IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:

Chapter 11

GLOBAL WOUND CARE MEDICAL GROUP, a Professional Corporation,¹

Case No. 24-34908-CML

(Emergency Hearing Requested)

Debtor.

EMERGENCY MOTION OF THE DEBTOR TO FILE EXHIBIT B TO STIPULATION <u>UNDER SEAL</u>

EMERGENCY RELIEF HAS BEEN REQUESTED. RELIEF IS REQUESTED NOT LATER THAN DECEMBER 20, 2024.

IF YOU OBJECT TO THE RELIEF REQUESTED OR YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU MUST APPEAR AT THE HEARING IF ONE IS SET, OR FILE A WRITTEN RESPONSE PRIOR TO THE DATE THAT RELIEF IS REQUESTED IN THE PRECEDING PARAGRAPH. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

Global Wound Care Medical Group, a Professional Corporation (the "<u>Debtor</u>"), the debtor and debtor-in-possession in the above-captioned chapter 11 case (the "<u>Chapter 11 Case</u>"), files this motion (the "<u>Motion</u>") for entry of an order, pursuant to §§ 105(a) and 107(c) of chapter 11 of title 11 of the United States Code (the "<u>Bankruptcy Code</u>")² and Rule 9013-1(b) of the Local Rules (the "<u>BLR</u>") for the United States Bankruptcy Court for the Southern District of Texas (the "<u>Court</u>"), authorizing the Debtor to file under seal **Exhibit "B**" to the concurrently filed *Stipulation and Agreed Order Regarding Suspension of Medicare Payments to the Debtor by the United States*

² Unless specified otherwise, all chapter and section references are to the Bankruptcy Code.



¹ The last four digits of the Debtor's tax identification number in the jurisdiction in which it operates is 3572.

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Department of Health and Human Services [Docket No. 86] (the "Stipulation") between the Debtor and the United States (defined below). Exhibit "B" contains personally identifiable information and raises privacy concerns as it identifies individuals and their budgeted compensation.

The Debtor seeks emergency relief to seal **Exhibit "B"** in connection with the Stipulation between the Debtor and the United States Department of Justice ("<u>DOJ</u>"). The Stipulation modifies the suspension of payments from the Centers for Medicare and Medicaid Services ("<u>CMS</u>") to the Debtor (the "<u>Payment Suspension</u>") and will allow the Debtor to receive Medicare reimbursements as set forth therein and continue patient care. As of December 11, 2024, CMS has suspended approximately \$208 million for claims submitted by the Debtor to CMS for payment.

The Debtor's undersigned counsel has conferred with the DOJ, on behalf of the United States of America, the United States Department of Health and Human Services ("<u>HHS</u>") and its designated component, CMS (collectively the "<u>United States</u>"), in preparation of this Motion and understands that the United States does not oppose the relief requested herein. In support of this Motion, the Debtor respectfully states as follows:

JURISDICTION AND VENUE

This Court has jurisdiction over this matter under 28 U.S.C. §§ 157(a) and 1334.
Venue is proper in this district under 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b)(2).

The statutory bases for the relief requested are §§ 105(a) and 107(c) and BLR 9013 1(b).

BACKGROUND

3. On October 21, 2024 (the "<u>Petition Date</u>"), the Debtor filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code. As described in the *Declaration of Ralph*

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Cetrulo in Support of Chapter 11 Petition and First Day Motions [Docket No. 8] (the "<u>First Day</u> <u>Declaration</u>"), the Payment Suspension suspended all Medicare payments to the Debtor, resulting in a cessation of approximately 91% of the Debtor's income. *See* First Day Declaration, **P** 30.

4. The Debtor and the DOJ (on behalf of CMS and other governmental agencies) have engaged in negotiations regarding, among other things, the Payment Suspension. As a result of these negotiations, the parties entered into the Stipulation. Under the Stipulation, CMS will modify the Payment Suspension to allow the Debtor to receive, subject to the terms of the Stipulation, 75% of payable amounts for claims submitted on or after the Effective Date (as defined in the Stipulation).

5. **Exhibit "B"** to the Stipulation contains a list of "Related Individuals" prohibited from receiving payments from the Debtor or Wound Pros Management Group, Inc., other than budgeted amounts for compensation or employment tax payments.

6. On December 19, 2024, the Debtor filed the Stipulation with **Exhibit "B"** redacted.

RELIEF REQUESTED

7. By this Motion, the Debtor requests authority to file under seal **Exhibit "B"** to the Stipulation to protect personally identifiable information. The Debtor filed this Motion on an emergency basis out of an abundance of caution to avoid any potential delay in the Court's approval of the Stipulation since **Exhibit "B"** to the Stipulation contains redactions of names and compensation. Approval of the Stipulation is critical to addressing the Debtor's liquidity crisis because it will modify the Payment Suspension and allow the Debtor to receive Medicare reimbursements as set forth therein.

BASIS FOR RELIEF

8. A "bankruptcy court, for cause, may protect an individual, with respect to the following types of information to the extent the court finds that disclosure of such information

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would create undue risk of identity theft or other unlawful injury to the individual or individual's property: (A) Any means of identification (as defined in section 1028(d) of title 18) contained in a paper filed, or to be filed, in a case under this title[; or] (B) Other information contained in a paper described in subparagraph (A)." 11 U.S.C. § 107(c)(1).

9. The sole purpose of § 107(c) was to establish public access to court documentation with very limited exceptions. *In re French*, 401 B.R. 295, 306 (Bankr. E.D. Tenn. 2003). Section 1028(d) of title 18 provides a non-exhaustive list of personally identifiable information, including individuals' names. 18 U.S.C. § 1028(d)(7).

10. Here, **Exhibit "B"** contains the names of individuals and their budgeted compensation. This is personally identifying information relating to such individuals, disclosure of which would create undue risk of identity theft or other unlawful injury to these individuals or the individual's property.

Based on the foregoing, the Court should authorize the Debtor to file under seal
Exhibit "B" to the Stipulation because it contains personally identifying information.

CERTIFICATION WITH OTHER PARTIES

12. The Debtor certifies that it has conferred with the United States regarding the relief requested in this Motion and that the United States does not object to the relief requested herein and entry of the form of order filed with this Motion.

CONCLUSION

13. The Debtor respectfully requests that this Court: (i) grant the Motion; (ii) enter an order substantially in the form filed herewith; and (iii) grant such other and further relief as the Court deems just and appropriate.

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Dated: December 19, 2024

Respectfully submitted,

DENTONS US LLP

<u>/s/ Casey Doherty</u>

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Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF SERVICE

This is to certify that I have on December 19, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Casey W. Doherty Jr.

Casey W. Doherty Jr.

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:

Chapter 11

GLOBAL WOUND CARE MEDICAL GROUP,

Case No. 24-34908-CML

Debtor.

ORDER GRANTING MOTION OF THE DEBTOR TO FILE EXHIBIT B TO <u>STIPULATION UNDER SEAL</u>

Upon the motion (the "<u>Motion</u>")³ of the above-captioned debtor and debtor in possession (the "<u>Debtor</u>") for entry of an order allowing the Debtor to file under seal **Exhibit "B"** to the Stipulation, as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion protects personally identifiable information and is in the best interests of the Debtor's estate, its creditors, and other parties in interest; and this Court having found that the Debtor's notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court, if any; and this Court having determined that the legal and factual bases set forth in support of the Motion establish just cause for the relief granted herein; and upon

³ Capitalized terms used herein but not otherwise defined shall have the meanings given to them in the Motion.

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all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. Pursuant to § 107 of the Bankruptcy Code, the Debtor shall be permitted to file an unredacted version of **Exhibit "B"** under seal.

2. The Debtor is authorized to take all actions necessary to effectuate the relief granted in this Order.

3. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: _____, 2024

UNITED STATES BANKRUPTCY JUDGE