

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

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

**NOTICE OF FILING OF MISSING EXHIBIT TO INTERIM ORDER AUTHORIZING
THE DEBTORS TO OBTAIN POSTPETITION SECURED FINANCING**

The above captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) in the above-captioned jointly administered chapter 11 cases (these “**Chapter 11 Cases**”), hereby submit this notice of filing of exhibit (“**Notice of Exhibit**”).

On August 29, 2018, Debtors submitted the *Interim Order (I) Authorizing the Debtors to (A) Obtain Postpetition Secured Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Status, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, and (V) Scheduling a Final Hearing* [Docket No. 51] (the “**Interim DIP Financing Order**”). Also on August 29, 2018, the Court entered the Interim DIP Financing Order [Docket No. 60].

The Interim DIP Financing Order provides that the Debtors’ Budget (as defined in the DIP Credit Agreement) should be attached thereto as Exhibit 1. *Interim DIP Financing Order*, page 4. The Budget was attached to Debtors’ motion seeking entry of the Interim DIP Financing

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).

Order; however, the Budget was not attached to the Interim DIP Financing Order. Accordingly, Debtors file this Notice of Exhibit with the Budget attached hereto as Exhibit 1.

Dated: September 27, 2018
Nashville, Tennessee

Respectfully submitted,

POLSINELLI PC

/s/ Michael Malone

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*Proposed Counsel to the Debtors and
Debtors in Possession*

Exhibit 1
Budget

Curae Health

Consolidated
13 Week Cash Flow Forecast - Period Ended 11/23/2018

Week Ending	Footnotes	08/31/18	09/07/18	09/14/18	09/21/18	09/28/18	10/05/18	10/12/18	10/19/18	10/26/18	11/02/18	11/09/18	11/16/18	11/23/18	Total
Receipts															
Hospital Operations	1	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	\$ 1,882,589	24,473,662
Practice Groups	2	240,745	240,745	240,745	240,745	240,745	240,745	240,745	240,745	240,745	240,745	240,745	240,745	240,745	3,129,679
Supplemental Income	3	-	-	-	1,694,578	-	-	-	1,695,724	-	-	-	1,689,467	-	5,079,769
Total receipts		2,123,334	2,123,334	2,123,334	3,817,912	2,123,334	2,123,334	2,123,334	3,819,058	2,123,334	2,123,334	2,123,334	3,812,801	2,123,334	32,683,110
Disbursements															
Other disbursements															
Salaries & Contract Labor	4	2,214,594	150,000	2,214,594	150,000	2,214,594	150,000	2,214,594	150,000	2,214,594	150,000	2,214,594	150,000	2,214,594	16,402,155
Corporate Overhead	5	-	170,135	-	122,807	-	170,135	-	122,807	-	170,135	-	122,807	-	878,825
Employee Benefits	6	266,339	206,339	266,339	206,339	266,339	206,339	266,339	206,339	266,339	206,339	266,339	206,339	266,339	3,102,411
Physician Services	7,8	412,567	412,567	-	-	206,284	206,284	206,284	206,284	206,284	206,284	206,284	206,284	206,284	2,681,687
Contract Services	7,8	585,790	585,790	-	-	292,895	292,895	292,895	292,895	292,895	292,895	292,895	292,895	292,895	3,807,634
Supplies and Other	7,9	1,295,007	-	-	-	323,752	323,752	323,752	323,752	323,752	323,752	323,752	323,752	323,752	4,208,773
Repairs and Maintenance	7	-	-	83,310	83,310	83,310	83,310	83,310	83,310	83,310	83,310	83,310	83,310	83,310	916,412
Rents & Leases	10	-	230,175	-	-	-	231,790	-	-	-	225,693	-	-	-	687,657
Telephone & Utilities	7	299,579	-	-	-	-	299,579	-	-	-	299,579	-	-	-	898,738
Insurance	11	-	295,880	-	-	-	190,880	-	-	-	190,880	-	-	-	677,640
Taxes & Assessments	12	-	-	-	1,449,843	-	-	-	-	-	-	-	-	-	1,449,843
Other operating	7	29,733	29,733	29,733	29,733	29,733	29,733	29,733	29,733	29,733	29,733	29,733	29,733	29,733	386,527
ServisFirst AP		-	105,000	-	-	-	105,000	-	-	-	105,000	-	-	-	315,000
Case Costs	13	-	-	-	-	-	225,000	-	-	-	225,000	-	-	-	450,000
Subtotal other disbursements		5,103,609	2,185,619	2,593,976	2,042,032	3,416,906	2,514,696	3,416,906	1,415,119	3,416,906	2,508,599	3,416,906	1,415,119	3,416,906	36,863,301
MidCap Facility Interest		-	90,000	-	-	-	90,000	-	-	-	90,000	-	-	-	270,000
Total Disbursements		\$ 5,103,609	\$ 2,275,619	\$ 2,593,976	\$ 2,042,032	\$ 3,416,906	\$ 2,604,696	\$ 3,416,906	\$ 1,415,119	\$ 3,416,906	\$ 2,598,599	\$ 3,416,906	\$ 1,415,119	\$ 3,416,906	\$ 37,133,301
Net Cash Flow		(2,980,275)	(152,285)	(470,642)	1,775,880	(1,293,572)	(481,362)	(1,293,572)	2,403,938	(1,293,572)	(475,265)	(1,293,572)	2,397,681	(1,293,572)	(4,450,191)
Beginning cash		\$ -	\$ (2,053,609)	\$ (2,229,228)	\$ (2,673,203)	\$ (915,236)	\$ (2,232,142)	\$ (2,636,838)	\$ (3,953,744)	\$ (1,568,864)	\$ (2,885,770)	\$ (3,334,369)	\$ (4,651,275)	\$ (2,266,394)	\$ -
Less:															
Disbursements		(5,103,609)	(2,275,619)	(2,593,976)	(2,042,032)	(3,416,906)	(2,604,696)	(3,416,906)	(1,415,119)	(3,416,906)	(2,598,599)	(3,416,906)	(1,415,119)	(3,416,906)	(37,133,301)
Plus:															
MidCap Advance		3,050,000	2,100,000	2,150,000	3,800,000	2,100,000	2,200,000	2,100,000	3,800,000	2,100,000	2,150,000	2,100,000	3,800,000	2,200,000	33,650,000
Ending cash		\$ (2,053,609)	\$ (2,229,228)	\$ (2,673,203)	\$ (915,236)	\$ (2,232,142)	\$ (2,636,838)	\$ (3,953,744)	\$ (1,568,864)	\$ (2,885,770)	\$ (3,334,369)	\$ (4,651,275)	\$ (2,266,394)	\$ (3,483,301)	\$ (3,483,301)
Remaining Availability		\$ 43,168	\$ 66,502	\$ 39,835	\$ 57,747	\$ 81,081	\$ 4,415	\$ 27,749	\$ 46,807	\$ 70,141	\$ 43,475	\$ 66,809	\$ 79,609	\$ 2,943	

[1] Average monthly cash collections from December 2018 - July 2018 straightlined over 4 weeks. We have applied a factor of 1.04x to the cash collections to more accurately estimate the collections over the past 2 months.
 [2] Average monthly Physician group cash collections form December 2018 - July 2018 straightlined over 4 weeks.
 [3] See MHAP detail schedule
 [4] Salaries and Contract Labor disbursements based on June 2018 expense from the income statement and occur every two weeks, per the payroll schedule. Adjusted to show 150k every other week starting the week ending 9/7/2018.
 [5] Corporate Overhead (Salaries) per June 2018 Income statement allocated across 4 debtor entities.
 [6] Average monthly expenses April 2018 - June 2018 straightlined over 4 weeks and adjusted to account for weekly payment of medical self insurance claims.
 [7] Average monthly expenses April 2018 - June 2018 straightlined over 4 weeks.
 [8] Assumes payment for 1 full month split evenly in first 2 weeks upon bankruptcy filing.
 [9] Assumes payment for 1 full month of expenses upon bankruptcy filing. Estimated by averaging monthly expenses from April 2018 - June 2018.
 [10] Per Lease Schedule
 [11] Per Insurance Schedule
 [12] Represents quarterly MHAP payment required to be paid to State of Mississippi in order to receive the \$1.6MM monthly Supplemental Income.
 [13] Case Costs as defined below:
 First Month

BANKRUPTCY PROFESSIONAL FEES				
Debtor Counsel - Polsinelli	41,667	41,667	41,667	125,000
Special Counsel - McSween	8,333	8,333	8,333	25,000
FA Debtor - GlassRatner	25,000	25,000	25,000	75,000
Total Bankruptcy Professional Fees	75,000	75,000	75,000	225,000
Subsequent Months				
BANKRUPTCY PROFESSIONAL FEES				
Debtor Counsel - Polsinelli	41,667	41,667	41,667	125,000
Special Counsel - McSween	8,333	8,333	8,333	25,000
FA Debtor - GlassRatner	16,667	16,667	16,667	50,000
UCC	8,333	8,333	8,333	25,000
Total Bankruptcy Professional Fees	75,000	75,000	75,000	225,000