

Dated: October 10, 2024

The following is ORDERED:



Janice D. Loyd
U.S. Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

	X	
In re	:	
	:	Chapter 11
HOSPITAL FOR SPECIAL SURGERY, LLC	:	
<i>Db</i> a ONECORE HEALTH,	:	Case No. 24-12862-JDL
	:	
Debtor.	:	
	X	

**INTERIM ORDER, PURSUANT TO 11 U.S.C. §§ 105, 345, 363, 364, AND 503,
AUTHORIZING DEBTOR TO CONTINUE (I) TO OPERATE ITS CASH
MANAGEMENT SYSTEM, MAINTAIN EXISTING BANK ACCOUNTS AND
BUSINESS FORMS, AND (II) GRANTING RELATED RELIEF**

This matter is before the Court on the Motion dated October 7, 2024 (the “Motion”)¹ of Hospital for Special Surgery, LLC *dba* OneCore Health (“OneCore” or the “Debtor”) in the above-referenced chapter 11 case (the “Chapter 11 Case”), for entry of an interim order (this “Interim Order”) and a final order (“Final Order”), under sections 105, 345, 363, 364, and 503 of title 11 of

¹ All defined terms shall have the meaning ascribed to them in the Motion unless otherwise defined herein.



the United States Code, 11 U.S.C. §§ 101 – 1532 (as amended, the “Bankruptcy Code”), and rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and rule 9013-1 of the Local Rules for the United States Bankruptcy Court for the Western District of Oklahoma (the “Local Bankruptcy Rules”) authorizing Debtor to (i) continue to operate its cash management system, maintain existing bank accounts and existing business forms, and (ii) granting related relief; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and rule 81.4 of the Local Civil Rules of the United States District Court for the Western District of Oklahoma; and venue of this chapter 11 case and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that the Motion was filed on October 7, 2024, and served on or before October 7, 2024 and that the response deadline to the Motion expired on October 9, 2024; and objections (if any) to the Motion having been withdrawn, resolved or overruled on the merits; and this Court having found that proper and adequate notice of the Motion and the relief requested therein has been provided in accordance with the Bankruptcy Rules and the Local Bankruptcy Rules of the United States Bankruptcy Court for the Western District of Oklahoma, and that, except as otherwise ordered herein, no other or further notice is necessary; and a hearing having been held to consider the relief requested in the Motion and upon the record of the hearing and all of the proceedings had before this Court; and this Court having found and determined that the relief sought in the Motion is in the best interests of Debtor, its estate, its creditors and all other parties-in-interest; and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on an interim basis as set forth in this Interim Order.
2. Except to the extent set forth herein, Debtor is authorized, but not directed, to (a) continue operating its Bank Accounts and associated Cash Management System in the ordinary course of business and consistent with Debtor's historical practice, substantially as described in the Motion, provided that the Debtor's use of Cash Collateral shall be solely in accordance with the Approved Budget and the Interim Cash Collateral Order; (b) honor its prepetition obligations related to the Cash Management System in the ordinary course of business and consistent with Debtor's historical practice; and (c) maintain, existing Business Forms as set forth herein.
3. In connection with the ongoing utilization of the Cash Management System, Debtor shall continue to maintain records with respect to all transfers, so that all of Debtor's transactions may be readily ascertainable, traced, recorded properly, and distinguished between prepetition and postpetition transfers.
4. Debtor is authorized, but not directed, to: (a) designate, maintain, close, and continue to use on an interim basis its existing Bank Accounts, in the names and with the account numbers existing immediately before the Petition Date; (b) deposit funds in, and withdraw funds from, the Bank Accounts by all usual means, including checks, wire transfers, ACH transfers, and other debits; (c) treat its prepetition Bank Accounts for all purposes as debtor in possession accounts; and (d) only open new debtor in possession bank accounts at banks that have executed a Uniform Depository Agreement with the U.S. Trustee or banks that are willing to execute one.
5. Debtor is authorized, but not directed, to continue using, in their present form, the Business Forms, as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date; *provided* that once Debtor has exhausted its existing stock

of Business Forms, it shall ensure that any new Business Forms are clearly labeled “Debtor in Possession.” To the extent Debtor prints any new checks or uses any electronic Business Forms, they will include the designation “Debtor in Possession” and the corresponding bankruptcy number on all such checks.

6. BOKF is authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtor as debtor in possession, without interruption and in the ordinary course of business, and to receive, process, honor and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

7. To the extent any of the Debtor Bank Accounts are not in compliance with section 345(b) of the Bankruptcy Code or with any U.S. Trustee Guidelines, the Court finds that cause exists to suspend the requirement of Debtor’s compliance therewith for an interim period continuing until entry of the Final Order following the conclusion of the Final Hearing, without prejudice to Debtor’s ability to seek further extensions, to the extent applicable to the Cash Management System.

8. Debtor is authorized to open any new bank accounts and close any of the Bank Accounts as Debtor may deem necessary and appropriate; provided, however, that prior to opening any new bank accounts or closing any of the Bank Accounts, Debtor gives notice within fifteen (15) days to the U.S. Trustee; *provided, further*, however, that Debtor shall open any such new Bank Account at banks that that have executed a Uniform Depository Agreement with the U.S. Trustee, or at such banks that are willing to immediately execute such an agreement.

9. The relief granted in this Interim Order is extended to any new bank account opened by Debtor in the ordinary course of business after the date hereof, which account shall be deemed

a “Bank Account,” and to the bank at which such account is opened, which bank shall be deemed a “Cash Management Bank.”

10. Subject to the terms set forth herein, any bank, including, without limitation, BOKF, may rely upon the representations of Debtor with respect to whether any check, draft, wire, payment, or other transfer drawn or issued by Debtor prior to the Petition Date should be honored pursuant to any order of this Court, and no bank that honors any such prepetition payment drawn on any account that is the subject of this Interim Order (a) at the direction of Debtor, (b) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (c) as a result of a mistake made despite implementation of reasonable customary handling procedures, shall be deemed to be nor shall be liable to Debtor, its estate, or any other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Interim Order.

11. All banks maintaining any of the Bank Accounts, including, without limitation, BOKF, that are provided with notice of this Interim Order shall not honor or pay any bank payments drawn on the Bank Accounts or otherwise issued before the Petition Date for which Debtor specifically issues stop payment orders in accordance with the documents governing such Bank Accounts.

12. Debtor’s Cash Management Banks are authorized to debit Debtor’s accounts in the ordinary course of business without the need for further order of this Court for all checks drawn on Debtor’s account; *provided* that no checks issued against Debtor prior to the commencement of this Chapter 11 Case shall be honored except as authorized by order of this Court and directed by Debtor.

13. The Cash Management Banks are authorized, without further order of this Court, to charge back to the appropriate accounts of Debtor any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such returned items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

14. Any banks, including the Cash Management Banks, are further authorized to honor Debtor's direction with respect to the opening and closing of any Bank Account and accept and hold Debtor's funds in accordance with Debtor's instructions; *provided* that the Cash Management Banks shall not have any liability to any party for relying on such representations to the extent such reliance otherwise complies with applicable law.

15. Nothing contained in the Motion or this Interim Order shall be construed to (a) create or perfect, in favor of any person or entity, any interest in cash of Debtor that did not exist as of the Petition Date or (b) alter or impair the validity, priority, enforceability, or perfection of any security interest or lien, in favor of any person or entity, that existed as of the Petition Date.

16. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on Debtor's designation of any particular check or electronic payment request as approved by this Interim Order.

17. Debtor is authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are

dishonored as a consequence of this Chapter 11 Case with respect to prepetition amounts that are authorized to be paid under an order of this Court.

18. Notwithstanding the relief granted in this Interim order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against Debtor under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of Debtor's or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Interim Order or the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of Debtor's estate; (g) a waiver or limitation of Debtor's, or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (h) a concession by Debtor that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

19. The U.S. Trustee reserves its arguments and objections with respect to entry of the Final Order, whether or not such arguments or objections were raised in the U.S. Trustee Limited Objection. In reliance upon its reservation of rights, to which Debtor consents, the U.S. Trustee consents to entry of this Interim Order.

20. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the Credit Facility Documents as defined in the Interim Cash Collateral Order, or any subsequent or final Cash Collateral Order entered by the Court. For the avoidance of doubt, the Cash Collateral Orders control.

21. For Cash Management Banks at which Debtor holds Bank Accounts that are party to a Uniform Depository Agreement with the U.S. Trustee, as soon as possible after the date of entry of this Order, Debtor shall (a) contact each Cash Management Bank, (b) provide the Cash Management Bank with Debtor's employer identification number and (c) identify each of its Bank Account held at such Cash Management Banks as being held by a debtor in possession in a bankruptcy case, and provide the case number.

22. The final hearing (the "Final Hearing") on the Motion shall be held on November 7, 2024, at 10:00 a.m., prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 12:00 p.m., prevailing Central Time on November 1, 2024. Objections must be filed and served on: (i) proposed counsel to Debtor, Crowe & Dunlevy, Braniff Building, 324 N. Robinson Ave., Suite 100, Oklahoma City, OK 73102, Attn: William H. Hoch (will.hoch@crowedunlevy.com) and Craig M. Regens (craig.regens@crowedunlevy.com); (ii) the Office of the United States Trustee for the Western District of Oklahoma, 215 Dean A. McGee Ave., Room 408, Oklahoma City, OK 73102, Attn: Marjorie Creasey (Marjorie.Creasey@usdoj.gov) and Jeff Tate (Jeff.Tate@usdoj.gov); (iii) counsel to BOKF, Frederic Dorwart, Lawyers PLLC, 124 E. 4th St., Tulsa, OK 74103, Attn: Samuel S. Ory (Sory@fdlaw.com); and (iv) counsel to any statutory committee appointed in this Chapter 11 Case. If no objections are filed to the Motion, the Court may enter a Final Order without further notice or a hearing.

23. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b) because the relief request set forth in this Interim Order is necessary to avoid immediate and irreparable harm to the estate.

24. As soon as practicable after entry of this Interim Order, Debtor shall serve a copy of this Interim Order on the Cash Management Banks.

25. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim order are immediately effective upon its entry.

26. Debtor is authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

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

28. Findings of fact are based on representations of counsel.

29. Debtor shall serve this Order on parties in interest appearing on the Distribution Service List in accordance with, and as such term is defined in, the *Order Authorizing Limited Notice and Establishing Notice Procedures* [Dkt. No. 9].

IT IS SO ORDERED.

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Approved for Entry:

ONECORE

/s/ Craig M. Regens

William H. Hoch, OBA #15788

Craig M. Regens, OBA #22894

Mark A. Craige, OBA #1992

Kaleigh Ewing, OBA #35598

-Of the Firm-

CROWE & DUNLEVY

A Professional Corporation

Braniff Building
324 N. Robinson Ave., Suite 100
Oklahoma City, OK 73102-8273
(405) 235-7700
will.hoch@crowedunlevy.com
craig.regens@crowedunlevy.com
mark.craige@crowedunlevy.com
kaleigh.ewing@crowedunlevy.com

Proposed Counsel to Debtor

**ILENE J. LASHINSKY
UNITED STATES TRUSTEE**

/s/ Jeffrey E. Tate

**Jeffrey E. Tate, OBA # 17150
Department of Justice, US Trustee
215 Dean A. McGee Ave., Fourth Floor
Oklahoma City, OK 73102
(202) 203-5228/(405) 231-5958 [fax]
Jeff.Tate@usdoj.gov**