

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

	X	Chapter 11
In re:	:	
	:	Case No. 13-22840
SOUND SHORE MEDICAL CENTER	:	
OF WESTCHESTER, <u>et al.</u>	:	
	:	(Jointly Administered)
Debtors	X	

**INTERIM ORDER PURSUANT TO SECTIONS 105(A) AND 363(B) OF THE
BANKRUPTCY CODE A) AUTHORIZING THE DEBTORS TO (I) CONTINUE THEIR
EXISTING INSURANCE PROGRAMS AND (II) PAY CERTAIN PREPETITION
INSURANCE PREMIUMS, CLAIMS AND RELATED EXPENSES, (B) GRANTING
RELATED RELIEF AND (C) SCHEDULING FINAL HEARING THEREON**

Upon consideration of the motion, dated May 29, 2013 (the “**Motion**”),¹ of Sound Shore Medical Center of Westchester (“**SSMC**” or “**Debtor**”), and certain of its debtor affiliates, as debtors and debtors in possession (each a “**Debtor**” and collectively, the “**Debtors**”)² in the above referenced Chapter 11 Cases, seeking entry of an order pursuant to sections 105(a) and 363(b) of title 11 of the United States Code (as amended, the “**Bankruptcy Code**”) (a) authorizing the Debtors to (i) continue their existing insurance programs, including without limitation their workers compensation programs, and (ii) pay certain prepetition insurance premiums, claims and related expenses, and (b) granting certain related relief, all as described more fully in the Motion, to the extent necessary to preserve their insurance coverage; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

² The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal tax identification number include: Sound Shore Health System, Inc. (1398), Sound Shore Medical Center of Westchester (0117), The Mount Vernon Hospital, Inc. (0115), Howe Avenue Nursing Home d/b/a Helen and Michael Schaffer Extended Care Center (0781), NRHMC Services Corporation (9137), and The M.V.H. Corporation (1514) There are certain additional affiliates of the Debtors who are not debtors in these Chapter 11 Cases and have not sought relief under Chapter 11.

with 28 U.S.C. §§ 157(a) and 1334(b); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due notice of the Motion and hearing on the Motion having been provided to (a) United States Trustee, (b) the Debtors' material prepetition and postpetition secured lenders or any agent therefore, (c) the holders of the 30 largest unsecured claims on a consolidated basis, (d) the following state and local taxing and regulatory authorities: (i) the Centers for Medicare and Medicaid Services, (ii) the New York State Department of Health, (iii) the United States Attorney for the Southern District of New York, (iv) the Attorney General of the State of New York, (v) the Westchester County Attorney; (vi) the New Rochelle City Attorney, (vii) the Internal Revenue Service, (viii) the New York State Department of Taxation and Finance; (e) counsel to MMC, (f) the United States Department of Justice, Commercial Litigation, (g) the United States Department of Health and Human Services, and (h) all parties in interest who have requested notice pursuant to Bankruptcy Rule 2002, and it appearing that no other or further notice of the Motion need be provided except as set forth in this Interim Order; and upon the Affidavit of John Spicer Pursuant to Local Rule 1007 and in Support of First Day Motions, dated as of the Petition Date; and upon the record of the hearing held by the Court on the interim relief requested in the Motion on May 31, 2013 (the "**Hearing**"); and the Court having determined that the interim relief granted herein is necessary to prevent imminent and irreparable harm to the Debtors' estates in the best interests of the Debtors, their estates and all parties in interest after taking into account the priority scheme of the Bankruptcy Code, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Pending a Final Hearing on the Motion, the Motion is granted on an interim basis to the extent provided herein.
2. The Debtors are authorized to continue the Insurance Programs, as more fully described in the Motion, and to pay the Prepetition Insurance Claims and any amount related to the workers' compensation program, including but not limited to, state assessments, processing costs and accrued but unpaid prepetition charges for the administration of the program, that accrue and became due and payable prior to the Final Hearing in each case to the extent necessary to preserve the Insurance Programs and coverage thereunder.
3. All applicable banks and other financial institutions are authorized and directed, when requested by the Debtors in the Debtors' sole discretion, to receive, process, honor and pay any and all checks presented for payment of, and to honor all fund transfer requests made by the Debtors related to the Prepetition Insurance Claims and the Prepetition Processing Costs, whether such checks were presented or fund transfer requests were submitted prior to or after the Petition Date, provided that sufficient funds are available in the applicable accounts to make the payments.
4. Nothing contained in this Interim Order or the Motion shall constitute a rejection or assumption by the Debtors, as a debtor in possession, of any executory contract or unexpired lease by virtue of reference of any such contract or lease in the Motion.
5. Any payment made pursuant to this Order is not, and shall not be, deemed an admission to the validity of the underlying obligation or waiver of any rights the Debtors may have to subsequently dispute such obligation.

6. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation of this Order.

7. Service of the Motion as provided therein shall be deemed good and sufficient notice of such Motion.

8. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entirety.

9. The final hearing to consider entry of an order granting the relief requested in the Motion on a final basis shall be held on June 25, 2013 at 10:00 a.m. (Prevailing Eastern time), and any objections to entry of such order shall be in writing, filed with the Court, in accordance with General Order M-399, and served upon (i) counsel for the Debtors, Garfunkel, Wild, P.C., 111 Great Neck Road, Great Neck, New York 11021 (Attn: Burton S. Weston, Esq.) and (ii) all Notice Parties specified in the Motion, with a copy to the Court's chambers, so as to be received no later than 4:00 p.m. (Prevailing Eastern Time) on June 21, 2013.

10. The stay set forth in Bankruptcy Rule 6004(h) is waived.

Dated: White Plains, New York
May 31, 2013

/s/Robert D. Drain
HON. ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE