

**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 EXECUTORY CONTRACT

NOW INTO COURT, comes 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 respectively move this Court for entry of an order authorizing them to withdraw the *Motion to Assume Contract* [P-56] (the “Motion”) for the reasons as set forth below:

Background

1.

On May 31, 2016, each of the Debtors filed a petition for voluntary relief under chapter 11 of the Bankruptcy Code. No creditors’ committee has been appointed in any case; and, the Debtors continue to operate their businesses in the ordinary course as debtors-in-possession, pursuant to §§ 1107 and 1108 of 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).

Basis for Relief

3.

The Debtors, through the Motion, sought authority to assume the audit services contract (the “Contract”) with Crowe Horwath, LLP (“Crowe”) pursuant to the provisions of 11 U.S.C. §365(a) and (b)(1)(A). The Debtors sought expedited relief on the Motion as it was believed the services to be performed were immediately necessary. This Court granted the *Motion for Expedite Hearing on Motion to Assume Executory Contract* [P-59] and scheduled an expedited hearing on the Motion for June 14, 2016 at 10:00 a.m. [P-74].

Relief Requested

4.

Following the filing of the Motion, the Debtors’ management learned that the amounts required to cure the arrearages owed on and to complete the Contract were much greater than they had believed. Finally, the audit services to be performed would not have been completed in a time period making the cost of same worthwhile at this time.

5.

For these reasons, the Debtors respectfully request the Motion be withdrawn and the expedited hearing to be held on June 14, 2016 at 10:00 a.m. be cancelled. The Debtors reserve the right to re-file the Motion at a later date if the audit services become necessary due to a change of circumstances.

WHEREFORE, the Debtors respectfully request that this Court enter an Order (i) permitting the Debtors to withdraw the *Motion to Assume Contract* [P-56], (ii) cancelling the expedited hearing on the Motion, and (iii) for such other and further relief as may be just and equitable.

Respectfully submitted by:

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