

EXHIBIT A

**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

Hearing Date: October 16, 2018

Objection Deadline: October 12, 2018

Re: Docket No. 7

**CERTIFICATION OF ALLEN WILEN IN SUPPORT OF
OBJECTION OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO
EXPEDITED MOTION OF DEBTORS FOR AN ORDER AUTHORIZING:
(I) THE CONTINUED USE OF EXISTING CASH MANAGEMENT SYSTEM,
INCLUDING MAINTENANCE OF EXISTING BANK ACCOUNTS, CHECKS,
AND BUSINESS FORMS; (II) SUSPENSION OF CERTAIN U.S. TRUSTEE
BANK ACCOUNT REQUIREMENTS; AND (III) CONTINUATION
OF EXISTING DEPOSIT PRACTICES**

ALLEN WILEN, of full age, being duly sworn according to law, upon his oath deposes and says:

1. I am a Partner and serve as the National Director of the Financial Advisory Services Group of EisnerAmper LLP (“Eisner Amper”), an accounting and financial consulting firm having expertise in, *inter alia*, turnaround and bankruptcy issues. I am a Certified Public Accountant (CPA), Accredited in Business Valuation (ABV), Certified Insolvency and Restructuring Advisor (CIRA), Chartered Financial Analyst (CFA) and Certified Turnaround

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).

Professional (CTP), and I have personal knowledge of the facts stated herein, unless otherwise stated.

2. On September 6, 2018, the United States Trustee formed the Official Committee of Unsecured Creditors (the “Committee”) of Curae Health, Inc., et al. (collectively, the “Debtors”) [Docket No. 112]. On October 10, 2018, the Committee sought to retain Eisner Amper as financial advisor to the Committee [Docket No. 304].

QUALIFICATIONS

3. Eisner Amper provides accounting and financial consulting services to a diverse group of clients, including clients in the healthcare industry. At Eisner Amper, I lead a team of approximately 100 professionals dedicated to assisting the firm’s clients through the litigation and restructuring process. I provide forensic accounting, valuation and litigation support services specializing in the areas of distress, debt restructuring, and business disputes. In addition, I provide analysis of insolvent and troubled companies, provide advice in turnaround and crisis situations, counsel purchasers in the acquisition of assets within the bankruptcy arena, and provide expert advice to parties in civil matters. I have more than 25 years of financial and accounting experience in both national and regional public accounting firms.

4. Prior to joining Eisner Amper, I provided similar services for Arthur Andersen LLP and PriceWaterhouse Coopers LLP and was a founding Principal of Amper Investment Banking LLC, a licensed Investment Banker.

5. I have been involved in numerous complex matters requiring expertise in forensic accounting and operational analysis. I have advised on numerous restructurings in the healthcare industry. My healthcare experience includes restructurings at St. Michael’s Medical Center, Kidspace, Ashford Regional Medical Center, St. Mary’s Regional Medical Center,

Neighborhood Healthcare, Specialty Hospital of Washington and Integral Nuclear, among others.

ANALYSIS

6. On August 24, 2018, the Debtors' filed the *Expedited Motion of Debtors for an Order Authorizing: (I) Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks, and Business Forms, (II) Suspension of Certain U.S. Trustee Bank Account Requirements; and (III) Continuation of Existing Deposit Practices* [Docket No. 7] (the "Motion").

7. Concurrently herewith, the Committee filed the *Objection of Official Committee of Unsecured Creditors to Expedited Motion of Debtors for an Order Authorizing: (I) Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks, and Business Forms, (II) Suspension of Certain U.S. Trustee Bank Account Requirements; and (III) Continuation of Existing Deposit Practices* (the "Objection"),² which objected to the relief requested in the Motion to the extent the requested relief could affect the unsecured creditors' substantive rights through, for example, intercompany financing.

8. The intercompany financing among the Debtors requested in the Motion does not occur in the ordinary course of business for hospitals, such as the Debtors.

9. It is not an industry wide practice among hospitals to transfer money from one hospital to another, especially when the transferee hospital is likely unable to repay the amounts transferred by the transferor. Industry-wide practices for the hospital industry include activities such as the purchasing of medical supplies and equipment; *not* making intercompany loans.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion or the Objection.

10. The intercompany loans described in the Motion subject the Debtors' creditors to economic risks of a nature different from those accepted when they extended credit. Creditors lending to a hospital would not expect that hospital to transfer money to another hospital, especially without the transferee hospital's guaranteed ability to repay the amounts owed.

11. This risk to creditors is especially apparent in these cases, where the proposed DIP Financing is insufficient to pay all administrative expenses during the pendency of the cases. The DIP Facility as currently constructed does not provide for payment of administrative expenses accrued during the periods covered by the Debtors' Budget but not payable until after the conclusion of the Budget period, leaving the estates exposed to administrative insolvency.

12. First, the Debtors' Budget does not account for the accrual of unpaid operating administrative expenses and unpaid fees and expenses of retained professionals, which expenses are incurred during the Budget period, yet are not payable until after the Budget period (the "Post-Budget Expenses"). The Budget shows that as of February 22, 2019, the Debtors will have no remaining availability from the DIP Loan. Yet, because the Budget does not account for the Post-Budget Expenses, at the end of the Budget period, the Debtors will be responsible for the Post-Budget Expenses without any ability to pay. Next, the proposed DIP Facility does not make clear that the administrative expenses of the Debtors reflected in the "Disbursements" category of the Budget for a particular week, which expenses are ultimately not payable until a later week, will be subsequently covered by the Budget in the week such expenses are payable (the "Delayed Expenses"). Without clarifying that the Delayed Expenses will be covered in a subsequent Budget period when payments are due, the Debtors will be left with additional expenses not covered by the DIP Facility which they will have no means to repay, leaving the estates administratively insolvent.

13. The high likelihood of administrative insolvency creates problems for creditors of the better performing hospitals, such as Amory. As demonstrated in the Cumulative Entity-by-Entity Week 4 Variance Analysis, the total receipts for Clarksdale are 25% below the budgeted amount,³ whereas for Amory and Batesville the total receipts are 5% and 6% below the budgeted amounts, respectively. In addition, operating performance results for Clarksdale indicate the facility is currently losing money and has been a drain on operations for an extended period. Amory is therefore performing better than Batesville, and especially better than Clarksdale. If Amory provides funding to these hospitals through intercompany transfers, such transfers might cause Amory to become administratively insolvent when it otherwise would not have been because the Budget does not guarantee that there will be sufficient funds in the Debtors' estates for payment of all administrative claims on a go-forward basis.

14. Thus, even if Amory receives an administrative priority claim against the other Debtors' estates, the other Debtors, especially Clarksdale, may be unable to pay Amory's priority claim in full, to the detriment of Amory's creditors. Amory may then be unable to pay the administrative expense claims of its post-petition creditors and its distributions on account of pre-petition claims may be diminished. If, however, the DIP Facility is properly sized to ensure there is sufficient funding to pay all administrative expenses through the conclusion of these cases, then the intercompany transfers described in the Cash Management Motion will be less problematic.

³ This was primarily due to a system conversion at the Clarksdale facility. In addition, a potential shutdown of the Clarksdale facility and additional issues with that system usage could create future collection issues that would distort the covenant test.

15. Further, the Debtors total “Available to Borrow – Not to Exceed Limit” from Borrowing Base Certificate was \$9,246, 121 as of the Petition Date. One Debtor, Amory, provided over one-third of the amount based upon the availability from its asset base. As such, Batesville and Clarksdale benefit from the increased availability from Amory’s assets.

I hereby certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

/s/ Allen Wilen
ALLEN WILEN

DATED: October 12, 2018