IN THE UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA GREENSBORO DIVISION

IN RE:)	
)	CASE NO. 20-10247
RANDOLPH HOSPITAL, INC. D/B/A/)	
RANDOLPH HEALTH, ¹)	CHAPTER 11
)	(JOINTLY ADMINISTERED)
)	
DEBTOR.)	

MOTION FOR ALLOWANCE OF ADMINISTRATIVE EXPENSE CLAIM

NOW COMES, CRG Financial LLC, as assignee of Versalus Health, LLC (the "Original Creditor") ("<u>CRG</u>"), by and through the undersigned counsel, and hereby files this motion (the "<u>Motion</u>") for allowance of administrative expense claim pursuant to 11 U.S.C. § 503(b)(1) (the "<u>Administrative Claim</u>") against the estate of the debtor Randolph Hospital, Inc. d/b/a Randolph Health ("<u>Randolph Health</u>"). In support of this Motion, CRG respectfully states as follows:

JURISDICTION AND VENUE

- 1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and
- 1334.
- 2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
- 3. The statutory basis for the relief requested herein is 11 U.S.C. § 503(b).

BACKGROUND

- 4. On March 6, 2020 (the "<u>Petition Date</u>"), the above-captioned Debtors filed voluntary Chapter 11 petitions before this Court.
- 5. Subsequent to the Petition Date, the Original Creditor provided certain services to

¹ The Debtors are Randolph Hospital, Inc. d/b/a Randolph Health, Case No. 20-10247; Randolph Specialty Group Practice, Case No. 20-10248; and MRI of Asheboro, LLC d/b/a Randolph MRI Center, Case No. 20-10249 127511465.1

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Randolph Health, including monthly data analytics services and physician case reviews related to admission status across multiple payers (the "<u>Services</u>"), from March 6, 2020 through and including March 31, 2020 as follows:

Randolph March 6th, 2020 - March 31st, 2020 Services			
Product	Invoice #	Portion On & After 03/06/2020	
Medicare FFS Fixed Fee	2816	\$13,799.29	
MFFS IP Reviews	2934	\$588.00	
MFFS OBS Reviews	2934	-	
Commercial OBS Reviews	2934	\$259.00	
Commercial Peer to Peer Reviews	2934	-	
Medicare Advantage OBS Reviews	2934	\$518.00	
Medicare Advantage Peer to Peer Reviews	2934	\$2,250.00	
Commercial Appeals Tracking Services	2934	\$250.00	
Medicare Advantage Appeal Tracking Services	2934	\$4,750.00	
Administrative Expense Total:		\$22,414.29	

6. True and correct copies of the invoices with respect to the Services are attached hereto as Exhibit A (the "<u>Invoices</u>"). As of the date hereof, these post-petition Invoices in the aggregate amount of \$22,414.29 have not been paid (the "<u>Administrative Claim</u>").

7. The Services were actual, necessary costs and expenses of preserving Randolph Health's estate.

8. On or about April 16, 2020, the Original Creditor filed Claim Number 20031 in the amount of \$53,484.00 against Randolph Health for pre-petition amounts owed (the "<u>Pre-</u><u>Petition Claim</u>"). The Pre-Petition Claim incorrectly includes the Invoices.

9. On or about January 20, 2021, the Original Creditor sold and assigned its rights with respect any and all claims that it held against Randolph Health in the case to CRG. [Doc. No. 669].

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RELIEF REOUESTED

10. Section 503(b)(1)(A) provides for the allowance of administrative expense claims that include "the actual, necessary costs and expenses of preserving the estate"

11. The Original Creditor's data analytics services and physician case reviews performed after the Petition Date inured to Randolph Health's benefit. Thus, such services were an actual, necessary cost and expense of preserving the estate. Accordingly, the Administrative Claim should be allowed in the amount of \$22,414.29 pursuant to 11 U.S.C. § 503(b)(1).

12. In addition, because the Pre-Petition Claim erroneously included the Invoices, upon the allowance of the Administrative Claim in the amount of \$22,414.29, the Pre-Petition Claim (Claim No. 20031) should be deemed amended to reflect the correct amount of \$31,069.71.

13. This Motion is made solely with respect to the Administrative Claim. CRG reserves all rights with respect to the Pre-Petition Claim and also reserves the right to amend, modify, or supplement this Motion with respect to administrative expense claims assertable against Randolph Health, but not asserted herein.

WHEREFORE, CRG respectfully request the Court enter an Order:

Allowing CRG's administrative expense claim in the amount of \$22,414.29
pursuant to 11 U.S.C. § 503(b)(1);

2. Amending the amount of the Pre-Petition Claim to \$31,069.71; and

Granting such other and further relief as this Court deems just and proper.
Respectfully submitted this, the 28th day of October, 2021.

<u>/s/Brian R. Anderson</u> Brian R. Anderson N.C. State Bar No. 37989 Fox Rothschild LLP 230 N. Elm Street, Suite 1200 Greensboro, NC 27401 Case 20-10247 Doc 1052 Filed 10/28/21 Page 4 of 7

Telephone: 336-378-5205 branderson@foxrothschild.com Attorneys for CRG Financial LLC

CERTIFICATE OF SERVICE

I hereby certify that the foregoing **MOTION FOR ALLOWANCE OF ADMINISTRATIVE EXPENSE CLAIMS** was filed electronically in accordance with the local rules and was therefore served electronically on those entities that have properly registered for such electronic service and by United States Mail, first class for the above-captioned debtors, debtors' counsel, and the Bankruptcy Administrator (see attached **Exhibit A**).

Dated this the 28th day of October, 2021.

<u>/s/Brian R. Anderson</u> Brian R. Anderson N.C. State Bar No. 37989 Fox Rothschild LLP 230 N. Elm Street, Suite 1200 Greensboro, NC 27401 Telephone: 336-378-5205 branderson@foxrothschild.com

Attorneys for CRG Financial LLC

EXHIBIT A

VIA CM/ECF

Rayford K. Adams, III Counsel for the Official Committee of Unsecured Creditors

Jody Bedenbaugh Counsel for the Debtors

John Paul H. Cournoyer Counsel for The Dava Foundation Inc.

Melanie Louise Cyganowski Counsel for Otterbourg P.C. and Melanie L. Cyganowski, Health Care Ombudsman

B. Chad Ewing Counsel for CIGNA Healthcare of North Carolina, Inc. and Cigna Health and Life Insurance Company

Sid Joseph Garabato Counsel for Epic Corporate Restructuring, LLC

Terri L. Garnder Counsel for the Debtors

Jeffrey Garfinkle Counsel for McKesson Corporation, on behalf of itself and certain corporate affiliates

Rodrigo Alonso Rodriguez Gonzalez Counsel for IBM Corporation

Jennifer T. Harrod Counsel for North Carolina Department of Justice

Jason L. Hendren *Counsel for the Debtors* Jennifer Powers Himes Counsel for Central Carolina Surgery, P.A.

James R. Kelley Counsel for The Dava Foundation Inc.

Patricia Lauch Counsel for Pension Benefit Guaranty Corporation

Jennifer Adams Ledford Counsel for Medtronic Inc

Phyllis Lile-King Counsel for Penny L Staley

Boris I. Mankovetskiy Counsel for the Official Committee of Unsecured Creditors

Katherine M. McCraw Counsel for NC Department of Health and Human Services, Division of Health Benefits

Graham S. Mitchell Counsel for the Debtors

Stephen Montgomery Counsel for The Dava Foundation Inc.

John Kenneth Moser Counsel for PISHKO, DAVAD, GAL for MSJ

Christine L. Myatt Counsel for Randolph County Board of Commissioners and City of Asheboro

Lauren Newton Counsel for Magan Nance Kale

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William P. Miller Bankruptcy Administrator