

# Health Care Insolvency, Restructuring and Bankruptcy Issues

Insolvency, restructuring and bankruptcy issues in the health care industry can present many unique legal challenges. In addressing these issues for clients over the years, members of Krieg DeVault's Creditors' Rights & Bankruptcy Practice Group have represented hospitals; lenders to and lessors of health care facilities, including skilled nursing and senior living facilities; parties to contracts with such entities; and other parties which are affected by insolvencies and bankruptcies in the health care industry, including financial institutions, physicians and other medical professionals, and healthcare suppliers. Krieg DeVault also has represented parties seeking to buy assets out of health care bankruptcies. Pursuing successful outcomes in such matters requires professionals who not only know bankruptcy and insolvency law, but also have access to knowledge and experience regarding Medicare and Medicaid provider regulation, health care reimbursement, health care licensure, and Stark law; in addressing these issues, we work with our colleagues in Krieg DeVault's Health Care Practice Group.

**Below is a representative sample of our engagements in this area:**

- Represent medical services provider creditors in *In re Fayette Memorial Hospital Association, Inc.*, Case No. 18-07762-JJG-11 (Bankr. S.D. Ind., Indianapolis Div.)
- Represented medical professional creditors in *In re Monroe Hospital, LLC*, Case No 14-07417-JMC-11 (Bankr. S.D. Ind., Indianapolis Div.)
- Represented debtor in Chapter 11 reorganization case as special health care counsel, addressing regulatory issues concerning the development, management and operation of long term acute care hospitals as Special Health Care Counsel in *In re Progressive Healthcare, LLC*, Case No. 09-24669-JPK-11 (Bankr. N.D. Ind., Hammond Div.)
- Represented equipment creditors in *In re Critical Access Health Services Corp. d/b/a Washington County Memorial Hospital*, Case No. 09-92085-BHL-11 (Bankr. S.D. Ind., New Albany Div.)
- Represented purchaser of substantial portion of debtor's assets in *In re Heartland Memorial Hospital, LLC, aka Illiana Surgery and Medical Center, LLC, et al.*, Case No. 07-20188-JPK-11 (Bankr. N.D. Ind., Hammond Div.)
- Represented major lessor of skilled nursing facilities in *In re Delmar Limited Partnership*, Case No. 98-14320-FJO-07A

Members of the Firm's Creditors' Rights & Bankruptcy Practice Group additionally have made continuing legal education presentations regarding health care-related bankruptcy issues, including:

- C. Daniel Motsinger authored "Is the Debtor a Health Care Business," NABTalk, Winter 2014



- C. Daniel Motsinger led the continuing legal education panel and co-authored "Checklist of Salient Issues Involved in Health Care Insolvencies and Bankruptcy Cases" for "The Next (Tidal) Wave of Cases - Healthcare Restructuring and Insolvencies", at the American Bankruptcy Institute's Central States Bankruptcy Workshop, June 2010