

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

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| In re:  | ) | Chapter 11                                       |
|   | ) |  |
| GULF COAST HEALTH CARE, LLC, <i>et al.</i> , <sup>1</sup> | ) | Case No. 21-11336 (KBO)                          |
|   | ) |  |
| Debtors.  | ) | Jointly Administered                             |
|   | ) |  |
|   | ) | <b>Obj. Deadline: 12/13/21 at 4:00 p.m. (ET)</b> |
|   | ) | <b>Hrg. Date: 12/20/21 at 3:00 p.m. (ET)</b>     |

**MOTION OF DEBTORS FOR ENTRY OF ORDER (I) ESTABLISHING ADMINISTRATIVE CLAIMS BAR DATE, (II) APPROVING FORM, MANNER, AND SUFFICIENCY OF NOTICE THEREOF, AND (III) APPROVING PROOF OF ADMINISTRATIVE CLAIM FORM**

Gulf Coast Health Care, LLC (“**Gulf Coast**”) and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), hereby move (the “**Motion**”) for entry of an order substantially in the form attached hereto as **Exhibit A** (the “**Administrative Claims Bar Date Order**”), granting the relief described below. In support thereof, the Debtors respectfully represent as follows:

**RELIEF REQUESTED**

1. By the Motion, the Debtors seek entry of an order (i) establishing **January 31, 2022 at 5:00 p.m. (ET)** (the “**Administrative Claims Bar Date**”) as the deadline to file claims against the Debtors pursuant to Bankruptcy Code sections 503(b)(1) through (8) and 507(a)(2) (each, an “**Administrative Claim**”) that may have arisen, accrued, or otherwise become due and payable on or before December 1, 2021, (ii) approving the Administrative Claims Bar Date

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' 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.

Notice (as defined herein) and use thereof, and (iii) approving the Proof of Administrative Claim Form (as defined herein) and use thereof.

### **JURISDICTION AND VENUE**

2. The Court has jurisdiction to consider 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. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

3. The legal predicates for the relief requested herein are sections 105, 503, and 507 of title 11 of the United States Code (the “**Bankruptcy Code**”).

4. The Debtors confirm their consent, pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), to the entry of a final order by the Court in connection with the Motion in the event that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

### **BACKGROUND**

#### **I. The Chapter 11 Cases**

5. On October 14, 2021 (the “**Petition Date**”), each Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “**Chapter 11 Cases**”). The Chapter 11 Cases are being jointly administered.

6. On October 25, 2021, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) appointed an Official Committee of Unsecured Creditors in the

Chapter 11 Cases (the “**Committee**”) pursuant to Bankruptcy Code section 1102(a) [Docket No. 111]. No trustee or examiner has been appointed in the Chapter 11 Cases.

7. Additional information regarding the Debtors and these Chapter 11 Cases, including the Debtors’ business operations, capital structure, financial condition, and the reasons for and objectives of these Chapter 11 Cases, is set forth in the *Declaration of M. Benjamin Jones in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 16] (the “**First Day Declaration**”).<sup>2</sup>

## II. The Debtors’ Claim Process

8. On October 14, 2021, the Debtors filed the *Application of Debtors for Entry of Order Appointing Epiq Corporate Restructuring, LLC as Claims and Noticing Agent Effective as of the Petition Date* [Docket No. 7]. On October 15, 2021, the Court authorized the Debtors to retain Epiq Corporate Restructuring, LLC (“**Epiq**”) as claims and noticing agent in the Chapter 11 Cases. *See* Docket No. 53.

9. On October 22, 2021, the Debtors filed the *Motion of Debtors for Entry of Order Pursuant to Bankruptcy Code Sections 105(a), 501, 502, 503, and 1111(a), Bankruptcy Rules 2002 and 3003(c)(3), and Local Rules 1009-2 and 2002-1(e) (I) Establishing Bar Dates for Filing Claims Against the Debtors and (II) Approving Form and Manner of Notice Thereof* [Docket No. 109] (the “**Bar Date Motion**”).

10. On November 12, 2021, the Court entered an order [Docket No. 244] (the “**Bar Date Order**”) granting the relief requested in the Bar Date Motion and established certain deadlines (the “**Bar Dates**”) for persons or entities holding claims against the Debtors to file claims, including a General Bar Date (including claims arising under Bankruptcy Code section

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<sup>2</sup> Capitalized terms used but not otherwise defined in this Motion shall have the meanings ascribed to them in the First Day Declaration.

503(b)(9)), Governmental Bar Date, Amended Schedules Bar Date, and Rejection Bar Date (as such terms are defined in the Bar Date Order).

11. On November 12, 2021, the Debtors filed the *Notice of Bar Dates for Filing Proofs of Claim* [Docket No. 245] (the “**Bar Date Notice**”). On November 15, 2021, Epiq served on all required parties the Bar Date Notice in accordance with the procedures outlined in the Bar Date Order. *See* Docket No. 302. On November 17, 2021, the Debtors published the Bar Date Notice in *USA Today*. *See* Docket No. 311.

12. On November 24, 2021, the Court entered the *Order (I) Authorizing Transfer of the Management, Operations, and Related Assets of the Omega Facilities Free and Clear of All Liens, Claims, Encumbrances, and Interests; (II) Approving Procedures for the Debtors Future Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; (III) Approving Rejection and Termination of the Master Lease, and the Allowance of the Omega Rejection Damages Claim in Connection Therewith; (IV) Approving Form of Management and Operations Transfer Agreement; and (V) Granting Related Relief* [Docket No. 336] (“**the MOTA Order**”) pursuant to which the Debtors transferred management of the Omega Facilities to a new manager on December 1, 2021, on terms set forth in the Management and Operations Transfer Agreement attached to the MOTA Order as Exhibit 2.

13. On November 30, 2021, the Debtors filed their Schedules of Assets and Liabilities (the “**Schedules**”) and Statements of Financial Affairs (the “**Statements**” and, together with the Schedules, the “**Schedules and Statements**”). Among other things, the Schedules and Statements set forth the claims of known creditors against the Debtors as of the Petition Date, based upon the Debtors’ books and records.

### **III. Administrative Claims Bar Date**

14. The Debtors request that the Court establish **January 31, 2022 at 5:00 p.m. (ET)** as the Administrative Claims Bar Date for all Administrative Claims that may have arisen, accrued, or otherwise become due and payable on or before December 1, 2021.

15. The Debtors will provide notice of the Administrative Claims Bar Date by mailing, within three business days after the entry of the Administrative Bar Date Order, (i) notice of the Administrative Claims Bar Date, substantially in the form attached to the Administrative Bar Date Order as Exhibit 1 (the “**Administrative Claims Bar Date Notice**”), and (ii) a proof of administrative claim form, substantially in the form attached to the Administrative Claims Bar Date Order as Exhibit 2 (the “**Proof of Administrative Claim Form**”), to all persons and entities holding potential Administrative Claims against the Debtors that may be subject to the Administrative Claims Bar Date.

#### **PARTIES REQUIRED TO FILE ADMINISTRATIVE CLAIM FORMS PURSUANT TO THE ADMINISTRATIVE CLAIMS BAR DATE ORDER**

16. The Administrative Claims Bar Date Order provides that each person or entity (including, without limitation, each individual, partnership, joint venture, limited liability company, corporation, estate, trust, or governmental unit) asserting an Administrative Claim against one or more of the Debtors is required to file a separate Proof of Administrative Claim Form in the Chapter 11 Cases.

17. Each Proof of Administrative Claim Form must be **actually received** on or before the Administrative Claims Bar Date by Epiq. Proofs of Administrative Claims must be filed by: (i) mailing the Proof of Administrative Claim Form by regular mail to Gulf Coast Health Care, LLC Claims Processing Center, c/o Epiq Corporate Restructuring, LLC, P.O. Box 4419, Beaverton, OR 97076-4419, (ii) delivering such original Proof of Administrative Claim Form by

overnight mail, courier service, hand delivery, or in person to Gulf Coast Health Care, LLC Claims Processing Center, c/o Epiq Corporate Restructuring, LLC, 10300 SW Allen Blvd., Beaverton, OR 97005; or (iii) completing the electronic Proof of Administrative Claim Form (an “**Electronic Proof of Administrative Claim**”) available at <https://dm.epiq11.com/GulfCoastHealthCare>. **Proof of Administrative Claim Forms will be deemed timely filed only if actually received by Epiq on or before the Administrative Claims Bar Date.**

**CLAIMS NOT SUBJECT TO THE ADMINISTRATIVE CLAIMS BAR DATE ORDER**

18. The Debtors propose that creditors holding or wishing to assert the following types of Administrative Claims against the Debtors need not file Proof of Administrative Claim Forms:

- (a) Administrative Claims on account of which a request for payment of Administrative Claim already has been properly filed with Epiq, if such request clearly sets forth that such party is asserting an Administrative Claim and includes supporting documentation;
- (b) Administrative Claims previously allowed or paid pursuant to an order of the Court;
- (c) Administrative Claims asserted by professionals retained by the Debtors or the Committee, to the extent that such claims are for services performed and reimbursement of expenses incurred in the Chapter 11 Cases;
- (d) Administrative Claims asserted by the U.S. Trustee for statutory fees required to be paid by the Debtors;
- (e) Administrative Claims asserted by the Debtors’ employees for wages, salaries, benefits, vacation time, or severance; and
- (f) Omega Administrative Claims (as defined under the RSA) asserted by any Omega Entity (as defined under the RSA).

**EFFECT OF FAILURE TO FILE PROOF OF ADMINISTRATIVE CLAIM FORMS**

19. The Debtors propose that any entity that is required to file a Proof of Administrative Claim Form in the form and manner specified in the Administrative Claims Bar Date Order and that fails to do so on or before the Administrative Claims Bar Date: (i) shall be forever barred, estopped, and enjoined from asserting such claim against the Debtors, their estates, or the property of any of them, or thereafter filing a Proof of Administrative Claim Form with respect thereto in the Chapter 11 Cases; and (ii) shall not receive or be entitled to receive any payment or distribution of property from the Debtors or their successors or assigns with respect to such claim.

**PROPOSED PROCEDURES FOR PROVIDING NOTICE OF  
ADMINISTRATIVE CLAIMS BAR DATE AND OF PROCEDURES  
FOR FILING PROOF OF ADMINISTRATIVE CLAIM FORMS**

20. The Debtors intend to mail the Administrative Claims Bar Date Notice, together with the Proof of Administrative Claim Form, by first-class mail, no later than three business days after entry of the Administrative Claims Bar Date Order, to all persons and entities holding potential Administrative Claims against the Debtors that may be subject to the Administrative Claims Bar Date.<sup>3</sup>

21. The written notice will: (i) set forth the Administrative Claims Bar Date; (ii) advise creditors under what circumstances they must file a Proof of Administrative Claim Form; (iii) alert creditors to the consequences of failing to timely file a Proof of Administrative Claim Form; (iv) set forth the addresses to which Proof of Administrative Claim Forms must be sent for filing; and (v) notify creditors that Proof of Administrative Claim Forms (a) must be filed with original signatures, (b) must be written in English, (c) must be denominated in lawful

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<sup>3</sup> The Administrative Claims Bar Date Order, Administrative Claims Bar Date Notice, and Proof of Administrative Claim Form will be accessible on Epiq's website: <https://dm.epiq11.com/GulfCoastHealthCare>.

currency of the United States, (d) must attach any documents on which the claim is based or an explanation as to why such documents are not available, and (e) must not be transmitted by facsimile, telecopy, e-mail, or other electronic means (except for an Electronic Proof of Administrative Claim), or such forms will not be deemed timely filed. The Debtors submit that the Administrative Claims Bar Date Notice will provide creditors with sufficient information to file properly prepared and executed Proof of Administrative Claim Forms in a timely manner.

### **BASIS FOR RELIEF REQUESTED AND APPLICABLE AUTHORITY**

22. Establishing an administrative claims bar date allows debtors and other parties-in-interest to determine and evaluate the administrative liabilities of the estate and develop a sound exit strategy. The absence of such a deadline, in contrast, prolongs uncertainty, increases the costs and expenses incurred by debtors in connection with the claims reconciliation process and delays or even derails the claims process, thus undercutting one of the principal purposes of bankruptcy law—“secur[ing] within a limited period the prompt and effectual administration and settlement of the debtor’s estate.” *See Chemetron Corp. v. Jones*, 72 F.3d 341, 346 (3d Cir. 1995). Here, to facilitate the development of a comprehensive liquidating plan, it is essential that the Debtors understand, as soon as possible, the full nature, extent, and scope of Administrative Claims that creditors may assert against the Debtors and their estates.

#### **A. Proposed Proof of Administrative Claim Form**

23. Bankruptcy Code section 503 provides that any party can “timely file a request for payment of an administrative expense” and that such claim may be allowed after notice and a hearing. *See* 11 U.S.C. § 503. In lieu of this requirement, the Debtors request that (i) claimants be permitted to assert their alleged Administrative Claims through submission of a Proof of Administrative Claim Form, and (ii) timely submission of a Proof of Administrative Claim Form

be deemed to comply with all Bankruptcy Code requirements for filing requests for payment of administrative expenses, such that claimants purporting to hold Administrative Claims need not file separate applications seeking the allowance and payment of such claims.

24. The Proof of Administrative Claim Form is similar to Bankruptcy Rule Official Form 410, but has been modified to identity and reflect that the form is one for Administrative Claims. The Debtors submit that the Court may approve the Proof of Administrative Claim Form pursuant to Bankruptcy Code section 105(a), which permits the Court to “issue any order, process or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a). The Debtors further submit that approval of the Proof of Administrative Claim Form, in lieu of requiring creditors to file formal applications seeking allowance of their Administrative Claims, is fair and equitable and will promote judicial economy.

**B. Proposed Notice Procedures**

25. Bankruptcy Code section 105(a), together with Bankruptcy Rule 9007, permit the Court to approve the proposed form, manner, and sufficiency of notice of the Administrative Claims Bar Date and the procedures for filing Administrative Claims. The Debtors propose to serve the Administrative Claims Bar Date Notice no later than three business days after entry of the Administrative Claims Bar Date Order by first-class mail on all persons and entities holding potential Administrative Claims against the Debtors that may be subject to the Administrative Claims Bar Date. The Administrative Claims Bar Date Order, Administrative Claims Bar Date Notice, and Proof of Administrative Claim Form will also be accessible on Epiq’s website: <https://dm.epiq11.com/GulfCoastHealthCare>.

26. The Debtors submit that approval of the Administrative Claims Bar Date, the proposed procedures for filing Administrative Claims, and the form, manner, and sufficiency of notice of such procedures is proper and in the best interests of the Debtors and their estates.

**NOTICE**

27. The Debtors will provide notice of the Motion to: (a) the U.S. Trustee; (b) counsel to the Committee; (c) the Internal Revenue Service; (d) the Securities and Exchange Commission; (e) the United States Attorney for the District of Delaware; (f) the Centers for Medicare & Medicaid Services; (g) counsel for the Omega Entities; (h) counsel for New Ark Capital, LLC; (i) counsel for Barrow Street Capital LLC and its affiliates; (j) counsel for Eagle Arc Partners LLC (f/k/a BM Eagle Holdings); and (k) all parties entitled to notice pursuant to Local Rule 2002-1(b). The Debtors submit that no other or further notice is required.

**NO PRIOR REQUEST**

28. No previous request for the relief sought herein has been made to this or any other court.

*[Remainder of Page Intentionally Left Blank]*

WHEREFORE, the Debtors respectfully request that the Court enter the Administrative Claims Bar Date Order, substantially in the form attached hereto as **Exhibit A**, (i) establishing the Administrative Claims Bar Date, (ii) approving the form and manner of the Administrative Claims Bar Date Notice, and (iii) granting such other and further relief as may be just and proper.

Dated: Wilmington, Delaware  
December 3, 2021

**MCDERMOTT WILL & EMERY LLP**

/s/ David R. Hurst

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