



Charles M. Walker
U.S. Bankruptcy Judge
Dated: 6/24/2020



**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:

Curae Health, Inc., *et al.*¹

1721 Midpark Road, Suite B200
Knoxville, TN 37921

Debtors.

Chapter 11

Case No. 18-05665

Judge Walker

Jointly Administered

Re: Docket Nos. 1278, 1305, 1309

**AGREED ORDER RESOLVING LIQUIDATING TRUSTEE'S MOTION (I) TO
COMPEL BLUECROSS BLUESHIELD OF TENNESSEE, INC. TO (A) TURNOVER
ESTATE PROPERTY AND (B) PROVIDE AN ACCOUNTING OF ESTATE
PROPERTY IN ITS POSSESSION, AND (II) FOR RELATED RELIEF**

This matter is before the Court on the *Motion (I) to Compel BlueCross BlueShield of Tennessee, Inc. to (A) Turnover Estate Property and (B) Provide an Accounting of Estate Property*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Curae Health, Inc. (5638); Amory Regional Medical Center, Inc. (2640); Batesville Regional Medical Center, Inc. (7929); and Clarksdale Regional Medical Center, Inc. (4755); Amory Regional Physicians, LLC (5044); Batesville Regional Physicians, LLC (4952); Clarksdale Regional Physicians, LLC (5311).

in Its Possession, and (II) for Related Relief (the “Motion to Compel”) [Docket No. 1278] filed by Steven D. Sass, LLC, in its capacity as Liquidating Trustee and Debtor Representative (the “Liquidating Trustee”) under the confirmed Joint Chapter 11 Plan of Liquidation (the “Plan”). The Motion to Compel sought recovery of funds and other relief relating to the Administrative Services Agreement (the “ASA”) between BlueCrossBlueShield of Tennessee, Inc. (“BCBST”) and Curae Health Inc. (“Curae”) relating to the Curae Health Benefit Plan established for employees of Curae (the “Curae Health Benefit Plan”). The Liquidating Trustee, on behalf of Curae, and BCBST, each by and through their undersigned counsel, have stipulated and agreed to a resolution of the Motion to Compel on the terms set forth below and as reflected in Exhibit A to this Order. The Court hereby finding the terms of resolution as agreed by the Parties and reflected in this Order and Exhibit A to be a valid and proper exercise of the Liquidating Trustee’s business judgment, it is hereby:

ORDERED that the terms of the First Amendment to the Administrative Services Agreement Between BlueCross BlueShield of Tennessee, Inc. and Curae Health, Inc. (the “Plan Amendment”), which is attached as Exhibit A to this Order, are hereby approved and the Liquidating Trustee is authorized and directed to execute the Plan Amendment on behalf of Curae and the Curae Health Benefit Plan; and it is further

ORDERED that, upon payment by BCBST of the Final Settlement in accordance with the Plan Amendment, the Liquidating Trustee, Curae, and BCBST shall be deemed to have released all mutual claims arising under or relating to the ASA; and it is further

ORDERED that nothing in this Order or the Plan Amendment shall be deemed to (i) be a finding that the ASA or the Curae Health Benefit Plan have been assumed pursuant to section 365 of the Bankruptcy Code, or (ii) prejudice the ability of the Liquidating Trustee to argue that the

ASA and the Curae Health Benefit Plan were deemed rejected in accordance with Section VI.A of the Plan; and it is further

ORDERED that this Order relates solely to the resolution of the Motion to Compel and does not create any rights in any beneficiary under the Curae Health Benefit Plan.

IT IS SO ORDERED.

**THIS ORDER WAS SIGNED AND ENTERED ELECTRONICALLY AS INDICATED
AT THE TOP OF THE FIRST PAGE.**

Submitted for Entry By:

MANIER & HEROD, P.C.

/s/ Robert W. Miller

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*Co-Counsel to Steven D Sass LLC,
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Counsel for BlueCrossBlueShield of Tennessee, Inc.

EXHIBIT A

**FIRST AMENDMENT TO THE
ADMINISTRATIVE SERVICES AGREEMENT
between
BLUECROSS BLUESHIELD OF TENNESSEE, INC.
and
CURAE HEALTH, INC.**

BlueCross BlueShield of Tennessee, Inc. ("BCBST" or "BlueCross"), and Curae Health, Inc. ("Employer") (collectively the "parties") have previously entered into an Administrative Services Agreement ("Agreement"). This is the First Amendment ("Amendment") to that Agreement.

For valuable consideration, the receipt of which is duly acknowledged the parties agree as follows:

1. **Article III – Term and Termination, Section 3.8 Administration After Termination**, is hereby replaced with the following:

3.8 Administration After Termination. Employer and BlueCross agree that BlueCross will continue to process claims incurred on or before March 31, 2019 that BlueCross receives on or before September 30, 2019. Employer and BlueCross agree that BlueCross will reject any claims that BlueCross receives after September 30, 2019. "Run-Out Claims" means those claims incurred for Covered Services performed prior to the termination of this Agreement, but not yet paid and/or not submitted for payment to BlueCross prior to the termination of this Agreement. For purposes of this Agreement, the date a claim is "incurred" is the date the particular service was rendered or the supply was furnished. There is a separate and distinct administrative fee for BlueCross providing administrative services to pay Run-Out Claims, which is set forth in Exhibit B.
2. **Article III – Term and Termination, Section 3.9 Final Settlement**, is hereby replaced with the following:

3.9 Final Settlement. BlueCross will cease any Services performed on Employer's behalf on September 30, 2019 ("Process Conclusion Date"). Due to the termination of the Services, BlueCross completed a final calculation on or about April 15, 2020 to reconcile any and all claims payments, fund transfers, recoveries received, etc. to determine the amount necessary to finalize both parties' obligations under this Agreement ("Final Settlement"). As a result of that calculation, BlueCross and Employer agree that the total Final Settlement amount due Employer is \$126,544 and that payment of that Final Settlement amount by BlueCross terminates any and all past, present, or future obligations and/or liabilities that BlueCross might have to Employer, its agents, servants, employees, successors, trustees, and assigns and any and all past, present, or future obligations and/or liabilities that Employer might have to BlueCross, its agents, servants, employees, successors, trustees, and assigns. The Final Settlement shall be made by BlueCross to Employer on or before July 10, 2020.
3. **Exhibit B to the Agreement, Section 8 Run-Out Claims**, is hereby replaced with the following:

Run Out Claims after Termination of Agreement. The parties understand and agree that this Agreement terminates on March 31, 2019 pursuant to Section 3.1.1 of the Agreement and Employer's notice dated March 28, 2019 informing BlueCross that Employer would not extend the term of the Agreement. BlueCross will administer run out claims for Employer through September 30, 2019. The monthly ASFs for performing this service shall be the same as the ASFs charged Employer at termination of the Agreement. The monthly ASFs for performing this service shall be based on an average of the number of Subscribers covered under this

Agreement for the 3 months immediately prior to the termination date of this Agreement. This fee shall be billed for the first 3 months of the run-out period.

4. **Exhibit C** to the Agreement, Section 3 Claims Processing, **Section 3.8** is hereby replaced with the following:

3.8 At the termination of this Agreement, BlueCross shall administer the payment of claims for Employer for claims incurred on or before March 31, 2019, but received by BlueCross on or before September 30, 2019, in accordance with the Run Out provision. These claims shall be administered as any other claim handled during the term of the Agreement, and shall be subject to the same restrictions.

The parties have caused this Amendment to be executed on the latest date signed by a party in the signature box below by their duly authorized representatives to be effective as of April 15, 2020.

Other Acceptable Forms of this Document. The following shall have the same legal effect as an original: facsimile copy, imaged copy, scanned copy, and/or an electronic version.

Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.

Authorization. The undersigned persons hereby warrant that they are duly authorized to bind each of their represented parties to the terms of this Agreement.

**BLUECROSS BLUESHIELD OF
TENNESSEE, INC.**

CURAE HEALTH, INC.

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Address: 1 Cameron Hill Circle
Chattanooga, TN 37402

Address: 121 Leinert Street
Clinton, TN 37716

Employer I.D. No.: 47-227563

This Order has been electronically signed. The Judge's signature and Court's seal appear at the top of the first page.
United States Bankruptcy Court.