

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
))
) Case No. 21-11336 (KBO)
GULF COAST HEALTH CARE, LLC, *et al.*,¹)
) Jointly Administered
Debtors.)
) **Related to Docket Nos. 9, 54**
)

**FINAL ORDER AUTHORIZING DEBTORS TO (I) PAY
PREPETITION WAGES, COMPENSATION, AND EMPLOYEE BENEFITS,
(II) CONTINUE CERTAIN EMPLOYEE BENEFIT PROGRAMS IN THE
ORDINARY COURSE, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the Debtors for entry of an Interim Order and a final order (this “**Order**”) authorizing, but not directing, the Debtors (i) to pay, perform, and/or honor, as applicable, the Employee Compensation Claims and the prepetition claims of the Employment Agencies, the Employee Benefit Obligations, the Employee Expense Obligations, the Employee Tax Obligations, the Workers’ Compensation Obligations, the Union Obligations, the 401(k) Obligations, the Employee Severance Obligations, and the Employee Years-of-Service Bonus Obligations, and (ii) to honor and continue their Employee benefit plans, programs, policies, and procedures in the ordinary course of business in accordance with prepetition practices, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration and the Interim Order entered on October 15, 2021; and the Court having jurisdiction over this matter

¹ The last four digits of Gulf Coast Health Care, LLC's federal tax identification number are 9281. There are 62 Debtors in these chapter 11 cases, which cases are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://dm.epiq11.com/GulfCoastHealthCare>. The location of Gulf Coast Health Care, LLC's corporate headquarters and the Debtors' service address is 9511 Holsberry Lane, Suite B11, Pensacola, FL 32534.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Motion in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby

ORDERED, ADJUDGED, AND DECREED that:

1. The Motion is granted on a final basis as set forth herein.
2. The Debtors are authorized, but not directed, in their sole discretion, to pay, perform, and/or honor, as applicable, the Employee Compensation Claims, the Employee Benefit Obligations, the Employee Expense Obligations, the Employee Tax Obligations, the Workers' Compensation Obligations, the 401(k) Obligations, the Employee Severance Obligations, and the Employee Years-of-Service Bonus Obligations (collectively, the "**Prepetition Employee Obligations**"), including payment to any third parties that provide or aid in the monitoring, processing, or administration of the Prepetition Employee Obligations, as and when such obligations are due; *provided, however*, except as provided in paragraph 3, no Employee shall be paid in excess of \$13,650 on account of prepetition Employee Compensation; *provided further, however*, that payments for prepetition amounts owed on account of the Prepetition Employee Obligations shall not exceed \$10.9 million in the aggregate.

3. The Debtors are authorized to pay prepetition amounts owed to Independent Contractors in excess of the statutory priority cap amount up to a total of \$110,000 in excess of the priority cap, provided that no single Independent Contractor may receive more than \$25,500 over the priority cap without further order of the Court.

4. The Debtors are authorized, but not directed, in their sole discretion, to pay the prepetition claims of the Employment Agencies, in an aggregate amount not to exceed \$4,000,000; *provided, however*, that the Debtors shall provide 24 hours' prior notice to the Committee prior to any such payment, and the Committee shall be entitled to seek relief from the Court to the extent it has an objection to the proposed payment.

5. The Debtors are authorized, but not directed, to continue the Debtors' Holiday Time, Vacation Time, Sick Days, Medical Leave, Personal Leave, Military Leave, and Domestic Violence Leave policies. The Debtors are authorized, but not directed, to make cash payments to Employees on account of their accrued and unused Personal Holiday and Vacation Time if such Employees retire or resign with proper notice postpetition or if such payment is otherwise required by applicable non-bankruptcy law.

6. Pursuant to Bankruptcy Code section 362(d), Employees are authorized to proceed with their claims under the Workers' Compensation Program in the appropriate judicial or administrative forum, and the Debtors are authorized, but not directed, to continue the Workers' Compensation Program and pay all prepetition amounts relating thereto in the ordinary course. This modification of the automatic stay pertains solely to claims under the Workers' Compensation Program.

7. The Debtors are authorized, but not directed, in their sole discretion, to continue their Employee benefit plans, programs, policies, and procedures, in the ordinary course of

business and in accordance with prepetition practices, and to modify or discontinue such plans, programs, policies, and procedures as necessary or prudent in the Debtors' business judgment.

8. The Debtors are authorized, but not directed, to forward any unpaid amounts on account of Payroll Taxes to the appropriate third-party recipients or taxing authorities in accordance with the Debtors' prepetition policies and practices. The Debtors are authorized, but not directed, to reimburse HCN for the UltiPro Processing Fees.

9. The Debtors (including through UltiPro and HCN, as applicable) may pay any and all withholdings, including social security, FICA, federal, state and local income taxes, garnishments, health care premiums, retirement fund withholding, and other types of withholdings, whether or not these relate to the period prior to the Petition Date.

10. The Debtors are authorized, but not directed, to remit the Union Obligations in the ordinary course of business consistent with past practice and to continue collecting and remitting the Union Obligations in the ordinary course of business on a postpetition basis.

11. The Debtors are authorized, but not directed, to maintain the Employee Severance Program in the ordinary course of business and consistent with past practice, and to pay the Employee Severance Obligations associated therewith.

12. The Debtors are authorized, but not directed, to maintain the Employee Years-of-Service Bonus Program in the ordinary course of business and consistent with past practice and to pay the Employee Years-of-Service Bonus Obligations associated therewith.

13. The Banks on which checks were drawn or electronic payment requests made for payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such Banks are authorized to rely on the Debtors' designation of any particular check or

electronic payment request as approved by this Order without any duty of further inquiry and without liability for following the Debtors' instructions.

14. The Debtors are authorized to issue postpetition checks, or to effect postpetition electronic fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of the Chapter 11 Cases with respect to payments authorized pursuant to this Order.

15. Nothing in the Motion or this Order or the relief granted (including any actions taken or payments made by the Debtors pursuant thereto) shall be construed as (a) authority to assume or reject any executory contract or unexpired lease of real property, or as a request for the same; (b) an admission as to the validity, priority, or character of any claim or other asserted right or obligation, or a waiver or other limitation on the Debtors' ability to contest the same on any ground permitted by bankruptcy or applicable non-bankruptcy law; (c) a promise or requirement to pay any claim or other obligation; (d) granting third-party-beneficiary status, bestowing any additional rights on any third party, or being otherwise enforceable by any third party.

16. Nothing in the Motion or this Order shall be construed to (a) create or perfect, in favor of any person or entity, any interest in cash of a Debtor that did not exist as of the Petition Date or (b) alter or impair the validity, continuation, priority, enforceability, or perfection of any security interest or lien, in favor of any person or entity, that existed as of the Petition Date.

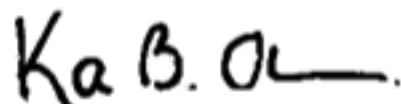
17. Nothing contained herein is intended or should be construed to create an administrative priority claim on account of the Prepetition Employee Obligations.

18. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

19. The Debtors are authorized to take all actions necessary to implement the relief granted in this Order.

20. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: November 12th, 2021
Wilmington, Delaware

Handwritten signature of Karen B. Owens in black ink.

KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE