITY CLAIMS**

(See Objection, Page 8)

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Amount to Reclass to Unsecured</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
Advanced Emergency Medical Services, Inc.	Admin	Progressive Acute Care, LLC	60	\$38,950.09	\$38,950.09	\$0.00	Claimant filed a claim for pre-petition amounts that do not warrant priority.
Applied Medical	Admin	Progressive Acute Care, LLC	82	\$5,869.80	\$3,135.59	\$2,734.21	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$5,869.80 were in both the 503(b)(9) and pre-petition periods. Goods sold of \$3,135.59 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Aunt Terry's Quick Stop	Admin	Progressive Acute Care, LLC	90	\$599.86	\$408.48	\$191.38	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$599.86 were in both the 503(b)(9) and pre-petition periods. Goods sold of \$408.48 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Briggs Medical DBA Briggs Healthcare	Admin	Progressive Acute Care, LLC	65	\$892.48	\$892.48	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$892.48 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Flexible Informatics, LLC	Admin	Progressive Acute Care, LLC	72	\$11,400.00	\$11,400.00	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$11,400.00 were not received in the 20 days prior to filing and will be reclassified to unsecured.

**EXHIBIT 3 (CONT'D)**

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Amount to Reclass to Unsecured</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
Garratt-Callahan Co.	Admin	Progressive Acute Care, LLC	94	\$9,215.02	\$8,671.04	\$543.98	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$9,215.02 were in both the 503(b)(9) and pre-petition periods. Goods sold of \$8,671.04 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Hill Manufacturing Co., Inc.	Admin	Progressive Acute Care, LLC	61	\$713.50	\$713.50	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$713.50 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Marcel T's Upholstery	Admin	Progressive Acute Care, LLC	75	\$100.00	\$100.00	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The services rendered of \$100.00 were not provided in the 20 days prior to filing and will be reclassified to unsecured.
Medibag Co., Inc.	Admin	Progressive Acute Care, LLC	131	\$1,190.00	\$1,190.00	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$1,190.00 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Medibag Co., Inc.	Admin	Progressive Acute Care, LLC	132	\$1,190.00	\$1,190.00	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$1,190.00 were not received in the 20 days prior to filing and will be reclassified to unsecured.

**EXHIBIT 3 (CONT'D)**

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Amount to Reclass to Unsecured</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
Mike Butts	Admin	Progressive Acute Care, LLC	154	\$8,745.73	\$8,745.73	\$0.00	Claimant filed a claim for pre-petition amounts, which do not warrant priority.
Millenium Security of	Admin	Progressive Acute	62	\$681.96	\$681.96	\$0.00	Claimant filed a claim for pre-petition amounts, which do not

Acadiana, LLC		Care, LLC					warrant priority.
OfficeLinx	Admin	Progressive Acute Care, LLC	102	\$5,925.64	\$5,793.66	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$5,793.66 were not received in the 20 days prior to filing and will be reclassified to unsecured. Exhibit 2 reduces claim amount by finance charges incurred during post-petition.
Patient Telephone Supply, LLC	Admin	Progressive Acute Care, LLC	106	\$266.35	\$266.35	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$266.35 were not received in the 20 days prior to filing and will be reclassified to unsecured.
RD Plastics Company	Admin	Progressive Acute Care, LLC	95	\$125.02	\$125.02	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$125.02 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Sam's Air Conditioning Maintenance Service, Inc.	Admin	Progressive Acute Care, LLC	91	\$2,373.43	\$2,373.43	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$2,373.43 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Scientific Digital Imaging, LLC	Admin	Progressive Acute Care, LLC	107	\$759.69	\$759.69	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$759.69 were not received in the 20 days prior to filing and will be reclassified to unsecured.

**EXHIBIT 3 (CONT'D)**

<b>Name of Claimant</b>	<b>Filed Claim Class</b>	<b>Debtor</b>	<b>Claim Number</b>	<b>Filed Claim Amount</b>	<b>Amount to Reclaim to Unsecured</b>	<b>Valid Admin Claim Amount</b>	<b>Rationale for Objection</b>
Secure Patient Delivery, LLC	Admin	Progressive Acute Care, LLC	98	\$9,822.50	\$9,822.50	\$0.00	Claimant filed a claim for pre-petition amounts, which do not warrant priority.
Service Office Centre	Admin	Progressive Acute Care, LLC	164	\$3,115.38	\$2,387.17	\$728.21	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$3,115.38 were in both the 503(b)(9) and pre-petition periods. Goods sold of \$2,387.17 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Simpson Security Systems, Inc.	Admin	Progressive Acute Care, LLC	92	\$750.00	\$667.58	\$82.42	Claimant filed a claim for charges during 503(b)(9) period. The charge of \$750.00 was incurred in the 503(b)(9) period. The amount of \$667.58 was not incurred in the 20 days prior to filing and will be reclassified to unsecured.
Sharn Anesthesia	Admin	Progressive Acute Care, LLC	147	\$2,741.81	\$2,741.81	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$2,741.81 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Streck Laboratories, Inc.	Admin	Progressive Acute Care, LLC	67	\$114.50	\$114.50	\$0.00	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$114.50 were not received in the 20 days prior to filing and will be reclassified to unsecured.
Quality Automatic Door Services, Inc.	Admin	Progressive Acute Care Winn, LLC	26	\$3,184.53	\$1,845.66	\$1,338.87	Claimant filed a claim for goods sold during 503(b)(9) period. The goods sold of \$3,184.53 were in both the 503(b)(9) and pre-petition periods. Goods sold of \$1,845.66 were not received in the 20 days prior to filing and will be reclassified to unsecured.

## Notice Recipients

District/Off: 0536-4  
Case: 16-50740

User: mcomeaux  
Form ID: pdf8

Date Created: 10/18/2017  
Total: 7

**Recipients submitted to the BNC (Bankruptcy Noticing Center) without an address:**  
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TOTAL: 1

**Recipients of Notice of Electronic Filing:**

ust	Office of U. S. Trustee	USTPRegion05.SH.ECF@usdoj.gov
aty	Barbara B. Parsons	bparsons@steffeslaw.com
aty	Gail Bowen McCulloch	gail.mcculloch@usdoj.gov
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TOTAL: 5

**Recipients submitted to the BNC (Bankruptcy Noticing Center):**

db	Progressive Acute Care, LLC	Post Office Box 5309	Abita Springs, LA 70420
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TOTAL: 1