

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

In re:)	
)	Chapter 11
Curae Health, Inc., et al.¹)	Case No. 18-05665
)	
1721 Midpark Road, Suite B200)	Judge Walker
Knoxville, TN 37921)	
Debtors.)	Jointly Administered

**OBJECTION TO JOINT CHAPTER 11 PLAN OF LIQUIDATION
OF THE DEBTORS (DKT. #834)**

Coahoma County, Mississippi (“Coahoma County”), a secured creditor and party-in-interest in this proceeding, for its objection to the Joint Chapter 11 Plan of Liquidation of the Debtors (“Joint Plan”) (Dkt. #834) would state as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334. This is a core proceeding under 28 U.S.C. §157(b). Venue of these cases is proper in this district pursuant to 28 U.S.C. §§1408 and 1409.

2. On March 4, 2019, the Joint Chapter 11 Plan of Liquidation was filed. The Joint Plan defines a “secured claim” to mean a claim that is “secured by a lien on the property on which the Debtor has or had an interest, which lien is valid, perfected and enforceable under applicable law . . .”. Plan p. 13. The Joint Plan classifies certain unspecified secured claims as

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).

Class IV Secured Claims of Other Lienholders. It provides these claims will be paid by the Liquidating Trustee under one of several options set forth in the Joint Plan.

4. On January 18, 2019, Coahoma County filed its Proof of Claim in this case for its secured claim in this case. Claim No. 41. A true and correct copy of the Proof of Claim is attached hereto as Exhibit A and incorporated herein by reference.² Pursuant to Mississippi law, specifically, Mississippi Code Annotated §27-35-1, *et seq.*, Coahoma County has a perfected secured claim for the ad valorem taxes due on all personal property owned by the Debtor and located at the Clarksdale Hospital. The lien for personal property ad valorem taxes is entitled to priority over any other secured claim until paid as a matter of Mississippi law. Mississippi Code Annotated § 27-35-1 (1) (Rev. 2017) “Taxes (state, county and municipal) assessed upon ... personal property ... shall bind the same and, ... shall be entitled to preference over all judgment, executions, encumbrances or liens whensoever created; and all such taxes assessed shall be a lien upon and bund the property assessed.”

5. The Joint Plan fails to address Coahoma County’s secured tax claim with respect to the personal property assets owned by the Debtor at the Clarksdale Hospital and pay that claim in priority over any other secured claims which are separately classified under the Joint Plan.

6. Coahoma County also objects to the Joint Plan because the Disclosure Statement submitted and approved by the Court provided that the assets of the Clarksdale Hospital, including the personal property upon which Coahoma County’ secured tax lien attached, will be sold; however, the Joint Plan does not address any such sale. It is unclear what happens to the Clarksdale Hospital under the Joint Plan in that those assets have not been sold as of this date

² Coahoma County will also have a priority secured claim for the Debtor’s portion of the 2019 ad valorem taxes due on the personal property in the hospital and in the event Coahoma County’s lease to the Debtor is rejected, a claim for rejection damages. Coahoma County reserves all its rights with respect to such claims.

and no motion to sell such assets is currently pending before the Court. Further, any such sale must recognize the priority of Coahoma County's secured tax claim for personal property ad valorem taxes as well as the rights of Coahoma County as the owner of certain personal property and the Lessee of the ground lease with the Debtor.

7. Coahoma County objects to the Joint Plan to the extent it contains any exculpation clause which purports to release or discharge any non-debtor third party who might be liable to Coahoma County on any obligations due under its Lease Agreement for the Clarksdale Hospital or for any taxes due on the personal property at the Clarksdale Hospital.

WHEREFORE, PREMISES CONSIDERED, Coahoma County request that this objection to confirmation of the plan be sustained, and that the Court deny confirmation of the Joint Plan.

April 16, 2019

Respectfully submitted,

s/Erika R. Barnes

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CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of April, 2019, a true and correct copy of the foregoing document was filed electronically. Notice of this filing was sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt. Parties may access this filing through the Court's electronic filing system.

s/ Erika R. Barnes

Erika R. Barnes