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

In re HOSPITAL FOR SPECIAL SURGERY, LLC *Dba* ONECORE HEALTH, Reorganized Debtor.	Chapter 11 Case No. 24-12862-JDL

REORGANIZED DEBTOR'S CHAPTER 11 FINAL REPORT AND MOTION FOR ENTRY OF FINAL DECREE WITH BRIEF IN SUPPORT AND NOTICE OF OPPORTUNITY FOR HEARING

NOTICE OF OPPORTUNITY FOR HEARING

Your rights may be affected. You should read this Document carefully and consult your attorney about your rights and the effect of this Document. If you do not want the Court to grant the motion, or you wish to have your views considered, you must file a written response to the motion with the Clerk of the United States Bankruptcy Court for the Western District of Oklahoma, 215 Dean A. McGee Avenue, Oklahoma City, OK 73102 no later than 14 days from the date of filing of the motion. You should also serve a file-stamped copy of the response to the undersigned [and others who are required to be served] and file a certificate or affidavit of service with the Court.

[Note – this is a flat fourteen (14) days regardless of the manner of service.]

Hospital for Special Surgery, LLC *dba* OneCore Health ("OneCore" or "Reorganized Debtor") hereby submits this final report and motion (this "Motion"), pursuant to sections 105(a) and 350(a) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code") and rule 3022 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), requesting entry of a final decree (the "Final Decree"), substantially in the form attached hereto

as Exhibit 1, closing the bankruptcy case of the Reorganized Debtor. In support of its Motion, OneCore shows the Court as follows.

BRIEF IN SUPPORT

Background

1. OneCore is a duly licensed hospital that has been specializing in orthopedic and specialty surgeries in the community of central Oklahoma for more than a decade. In late 2021, OneCore completed the construction of its present leased facility in northeast Oklahoma City and has been operating at such location since January 2022.

2. OneCore has focused on a culture of excellence in the delivery of surgical and other health care services such as radiology and orthopedic care with the goal of being one of the top performing surgical hospitals in Oklahoma. In the past four (4) years, OneCore has received many accolades for its excellence and patient care, including the following:

- Healthgrades: Knee Replacement 5-star recipient, 2023 and 2024;
- Healthgrades: Spinal Fusion Surgery 5-star recipient 2021 – 2024;
- Healthgrades: Outstanding Patient Experience 2024; and
- Press Ganey: Guardian of Excellence Award for Outstanding Patient Experience.[1]

3. On October 7, 2024, OneCore filed its *Voluntary Petition* (the "Petition Date"). [Dkt. No. 1]. Additional factual background relating to OneCore's business and the commencement of the Chapter 11 Case is set forth in detail in the First Day Declaration of Carrie McEntire (the "McEntire First Day Declaration").

[1] The Press Ganey Guardian of Excellence Award® honors organizations that perform in the top 5% of healthcare providers and health plans for patient experience, employee engagement, physician experience, clinical quality performance or consumer experience in one year. Only 501 hospitals and health systems achieved this recognition out of over 10,000.

4. OneCore continued to operate its business and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No committee was appointed pursuant to section 1102 of the Bankruptcy Code.

Facts Specific to the Relief Requested

5. On May 13, 2025, the Court entered an order approving OneCore's Chapter 11 Plan or Reorganization. *See Order (I) Confirming Debtor's Chapter 11 Plan of Reorganization and (II) Granting Related Relief* [Dkt. No. 296] (the "Confirmation Order"). The Confirmation Order is a final order.

6. To date, the Reorganized Debtor has filed objections to fourteen (14) proofs of claim. The Court has entered final orders on all claim objections filed by the Reorganized Debtor. The Reorganized Debtor does not intend to object to any further proofs of claim. Accordingly, the Reorganized Debtor has filed its *Notice of Final Claims Register* [Dkt. No. 369]. By and through the undersigned counsel, Kurtzman Carson Consultants, LLC *dba* Verita Global ("Verita") has provided to the Clerk of this Court a Final Claims Register and, prior to entry of the Final Decree, will provide an electronic media device containing all imaged claims filed in the Chapter 11 Case.

7. The Plan has been substantially consummated, including, without limitation, (i) payment of Allowed Claims, (ii) payment of administrative claims, (iii) establishment and funding of the Litigation Trust, and (iv) effectuation of the Reorganization Transaction Steps. Consequently, the Reorganized Debtor has determined that the Chapter 11 Case is "fully administered" within the meaning of section 350 of the Bankruptcy Code and Bankruptcy Rule 3022; thus, the Chapter 11 Case should be closed.

8. There are no unresolved motions, contested matters or adversary proceedings pending in or arising out of this Chapter 11 Case.

Jurisdiction

9. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and rule 81.4(a) of the Local Civil Rules of the United States District Court for the Western District of Oklahoma. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are sections 105(a) and 350(a) of the Bankruptcy Code and Bankruptcy Rule 3022.

Summary of Basis for Relief

10. Section 350(a) of the Bankruptcy Code provides that "[a]fter an estate is fully administered and the court has discharged the trustee, the court shall close the case." 11 U.S.C. § 350(a). For the reasons stated in this supporting brief, the Estate has been fully administered and this Chapter 11 Case should be closed.

Arguments and Authorities

A. <u>Entry of the Final Decree Is Appropriate</u>.

11. Once an estate is fully administered and the trustee is discharged, the Court "shall close the case." 11 U.S.C. § 350(a).

12. Although neither the Bankruptcy Code nor the Bankruptcy Rules define the meaning of "fully administered," *In re Gould*, 437 B.R. 34, 37 (Bankr. D. Conn. 2010), as explained in *Gould*, the 1991 Advisory Committee Notes to Bankruptcy Rule 3022 provide guidance as to when an estate is fully administered:

> Entry of a final decree closing a chapter 11 case should not be delayed solely because the payments required by the plan have not been completed. Factors that the court should consider in determining whether the estate has been fully administered include (1) whether the order confirming the plan has become final, (2) whether deposits required by the plan have been distributed, (3)

> whether the property proposed by the plan to be transferred has been transferred, (4) whether the debtor or successor of the debtor under the plan has assumed the business or the management of the property dealt with by the plan, (5) whether payments under the plan have commenced, and (6) whether all motions, contested matters, and adversary proceedings have been finally resolved.
>
> The Court should not keep the case open only because of the possibility that the court's jurisdiction may be invoked in the future. A final decree closing the case after the estate is fully administered does not deprive the court of jurisdiction to enforce or interpret its own orders and does not prevent the court from reopening the case for cause pursuant to § 350(b) [of] the Code…

Gould, 437 B.R. at 37 (quoting Fed. R. Bankr. P. 3022 Advisory Committee Notes); *In re A.H. Robins Co.*, 219 B.R. 145, 149 n. 10 (Bankr. E.D. Va. 1998) (noting that a number of courts have determined that a case is "fully administered" at a point of "substantial consummation" and examining the concept of "fully administered" in light of the Advisory Committee Notes) (internal citations omitted)).

13. The Advisory Committee Notes further indicate that entry of a final decree should not be delayed solely because the payments required by the plan have not been completed, and the Court "should not keep the case open only because of the possibility that the court's jurisdiction may be invoked in the future." *Id.* at 150 n. 11 (citing Advisory Committee Notes). For example, "[t]he most compelling comment in the [Advisory Committee] Note advises that: '[e]ntry of a final decree closing a chapter 11 case should not be delayed solely because the payments required by the plan have not been completed.'" *In re Kliegl Bros. Universal Elec. Stage Lighting Co.*, 238 B.R. 531, 541 (Bankr. E.D.N.Y. 1999). Additionally, "a final decree closing the case after the estate is fully administered does not deprive the court of jurisdiction to enforce or interpret its own orders and does not prevent the court from reopening the case for

cause pursuant to § 350(b) of the [Bankruptcy] Code." *In re A.H. Robins Co.*, 219 B.R. at 149 n. 10.

14. Courts generally use the six factors listed in the Advisory Committee Notes to determine whether an estate has been fully administered. *See*, *e.g.*, *Ericson v. IDC Services, Inc. (In re IDC Services, Inc.)*, No. 97-CIV-3081, Ch. 11 Case No. 93-B-45922 (SMB), 1998 WL 547085, at *3 (S.D.N.Y. Aug. 28, 1998) ("[T]he approach that looks to the Advisory Note provides a more complete and flexible standard for determining when to close a chapter 11 case, and is therefore preferable."). Courts also note that the factors are "plainly an aid or checklist that serves to ensure that there is no unfinished business before the Court or in the case." *In re Kliegl Bros.*, 238 B.R. at 542; *see also In re Mold Makers, Inc.*, 124 B.R. 766, 768 (Bankr. N.D. Ill. 1990) ("[A]ll of the factors in the Committee Note need not be present before the Court will enter a final decree. Instead, the Committee Note and the factors therein merely serve as a guide in assisting the Court in its decision to close a case.").

15. Courts within the Tenth Circuit recognize that a party is not required to demonstrate that all the above-listed factors are satisfied to establish that the estate is fully administered for final decree purposes. *See*, *e.g.*, *In re Union Home and Industrial, Inc.*, 375 B.R. 912, 917 (10th Cir. B.A.P. 2007). Instead, those Bankruptcy Rule 3022 factors provide bankruptcy courts with flexibility to determine, on a case-by-case basis, whether an estate is fully administered. *Id.*

16. Courts have found that the closure of a chapter 11 case and entry of a final decree is appropriate, even if everything required under the chapter 11 plan has not occurred, so long as the estate has been fully administered and the plan has been substantially consummated. *See*, *e.g.*, *Schwartz v. Aquatic Dev. Group, Inc. (In re Aquatic Dev. Group, Inc.)*, 352 F.3d 671, 678

(2nd Cir. 2003) ("Notwithstanding the adversary proceeding that was pending and the fact that … unsecured creditors had not received from the bankruptcy estate all the payments that the estate was required to make under the reorganization plan … the Bankruptcy Court could have ordered dismissal and closure at that time."); *IDC Servs.*, 1998 WL 547085 at *4 (affirming order closing chapter 11 case where chapter 11 plan had been confirmed and all disputed claims except for one had been resolved); *McClelland v. Grubb & Ellis Consulting Servs. Co. (In re McClelland)*, 377 B.R. 446, 453-54 (Bankr. S.D.N.Y. 2007), aff'd, 460 B.R. 397 (Bankr. S.D.N.Y. 2011) (recognizing that if an "estate is otherwise fully administered, [an] … adversary proceeding … should not delay closing of the case"); *In re Union Home & Indus., Inc.*, 375 B.R. 912, 918 (10th Cir. B.A.P. 2007) ("The continuation of an adversary proceeding … is insufficient by itself to keep a case from being considered 'fully administered.'"); *In re JMP-Newcor Int'l*, 225 B.R. 462, 465 (Bankr. N.D. Ill. 1998) (pending adversary proceeding did not warrant keeping bankruptcy case open); *In re Mold Makers, Inc.*, 124 B.R. 766, 768 (Bankr. N.D. Ill. 1990) (closing chapter 11 case where all payments under the plan were either commenced or completed except for payment of rent owed to sole shareholder who would be paid after all other creditors are paid in full).

17. The Reorganized Debtor submits that this Chapter 11 Case has been "fully administered" within the meaning of section 350(a) of the Bankruptcy Code and Bankruptcy Rule 3022, as the Facts set forth above demonstrate that the elements to be considered pursuant to the Advisory Committee Notes are satisfied.

Notice

18. Notice of this Motion has been provided to the Distribution Service List. The Reorganized Debtor submits that, in light of the nature of the relief requested, no other or further notice need be provided.

Conclusion

WHEREFORE, for the reasons set forth herein, the Reorganized Debtor requests that the Court enter the Final Decree (i) closing this Chapter 11 Case and (ii) ordering that Verita (a) is discharged and released from its responsibilities as claims agent in this Chapter 11 Case and that (b) Verita may terminate its database and website for this Chapter 11 Case.

Respectfully submitted,

ONECORE

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