

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLUMBIA**

In re: :
GREATER SOUTHEAST COMMUNITY : Chapter 11
HOSPITAL CORPORATION I, et al., :
Reorganized Debtors. : Case No. 02-2250 (SMT)
: (Jointly Administered)
:

**HUMANA'S MOTION TO COMPEL REORGANIZED DEBTORS TO
COMPLY WITH COURT ORDER**

Humana Insurance Company and Humana Health Plan, Inc. (together, "Humana") requests that this Court enter an order compelling the Reorganized Debtors to comply with the stipulation and order entered by this Court by curing all arrearage owed to Humana, and in support hereof, respectfully state as follows:

1. Greater Southeast Community Hospital Corporation I and certain affiliated entities (the "Debtors" or "Reorganized Debtors") filed for chapter 11 bankruptcy protection on November 20, 2002 (the "Petition Date").
2. On April 2, 2004, the Court entered the Order Confirming the Debtors' Second Amended Joint Plan of Reorganization.

3. Pursuant to paragraph 38 of the order confirming the plan this Court retains jurisdiction over “matters arising in, and under, and related to, the Chapter 11 Cases”.

4. During the bankruptcy proceedings, a dispute arose between the Debtors and Humana regarding two contracts to which they were parties, which were executory, and which both parties had continued to perform since the Petition Date (the “Contracts”).

5. The Plan required that the Reorganized Debtors serve a Notice of Assumption or Rejection of Executory Contracts and Unexpired Leases, setting out which contracts and leases they would assume and which they would reject (the “Notice”). A contract not included in either list was deemed assumed but subject to future rejection if the Reorganized Debtors so decided.

6. On May 11, 2004, the Reorganized Debtors served their Notice and because the Contracts were not listed, they were assumed subject to rejection

7. Since the Contracts were, at least provisionally, assumed, on August 10, 2004, Humana filed claims for the default amounts; specifically, Humana asserted a default of \$1,519,791.42 under one Contract and a default of \$176,801.25 under the other Contract (the “Cure Claims”).

8. The Reorganized Debtors disputed the default amounts asserted in the Cure Claims.

9. The Reorganized Debtors and Humana wanted to resolve this dispute, and after good faith, arms-length negotiations, achieved a mutually acceptable compromise.

10. The compromise, embodied in a Stipulation, dated March 6, 2007, (the "Stipulation") provided that:

- The Reorganized Debtors would specifically assume the Contracts;
- The Reorganized Debtors would pay Humana a total of \$300,000, in full satisfaction of the Cure Claims, payment to be made in 24 monthly installments of \$12,500, payable on the first of each month;
- Humana would withdraw its Cure Claims without leave to refile.

11. On April 2, 2007, the Court entered an Order approving the Stipulation in all respects. A true and correct copy of the Stipulation and Order, as approved by the Court, is attached hereto as **Exhibit A**.

12. The Reorganized Debtors made only 8 payments pursuant to the Stipulation for a total of \$100,000. Humana has not received a payment since December, 2007, and is still owed \$200,000.

13. Counsel for Humana contacted the Reorganized Debtors in an effort to resolve the issue without Court intervention, but has received neither the money owing nor an explanation as to why payments were stopped.

WHEREFORE, Humana requests that this Court enter an Order:

A. Compelling the Reorganized Debtors to comply with their obligations as set out in the Stipulation;

B. Directing the Reorganized Debtors to pay Humana \$100,000, plus interest on all arrearages, and to reimburse Humana for the fees and costs of bringing this Motion, no later than 14 days after the entry of the order resolving this Motion, and to resume monthly payments of \$12,500 as provided in the Stipulation; and,

C. Granting Humana such other and further relief as is just and equitable.

Humana Insurance Company, Humana
Health Plan, Inc., Humana
HealthChicago Insurance Company,
Humana HealthChicago, Inc.

/s/ Frank S. Swain
One of their Attorneys

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CERTIFICATE OF SERVICE

I, Frank Swain, Esq. of Baker & Daniels LLP, 1050 K Street NW, Washington, DC, hereby certify:

That I am, and at all times hereinafter mentioned was more than 18 years of age;

That on the 9th day of December 2008, I served a copy of the HUMANA'S MOTION TO COMPEL REORGANIZED DEBTORS TO COMPLY WITH COURT ORDER, filed in this proceeding, by facsimile and by first class mail upon:

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By: _____ /s/ Frank S. Swain

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