UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF OKLAHOMA

In re:	
HOSPITAL FOR SPECIAL SURGERY, LLC,	Case No. 24-12862 JDI
Debtor.	Chapter 11

LIMITED OBJECTION OF UNITED STATES TRUSTEE TO DEBTOR'S EMERGENCY MOTION FOR INTERIM AND FINAL ORDERS UNDER 11 U.S.C. §§ 105, 363 AND 507, (I) AUTHORIZING PAYMENT OF PREPETITION EMPLOYEE OBLIGATIONS AND RELATED AMOUNTS, (II) CONFIRMING RIGHT OF DEBTOR TO CONTINUE EMPLOYEE PROGRAMS ON POSTPETITION BASIS, AND (III) CONFIRMING RIGHT OF DEBTOR TO PAY WITHHOLDING AND PAYROLL-RELATED TAXES WITH BRIEF IN SUPPORT AND NOTICE OF OPPORTUNITY FOR HEARING

The United States Trustee, Ilene J. Lashinsky ("UST") submits this Limited Objection to Debtor's motion to pay prepetition employee obligations [Doc. 12] (the "Motion").

A. Facts.

- 1. Debtor filed its Chapter 11 case on October 7, 2024. (See, Doc. 1.)
- 2. The UST has no objection to the premise of paying the pre-petition employee obligations as generally referenced in the Motion subject to the limitations set forth in 11 U.S.C. § 507(a)(4) and (5).
- 3. However, the Motion does not affirmatively state whether the statutory caps will be exceeded for any specific employees.
- 4. The UST objects to any employee being paid a sum over the amounts permitted as a priority pursuant to 11 U.S.C. § 507.

The Motion seeks to pay an insider for what appears to be a general, non-employment claim.

5. The Motion seeks to pay third party administrative costs of \$20,441.50 to Solara Surgical Partners, LLC ("Solara") as part of its pre-petition employee compensation motion.

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6. Solara is owed \$1,211,297.86 and appears on Debtor's list of 20 largest creditors. [Doc. 1, p. 9.]

- 7. Solara was paid \$622,248.09 in the 90 days before bankruptcy [Doc. 1, p. 110.], and was paid \$2,244,573.35 in the year prior to bankruptcy [Doc. 1 p. 123.]
 - 8. Debtor lists Solara as an insider. [Doc. 1 p. 123.]
- 9. As Solara (i) is an insider, and (ii) appears to be more akin to a general vendor, the UST objects to payment of Solara under the Motion.

The UST Reserves all arguments, whether posed herein or not, to the final relief requested in the Motion.

10. The UST reserves the right to assert any and all legal and factual arguments, whether or not raised herein, related to relief requested in the Motion.

B. Relief Requested.

11. Based on the foregoing, the UST requests that the Court deny the portions of the Motion objected to.

Respectfully submitted,

ILENE J. LASHINSKY UNITED STATES TRUSTEE

s/ Jeffrey E. Tate

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