

**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

**MOTION FOR ORDER AUTHORIZING FILING OF OMNIBUS
OBJECTIONS WITH RESPECT TO CATEGORIES OF
CLAIMS CONSISTING OF TWO OR MORE CLAIMS**

Comes now, Steven D Sass LLC, in its capacity as Liquidating Trustee and Debtor Representative (the “Trustee”) and respectfully submits this motion (the “Motion”) for the entry of an order authorizing the Trustee to file omnibus objections to categories of claims² consisting of two or more claims. In support of the Motion, the Trustee respectfully represents as follows:

PRELIMINARY STATEMENT

1. Granting the Trustee the authority to file omnibus objections to claims will streamline the claims and distribution process and minimize its impact on the estate and reduce the burden on the Court. Several categories of claims in these Chapter 11 Cases lend themselves to grouping for the purpose of objection because the grounds for objection are similar or identical, despite the absence of those grounds from the enumerated list of grounds for omnibus objection set forth in Fed. R. Bankr. P. 3007(d). These categories include (i) claims inconsistent

¹ The Debtors in these chapter 11 cases (the “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).

² As used herein, “claim” has the meaning set forth in 11 U.S.C. § 101(5).

with the applicable Debtor's books and records, (ii) claims that are incorrectly classified, and (iii) claims that are inadequately supported, among others. Granting the relief requested will allow the Trustee to efficiently group, object to, and resolve claims, thereby preserving the estate's resources and maximizing distributions to creditors.

JURISDICTION AND VENUE

2. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

3. On August 24, 2018 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Middle District of Tennessee (the "Court").

4. On September 6, 2018, the Office of the United States Trustee appointed the Official Committee of Unsecured Creditors (the "Committee") pursuant to 11 U.S.C. §§ 1102(a) and 1102(b)(1). [Dkt. No. 112].

5. On May 4, 2019, the Debtors and the Committee filed the Plan. The Plan provided that upon the Effective Date³ of the *Joint Chapter 11 Plan of Liquidation* (the "Plan"), the Debtors' Assets⁴ would revert in the Liquidating Trust to be administered by a liquidating trustee and debtor representative. On May 13, 2019, the Court confirmed the Plan pursuant to the entry of the Confirmation Order.

³ All capitalized terms not defined in this Motion have the meanings ascribed to them in the Plan.

⁴ Other than the D&O Claims and Tort Claims, which reverted in the applicable Debtor(s) and may be pursued by the Debtor Representative.

6. On June 11, 2019, the Effective Date of the Plan occurred, the Liquidating Trust was established, and the Trustee was appointed. [Dkt No. 1120].

7. Pursuant to Article VII(M)(1) of the Plan, “[f]rom and after the Effective Date, the Liquidating Trustee shall have the exclusive right and standing to (i) object to and contest the allowance of all Claims, (ii) compromise and settle any Disputed Claim or Claim that has not otherwise been Allowed, without further Order or approval of the Bankruptcy Court, subject to the notice procedure set forth in section VII(M)(2); and (iii) litigate to final resolution objections to Claims.” Plan, VII(M)(1).

RELIEF REQUESTED

8. In order to minimize the costs to the estate of the claim objection process, the Trustee respectfully requests the entry of an Order, pursuant to § 105 of the Bankruptcy Code and Fed. R. Bankr. P. 3007(c), granting the Trustee authority to file omnibus objections with respect to any category of claims that consists of two or more claims.

9. Rule 3007(d) enumerates certain categories of claim objections that may be filed as omnibus objections, but the list does not include objections to several categories of claims relevant to this case, including (i) claims inconsistent with the applicable Debtor’s books and records, (ii) claims that are incorrectly classified, and (iii) claims that are inadequately supported, among others.

10. However, the absence of these grounds from Rule 3007(d) does not preclude the filing of omnibus objections on such bases. Rule 3007(c) provides that “unless otherwise authorized by the court or permitted by subdivision (d), objections to more than one claim shall not be joined in a single objection.” Fed. R. Bankr. P. 3007(c) (emphasis added). *See also* 11

U.S.C. § 105(a) (“The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.”).

11. In this case, authorization for the Trustee to file omnibus objections on these bases or with respect to any other category of claims consisting of two or more claims is necessary to streamline the claims and distribution process and preserve the estate. If the requested relief is granted, the Trustee will be able to efficiently group claims in a comparatively small number of objections instead of filing hundreds, if not thousands, of individual objections at the estate’s expense.

12. Claimants whose claims are objected to by way of an omnibus objection pursuant to an order of the Court will not be prejudiced because the objections and/or their accompanying notices will set forth with specificity the claims objected to, the basis or bases of the objection, and the steps that must be taken to contest it.

WHEREFORE, the Trustee respectfully requests that the Bankruptcy Court enter an Order and grant the Trustee the authority to file omnibus objections with respect to any category of claim consisting of two or more claims, and such other relief as is just and proper.

Dated: September 2, 2020
Nashville, Tennessee

Respectfully submitted,

MANIER & HEROD, P.C.

/s/ Robert W. Miller

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*Co-Counsel to Steven D Sass LLC, in its
capacity as Liquidating Trustee and Debtor
Representative*

CERTIFICATE OF SERVICE

I hereby certify that on September 2, 2020, a copy of the foregoing was sent via ECF to all parties registered to receive electronic notice in the case.

/s/ Robert W. Miller

Robert W. Miller