

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
SC HEALTHCARE HOLDING, LLC, <i>et al.</i> ,	Case No. 24-10443 (TMH)
Debtors. ¹	(Jointly Administered)
	Hearing Date: Sept. 24, 2024, at 11:00 AM
	Objection Deadline: Sept. 17, 2024

**MOTION OF TERRI SCARBOROUGH FOR AN ORDER MODIFYING THE
AUTOMATIC STAY PURSUANT TO 11 U.S.C. § 362(d)**

Terri Scarborough (the “Movant” or “Ms. Scarborough”), by and through her undersigned counsel, hereby moves (the “Motion”) this Court pursuant to 11 U.S.C. § 362(d), Federal Rule of Bankruptcy Procedure 4001, and Local Rule 4001-1 for an order modifying the automatic stay to permit Ms. Scarborough to commence, prosecute, and liquidate her personal injury claims against debtors Shangri La HCO, LLC, d/b/a Shangri-La Rehab & Living Center (“Shangri La”) and Petersen Health Care Management (“Petersen,” and together with the above-captioned co-debtors, the “Debtors”) and to collect any award against the Debtor’s relevant insurance policies. In support of her Motion, Ms. Scarborough respectfully states as follows:

JURISDICTION AND VENUE

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

¹ The last four digits of SC Healthcare Holding, LLC’s tax identification number are 2584. The mailing address for SC Healthcare Holding, LLC is c/o Petersen Health Care Management, LLC 830 West Trailcreek Dr., Peoria, IL 61614. Due to the large number of debtors in these Chapter 11 Cases, whose cases are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information is available on a website of the Debtors’ claims and noticing agent at <http://www.kccllc.net/Petersen>.



3. The statutory predicates for the relief this Motion requests are 11 U.S.C. §§ 362(d)(1) and (2), Bankruptcy Rule 4001, and Local Rule 4001-1.

FACTUAL BACKGROUND

4. Ms. Scarborough lived at Shangri La Rehab & Living Center, a facility owned and operated by Shangri La and Petersen, from November 1, 2017 through September 22, 2023. Ms. Scarborough requires skilled nursing care, including assistance with toileting, incontinence, and related hygiene, due to paraplegia caused by multiple sclerosis.

5. On April 21, 2023, while a resident at Shangri La, facility staff determined that Ms. Scarborough was at high risk of developing pressure ulcers. Accordingly, Ms. Scarborough's physicians implemented a high-risk skin protocol, including daily skin checks and charting Ms. Scarborough's skin condition weekly.

6. Despite this high-risk skin protocol, Ms. Scarborough's skin checks were frequently either not documented at all or documented without being performed properly.

7. Despite the high-risk skin protocol, Ms. Scarborough's skin condition was not charted between April 27, 2023, and July 13, 2023.

8. On July 13, 2023, facility staff identified a wound on Ms. Scarborough's gluteal fold but did not contact her physician to obtain new orders to treat it.

9. On July 27, 2023, facility staff identified a wound on Ms. Scarborough's coccyx but did not contact her physician to obtain new orders to treat it.

10. On August 10, 2023, facility staff documented a wound in Ms. Scarborough's left gluteal fold measuring approximately four by five centimeters and one-half to one centimeter deep.

11. At the Centerpoint Medical Center wound clinic ("Centerpoint") on August 18, 2023, Ms. Scarborough was diagnosed with a pressure wound to her left gluteus, measuring six centimeters by three centimeters, with a depth of three centimeters, accompanied by a foul odor

and drainage. Ms. Scarborough was also diagnosed with a Stage II pressure injury to her midline sacrum, measuring four centimeters by two centimeters with a depth of 0.1 centimeter.

12. Ms. Scarborough's wounds were surgically debrided and she returned to Shangri La with orders designed to prevent her wounds from worsening.

13. By September 1, 2023, Ms. Scarborough's gluteal wound had become unstageable and her sacral wound had deteriorated to the point of becoming a Stage III wound.

14. On September 6, 2023, Ms. Scarborough was admitted to Centerpoint for surgical debridement of her wounds and placement of a wound VAC and a diverting colostomy.

15. Released to Shangri La on September 9, 2023, Ms. Scarborough returned to Centerpoint the next day because Shangri La facility staff could not place her wound vac.

16. After her wound vac was replaced, Ms. Scarborough returned to Shangri La.

17. On September 22, 2023, Ms. Scarborough was again admitted to Centerpoint. Her wounds were found to be infected, and Ms. Scarborough was diagnosed with sepsis. At Centerpoint, Ms. Scarborough was treated with Level IV antibiotics and her wounds were again surgically debrided.

18. On October 3, 2023, Ms. Scarborough was discharged from Centerpoint to a different facility.

19. On March 20, 2024 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Court"). The Debtors' cases are jointly administered.

20. As a result of her injuries, Ms. Scarborough filed a Proof of Claim against Shangri La and Petersen on July 19, 2024. The instant Motion seeks to liquidate Ms. Scarborough's claims by initiating and prosecuting a lawsuit in the Circuit Court of Jackson County, Missouri, at

Independence against Shangri La and Petersen (the “State Court Action”), which at present are subject to the automatic stay pursuant to 11 U.S.C. § 362(a). A true and correct draft copy of a proposed Petition in the State Court Action is attached hereto as **Exhibit 1**.

21. Upon information and belief, the Debtors are covered by insurance policies relevant to Ms. Scarborough’s claims.

REQUESTED RELIEF

22. Ms. Scarborough seeks entry of an order pursuant to 11 U.S.C. § 362(d), Bankruptcy Rule 4001, and Local Rule 4001-1 granting relief from the automatic stay so that she may initiate, prosecute, and liquidate her claims in the State Court Action against the Debtors and any other responsible individual or entity and to collect against any applicable insurance policies.

LEGAL ARGUMENT

23. Ms. Scarborough is entitled to modification of the automatic stay to allow her to pursue the State Court Action to the extent of any applicable insurance policies.

24. The Bankruptcy Code provides for modification of the automatic stay as follows:

On request of a party in interest and after notice and a hearing, the court shall grant relief from the stay provided under subsection (a) of this section, such as by terminating, annulling, modifying, or conditioning such stay—(1) for cause. . . .

11 U.S.C. § 362(d)(1).

25. The Bankruptcy Code does not define what constitutes “cause” to lift the automatic stay. *See, e.g., In re DBSI, Inc.*, 407 B.R. 159, 166 (Bankr. D. Del. 2009). However, cause is a “flexible concept,” and courts consider the totality of the circumstances to determine whether to modify or annul the stay. *In re Rupari Holding Corp.*, 573 B.R. 111, 120 (Bankr. D. Del. 2017) (quotation and quotation marks omitted). The movant bears the burden to produce evidence that cause exists to modify the stay, with the exception of whether the debtor has equity in any subject

property; if the movant meets this burden, then the burden shifts to the opposing party. *See* 11 U.S.C. § 362(g); *In re DBSI*, 407 B.R. at 166.

26. When considering whether to modify or annul the stay to permit litigation elsewhere, the *Rexene* factors come into play:

1. Whether any great prejudice to either the bankrupt estate or the debtor will result from continuation of the civil suit;
2. Whether the hardship to the non-bankrupt party by maintenance of the stay considerably outweighs the hardship to the debtor; and
3. The probability of the creditor prevailing on the merits.

In re Trump Ent. Resorts, Inc., 526 B.R. 116, 120-21 (Bankr. D. Del. 2015) (quoting *In re Rexene Prods. Co.*, 141 B.R. 574, 576 (Bankr. D. Del. 1992)).

27. Here, each of the three factors supports modifying the stay. First, the Debtors will not suffer “great prejudice” from modification of the stay, *id.* at 120, because any personal injury claims must be litigated outside of this forum. *See* 28 U.S.C. § 157(b)(5) (providing that personal injury and wrongful death claims must be tried in district court, not bankruptcy court). Further, Ms. Scarborough intends to exercise her right to a trial by jury, which is not available in this Court. In any event, Ms. Scarborough’s claims must be liquidated before any recovery from the estate is possible. And modifying the automatic stay to enable the liquidation of personal injury claims, such as those brought by Ms. Scarborough, would advance the administration of the bankruptcy estate by resolving a potentially significant claim against the estate. *See In re SCO Grp., Inc.*, 395 B.R. 852, 859 (Bankr. D. Del. 2007) (determining that modifying the automatic stay to resolve litigation will assist the debtors by fixing their liability to the movant).

28. Further, upon information and belief, the Debtors are covered by one or more liability insurance policies. Because the Debtors have a negligible or non-existent interest in the proceeds of such liability policies, there is no reason to continue the automatic stay to protect such

proceeds. *See In re 15375 Mem'l Corp.*, 382 B.R. 652, 689 (Bankr. D. Del. 2008), *overruled on other grounds*, 400 B.R. 420 (D. Del. 2009) (“[T]here is virtually no support in the context of these bankruptcy cases for the notion . . . that the automatic stay should be continued in effect to prevent [the movant] from accessing the proceeds of these liability insurance policies.”); *see also In re Adelpia Commc’ns Corp.*, 298 B.R. 49, 53-54 (S.D.N.Y. 2003) (concluding that the proceeds of a directors and officers insurance policy did not belong to the estate because the debtor was “[w]ithout legal and equitable interest in the proceeds”). The Debtors can have no greater rights to the proceeds from any insurance policies than they would have had before filing for bankruptcy. *See In re Downey Fin. Corp.*, 428 B.R. 595, 608 (Bankr. D. Del. 2010).

29. Unlike the Debtors, however, Ms. Scarborough will experience significant hardship if the stay remains in effect. Most basically, Ms. Scarborough suffered severely as a result of the Debtors’ negligence and deserves compensation for her suffering. Moreover, all the relevant documents, witnesses, and parties are all located in Missouri. If the stay is not modified, witnesses may become unavailable or their memories less clear, and Ms. Scarborough may encounter increased difficulty securing relevant documents due to the passage of time. *See In re Rexene Prods. Co.*, 141 B.R. at 577 (“One of the primary purposes in granting relief from the stay to permit claim liquidation is to economize judicial resources.”) (quotation marks, internal brackets and quotation omitted). Therefore, judicial economy supports resolution of Ms. Scarborough’s claims against the Debtors in the State Court Action.

30. Finally, the probability of success supports lifting the stay. “[E]ven a slight probability of success on the merits may be sufficient to support lifting an automatic stay in an appropriate case.” *In re Downey Fin. Corp.*, 428 B.R. at 610 (quotation and quotation marks omitted). Here, Ms. Scarborough’s probability of success is something more, as is evident from

the factual allegations above. Where, as here, it is unlikely that the Debtors can muster strong defenses to Ms. Scarborough's claims, and those claims must be litigated outside the bankruptcy court in any event, this factor strongly supports lifting the stay. "Only strong defenses to state court proceedings can prevent a bankruptcy court from granting relief from the stay in cases where, as here, we believe that the decision-making process should be relegated to bodies other than this court." *In re Rexene Prods. Co.*, 141 B.R. at 574 (quotation marks and quotation omitted).

31. Because all three factors support Ms. Scarborough's requested relief, the Court should modify the automatic stay to permit her to pursue her claims against the Debtors to the limits of their applicable insurance policies in the State Court Action.

WHEREFORE, Ms. Scarborough respectfully requests that the Court enter an Order granting the relief requested herein and such other relief as the Court may deem just and proper.

Date: August 28, 2024

Respectfully submitted,

/s/ David A. Felice

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Counsel for Terri Scarborough

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

SC HEALTHCARE HOLDING, LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 24-10443 (TMH)

(Jointly Administered)

Hearing Date: Sept. 24, 2024, at 11:00 AM
Objection Deadline: Sept. 17, 2024

**NOTICE OF MOTION OF TERRI SCARBOROUGH FOR AN ORDER MODIFYING THE
AUTOMATIC STAY PURSUANT TO 11 U.S.C. § 362(d)**

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PLEASE TAKE NOTICE that on August 28, 204, Terri Scarborough (the “Movant”)

filed the *Motion of Terri Scarborough for an Order Modifying the Automatic Stay Pursuant to 11*

¹ The last four digits of SC Healthcare Holding, LLC’s tax identification number are 2584. The mailing address for SC Healthcare Holding, LLC is c/o Petersen Health Care Management, LLC 830 West Trailcreek Dr., Peoria, IL 61614. Due to the large number of debtors in these Chapter 11 Cases, whose cases are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information is available on a website of the Debtors’ claims and noticing agent at <http://www.kccllc.net/Petersen>.

U.S.C. § 362(d) (the “Motion”) with the United States Bankruptcy Court for the District of Delaware. The Motion seeks modification of the automatic stay to allow the Movant to collect any award against debtors Shangri La HCO, LLC and Petersen Health Care Management to the extent of any applicable insurance policies.

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion will be held on **September 24, 2024, at 11:00 AM** before the Honorable Thomas M. Horan in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Courtroom 7, Wilmington, DE, 19801.

You are required to file a response (and the supporting documentation required by Local Rule 4001-1(c)) to the attached Motion by September 17, 2024, which is seven (7) days before the above hearing date.

At the same time, you must also serve a copy of the response upon the Movant’s attorney.

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The above-specified hearing date may be a preliminary hearing or may be consolidated with the final hearing, as determined by the Court.

The attorneys for the parties shall confer with respect to the issues raised by the Motion in advance for the purpose of determining whether a consent judgment may be entered or for the purpose of stipulating to relevant facts, such as the value of the property and the extent and validity of any security interest.

Date: August 28, 2024

Respectfully submitted,

/s/ David A. Felice

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Counsel for Terri Scarborough

EXHIBIT 1

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**IN THE CIRCUIT COURT OF JACKSON COUNTY, MISSOURI
AT INDEPENDENCE**

TERRI SCARBOROUGH,)
))
Plaintiff,)
))
v.)
))
SHANGRI LA HCO, LLC, d/b/a)
SHANGRI-LA REHAB & LIVING)
CENTER)
Serve: Registered Agent)
Registered Agent Solutions, Inc.)
711 N. 11th Street)
St. Louis, MO 63101)
))
PETERSEN HEALTH CARE)
MANAGEMENT, LLC)
Serve: Registered Agent)
Registered Agent Solutions, Inc.)
711 N. 11th Street)
St. Louis, MO 63101)
))
and)
))
THERESA LOVE)
Serve at: Edgewood Manor Nursing Home)
11900 Jessica Lane)
Raytown, MO 64138)
))
Defendants.)

Case No.
Division:

PETITION FOR DAMAGES
Case Type TC

Plaintiff Terri Scarborough, for her claim against defendants, states:

ALLEGATIONS COMMON TO ALL COUNTS

The Parties

1. Plaintiff Terri Scarborough (hereafter “Ms. Scarborough”) is an adult over the age of 18 and is a resident of the state of Missouri.

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2. Defendant Shangri La HCO, LLC, (hereafter “Shangri La”) is a limited liability company organized under the laws of the state of Illinois, authorized to do business in Missouri and doing business in Jackson County, Missouri. Shangri La’s principal place of business is in Blue Springs, Missouri.

3. Defendant Petersen Health Care Management, LLC, (hereafter “Petersen”) is a limited liability company organized under the laws of the state of Illinois, authorized to do business in Missouri and doing business in Jackson County, Missouri.

4. Defendants Shangri La and Petersen own, manage, and operate a longterm care facility in Blue Springs, Missouri, under the name Shangri-La Rehab & Living Center.

5. Defendants Shangri La and Petersen advertise to the public in general, and specifically represented to plaintiff, that Shangri-La Rehab & Living Center “strives for excellence in obtaining each resident’s individual needs and goals to attain their highest level of independence,” and that their “main objective is to provide excellent nursing care.”

6. Defendants Shangri La and Petersen hold themselves out to the public as a nursing home that offers a licensed nursing staff with skills above and beyond the requirements of a typical Medicaid skilled nursing facility.

7. Defendant Theresa Love (hereafter “Love”) is a nursing home administrator licensed in the state of Missouri, and at the time of the injuries alleged in this Petition was employed by defendants Shangri La and Petersen to serve as administrator of Shangri-La Rehab & Living Center.

8. Defendants Shangri La and Petersen employed administrators, directors of nursing, nurses, aides, and other health care providers at Shangri-La Rehab & Living Center to provide care to residents of the facility, including Ms. Scarborough.

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9. Defendants Shangri La and Petersen's administrator, director of nursing, nurses, aides, and other health care providers performed services for the benefit of defendants and were subject to the control of defendants.

10. The administrator, director of nursing, nurses, aides, and other health care providers were compensated by defendants Shangri La and Petersen for the services they rendered.

11. The acts and omissions of the administrator, director of nursing, nurses, aides, and other health care providers alleged in this Petition were within the course and scope of their employment and agency with defendants Shangri La and Petersen.

12. Defendants Shangri La and Petersen are vicariously liable for the acts and omissions of their employees.

Jurisdiction and Venue

13. Jurisdiction and venue are proper in this court in that Ms. Scarborough first received treatment by a defendant for a medical condition at issue in this case in the eastern portion of Jackson County, Missouri.

14. Plaintiff's cause of action arises from the transaction of business in Missouri by each defendant and the commission of tortious acts in Missouri by defendants.

Defendant's Duty

15. Defendants accepted Ms. Scarborough as a resident of Shangri-La Rehab & Living Center.

16. Defendants agreed to provide care to Ms. Scarborough consistent with her condition and the applicable standard of care.

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17. In providing care to Ms. Scarborough, defendants owed a duty to exercise that degree of skill and learning ordinarily used by members of defendants' and their employees' professions under the same or similar circumstances.

18. Defendants owed a non-delegable duty to Ms. Scarborough to provide her a living environment that would protect her health, safety, and welfare.

19. Pursuant to 19 CSR 30-85.042(3), as administrator of Shangri-La Rehab & Living Center, Defendant Love was authorized and empowered to make decisions regarding the operation of the facility, and was responsible for the actions of all employees, including responsibility to oversee residents to assure that they received appropriate nursing and medical care.

20. Pursuant to R.S.Mo. §198.088, defendants had a duty to their residents, including Ms. Scarborough, to ensure that the rights outlined in that statute were not violated.

Ms. Scarborough's Course

21. Ms. Scarborough first became a resident of Shangri-La Rehab & Living Center on November 1, 2017.

22. Ms. Scarborough needed skilled nursing care because of her underlying physical condition, including paraplegia as a result of multiple sclerosis.

23. The nursing admission assessment prepared at the time of Ms. Scarborough's admission to Shangri-La Rehab & Living Center did not identify any pressure ulcers on Ms. Scarborough.

24. Although no pressure ulcers were identified at the time of admission, defendants knew that, as a result of her condition, Ms. Scarborough was at risk of developing skin wounds and pressure ulcers.

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25. Defendants knew that Ms. Scarborough needed assistance with toileting, incontinence, and related hygiene.

26. On multiple occasions during Ms. Scarborough's time at Shangri-La Rehab & Living Center, facility staff documented that Ms. Scarborough was at risk for the development of pressure ulcers.

27. On April 21, 2023, facility staff documented completion of a Braden Scale assessment to evaluate Ms. Scarborough's risk for developing pressure ulcers, and documented in the Braden Scale risk assessment that Ms. Scarborough was at high risk for the development of pressure ulcers.

28. Defendants knew that Ms. Scarborough required assistance turning and being repositioned to avoid the development of pressure ulcers.

29. Ms. Scarborough's physicians entered orders to help prevent the development of pressure ulcers, including orders to institute a high risk skin protocol with daily skin checks and orders that Ms. Scarborough's skin condition should be charted weekly,

30. Despite orders for daily skin checks, defendants' staff did not perform daily skin checks for Ms. Scarborough.

31. Upon information and belief, defendants' staff documented skin checks on dates when skin checks were not performed.

32. Skin checks were not documented at all on 3 of the 30 days of April, 2023; 4 of the 31 days of May, 2023; and 15 of the 30 days of June, 2023.

33. Despite orders that Ms. Scarborough's skin condition should be charted weekly, there was no charting of Ms. Scarborough's skin condition between April 27, 2023, and July 13, 2023.

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34. Ms. Scarborough developed worsening pressure ulcers during June and July.

35. On July 13, 2023, defendants' staff identified a wound in Ms. Scarborough's gluteal fold but did not contact her physician to obtain new orders to treat it.

36. On July 27, 2023, defendants' staff identified a wound on Ms. Scarborough's coccyx, but did not contact her physician to obtain new orders to treat it.

37. On August 10, 2023, defendants' staff documented in Ms. Scarborough's record that new orders were received for a wound in Ms. Scarborough's left gluteal fold. The wound was documented to be 4 cm x 5 cm, and to be 0.5 to 1.0 cm deep.

38. Ms. Scarborough's physician ordered that Ms. Scarborough be referred to an outside wound clinic.

39. On August 18, 2023, Ms. Scarborough was seen at the Centerpoint Medical Center wound clinic, where she was diagnosed with a pressure injury to her left gluteus, described as a 6 cm x 3cm x 3 cm unstageable open wound with foul odor and drainage, and a pressure injury to her midline sacrum, described as a 4cm x 2 cm x 0.1 cm stage II wound.

40. Ms. Scarborough's wounds were surgically debrided, after which she returned to Shangri-La Rehab & Living Center with orders designed to heal her wounds and prevent them from worsening.

41. Ms. Scarborough was seen again at the Centerpoint wound clinic for treatment, including surgical debridement of her wounds, on August 25, 2023 and September 1, 2023.

42. By September 1, Ms. Scarborough's gluteal wound remained unstageable and her sacral wound had deteriorated to a stage III wound.

43. On September 6, 2023, Ms. Scarborough was admitted to Centerpoint for debridement of her wounds and placement of a wound VAC and diverting colostomy.

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44. Ms. Scarborough was discharged to Shangri-La Rehab & Living Center on September 9, 2023.

45. Ms. Scarborough was returned to the Centerpoint Medical Center emergency department on September 10, 2023, after defendants' staff was unable to place her wound vac.

46. Plaintiff was discharged from Centerpoint to Shangri-La Rehab & Living Center after her wound vac was placed.

47. Ms. Scarborough was readmitted to Centerpoint Medical Center on September 22, 2023, where her wounds were found to be infected and she was diagnosed with sepsis.

48. At Centerpoint Medical Center, Ms. Scarborough's wounds were surgically debrided and she was treated with IV antibiotics.

49. On October 3, 2023, Ms. Scarborough was discharged to a different facility.

COUNT I
Medical Negligence

50. Plaintiff incorporates by reference the Allegations Common to All Counts.

51. Defendants Shangri La and Petersen, by and through their agents and employees who were responsible for providing care to Ms. Scarborough, negligently:

- a. failed to prevent Ms. Scarborough's pressure ulcers;
- b. failed to prevent Ms. Scarborough's pressure ulcers from deteriorating;
- c. failed to follow the orders of Ms. Scarborough's physicians to prevent the development and deterioration of pressure ulcers;
- d. failed to institute an appropriate high risk skin protocol for Ms. Scarborough;
- e. failed to follow the high risk skin protocol that was ordered to be instituted for Ms. Scarborough;

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- f. failed to perform appropriate daily skin checks of Ms. Scarborough;
- g. failed to timely and appropriately document the condition of Ms. Scarborough's skin;
- h. failed to institute measures to assess and reduce Ms. Scarborough's exposure to pressure, shear, and friction;
- i. failed to reposition and turn Ms. Scarborough at appropriate intervals in her bed and wheelchair;
- j. failed to timely and appropriately change the dressings on Ms. Scarborough's wounds;
- k. failed to assist Ms. Scarborough with toileting, incontinence, and related hygiene issues;
- l. left Ms. Scarborough in wet or soiled clothes and linens;
- m. failed to consistently and appropriately clean Ms. Scarborough after each brief change;
- n. failed to appropriately and consistently apply dressings to Ms. Scarborough and perform wound dressing changes;
- o. failed to properly attend to Ms. Scarborough's nutritional needs;
- p. failed to perform nursing interventions and care;
- q. failed to appropriately treat Ms. Scarborough's wounds;
- r. failed to appropriately assess Ms. Scarborough for signs and symptoms of infection;
- s. failed to timely report signs and symptoms of infection to Ms. Scarborough's physicians and family;

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- t. failed to timely report changes in the condition of Ms. Scarborough's skin to her physicians and family;
- u. failed to request medical intervention for Ms. Scarborough's worsening skin condition;
- v. failed to properly monitor Ms. Scarborough's condition;
- w. failed to provide a low air loss/pressure redistribution mattress for Ms. Scarborough;
- x. failed to appropriately check that the LAL mattress that was provided was functioning with proper settings on every shift;
- y. failed to provide a low air loss/pressure redistribution cushion for Ms. Scarborough while she was in her wheelchair; and
- z. failed to properly place a wound vac.

52. Defendants Shangri La, Petersen, and Love, as the parties responsible to administer and manage Shangri-La Rehab & Living Center, negligently:

- a. failed to prevent Ms. Scarborough's pressure ulcers;
- b. failed to prevent Ms. Scarborough's pressure ulcers from deteriorating;
- c. failed to institute appropriate policies and procedures to prevent the development and worsening of pressure ulcers;
- d. failed to enforce policies policies and procedures regarding pressure ulcers that were in placed at Shangri-La Rehab and Living Center and assure that facility staff complied wth those policies;
- e. failed to assure that facility staff followed the orders of Ms. Scarborough's physicians;

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- f. failed to assure that an appropriate high risk skin protocol for Ms. Scarborough was instituted and followed;
- g. failed to assure that appropriate daily skin checks of Ms. Scarborough were performed and documented, and that the condition of Ms. Scarborough's skin was appropriately documented;
- h. failed to assure the timely and appropriately documentation of the condition of Ms. Scarborough's skin;
- i. failed to assure that measures were instituted to to assess and reduce Ms. Scarborough's exposure to pressure, shear, and friction;
- j. failed assure that Ms. Scarborough was repositioned and turned at appropriate intervals in her bed and wheelchair;
- k. failed to assure that the dressings on Ms. Scarborough's wounds were timely and appropriately changed;
- l. failed to assure that Ms. Scarborough received timely and appropriate assistance with toileting, incontinence, and related hygiene issues;
- m. failed to assure that Ms. Scarborough was not left in wet or soiled clothes and linens;
- n. failed to assure that Ms. Scarborough was consistently and appropriately cleaned after each brief change;
- o. failed to assure that Ms. Scarborough's dressings were appropriately applied and changed;
- p. failed assure that Ms. Scarborough's nutritional needs were met;
- q. failed to assure that nursing interventions and care were performed;

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- r. failed to assure that Ms. Scarborough's wounds were appropriately treated;
- s. failed to assure that Ms. Scarborough was appropriately assessed for signs and symptoms of infection;
- t. failed to assure that changes in Ms. Scarborough's condition were timely reported to Ms. Scarborough's physicians and family;
- u. failed to assure that timely requests for medical intervention for Ms. Scarborough's worsening skin condition were made;
- v. failed to assure that Ms. Scarborough's condition was properly monitored;
- w. failed to assure that a low air loss/pressure redistribution mattress was provided for Ms. Scarborough;
- x. failed to assure that, when an LAL mattress was provided, it was functioning with proper settings on every shift;
- y. failed to assure that a low air loss/pressure redistribution cushion was provided for Ms. Scarborough while she was in her wheelchair;
- z. failed to properly train staff providing care to Ms. Scarborough in the prevention and care and treatment of pressure ulcers;
- aa. failed to assure that staff were properly trained to place a wound vac;
- bb. failed to provide properly trained staff to care for Ms. Scarborough; and
- cc. failed to provide an appropriate number of staff to care for residents of their facility, including Ms. Scarborough.

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53. The negligence of defendants directly caused or directly contributed to cause permanent and progressive injury and damage to Ms. Scarborough, including:

- a. she developed skin wounds and pressure ulcers, which worsened over time while under the care of defendants;
- b. she required multiple hospitalizations;
- c. she has required surgical procedures, including the multiple surgical debridement procedures and a diverting colostomy;
- d. she has incurred in the past and will incur in the future medical bills, pharmacy bills, and the expenses of therapy;
- e. she has suffered physical impairment;
- f. she has suffered scarring and disfigurement; and
- g. she has endured pain and suffering, mental anguish, a loss of dignity, and loss of the enjoyment of life, and will in the future continue to endure pain and suffering, mental anguish, and loss of enjoyment of life.

WHEREFORE, plaintiff requests judgment in Count I in plaintiff's favor against defendants Shangri La, Petersen, and Love, jointly and severally, for damages in a sum that is fair and reasonable in excess of \$25,000.00, for her costs, and for such other relief as the Court deems just and proper.

COUNT II
Nursing Home Abuse and Neglect, RSMo § 198.093

54. Plaintiff incorporates by reference the Allegations Common to All Counts.

55. Shangri La Rehab & Living Center is a facility subject to the provisions of the Omnibus Nursing Home Act, RSMo § 198.000, et seq.

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56. Ms. Scarborough was accepted as a resident of Shangri-La on or about November 1, 2017.

57. Ms. Scarborough required skilled nursing care as a result of multiple sclerosis, a progressive degenerative disease from which she suffered.

58. As her disease progressed, Ms. Scarborough was at increasing risk of developing decubitus ulcers, and Shangri-La was well aware of her increased risk.

59. Shangri-La deprived Ms. Scarborough of rights created by R.S.Mo. § 198.088, in that:

- a. Shangri-La accepted Ms. Scarborough as a resident when the facility could not meet her needs, and particularly her needs with respect to the prevention and treatment of pressure ulcers, in violation of R.S.Mo. §198.088.1(2)(a);
- b. Ms. Scarborough was not transferred promptly to a hospital or other appropriate facility when changes in her condition occurred, including but not limited to the development and progression of pressure ulcers necessitating service or care that could not be adequately provided by Shangri-La, in violation of R.S.Mo. §198.088.(2)(b);
- c. Ms. Scarborough was not fully informed of her condition with respect to the development, progression, and treatment of her pressure ulcers, and was not afforded the opportunity to participate in the planning of her care and medical treatment, in violation of R.S.Mo. §198.088.1(6)(c);

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- d. Ms. Scarborough was neglected, and was not kept free from mental and physical abuse (as defined by R.S.Mo. §198.006(1)), in violation of R.S.Mo. §198.088.1(6)(g); and
- e. Ms. Scarborough was not treated with consideration, respect, and with full recognition of her dignity and individuality in violation of R.S.Mo. §198.088.1(6)(i).

60. Shangri-La did not exercise all care reasonably necessary to prevent the development and progression of pressure ulcers in Ms. Scarborough, and did not exercise all care reasonably necessary to prevent the deprivation of rights listed above.

61. As a result of defendants' deprivation of Ms. Scarborough's rights, Ms. Scarborough has suffered injuries, including:

- a. she developed skin wounds and pressure ulcers, which worsened over time while under the care of defendants;
- b. she required multiple hospitalizations;
- c. she has required surgical procedures, including the multiple surgical debridement procedures and a diverting colostomy;
- d. she has incurred in the past and will incur in the future medical bills, pharmacy bills, and the expenses of therapy;
- e. she has suffered physical impairment;
- f. she has suffered scarring and disfigurement; and
- g. she has endured pain and suffering, mental anguish, a loss of dignity, and loss of the enjoyment of life, and will in the future continue to endure pain and suffering, mental anguish, and loss of enjoyment of life.

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62. On November 27, 2023, plaintiff filed a complaint with the Missouri Attorney General, a copy of which is attached as Exhibit A and incorporated herein, alleging that defendants Shangri La and Petersen deprived Ms. Scarborough of rights created by RSMo § 198.093.

63. Over 60 days have passed since the office of the Attorney General received the complaint, and the Attorney General has initiated no legal action in response to the complaint.

64. As a result of defendants' deprivation of Ms. Scarborough's rights, Ms. Scarborough is entitled to recover attorney's fees based upon the amount of time reasonably expended in pursuing this action pursuant to RSMo §198.093.2.

WHEREFORE, plaintiff requests judgment in Count II in plaintiff's favor against defendants Shangri La and Petersen, jointly and severally, for damages in a sum that is fair and reasonable in excess of \$25,000.00, for her attorney fees, for her costs, and for such other relief as the Court deems just and proper.

JURY TRIAL

Plaintiff requests trial by jury on all counts of this Petition.

WRIGHT & BAUGHMAN, LLC

Roger P. Wright #33138
Lance V. Baughman #43766
4959 NE Goodview Circle, Suite B
Lee's Summit, MO 64064
Telephone: (816) 373-2755
Facsimile: (816) 373-2756
E-mail: roger@wblawkc.com
lance@wblawkc.com
ATTORNEYS FOR PLAINTIFF

DRAFT

I certify that I signed the original of the foregoing (and that such original is being maintained by Wright & Baughman, LLC, in accordance with Rule 55.03(a)).

ATTORNEY FOR PLAINTIFF

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

SC HEALTHCARE HOLDING, LLC, *et al.*,

Debtors.

Chapter 11

Case No. 24-10443 (TMH)

(Jointly Administered)

**ORDER GRANTING MOTION OF TERRI SCARBOROUGH FOR AN ORDER MODIFYING
THE AUTOMATIC STAY PURSUANT TO 11 U.S.C. § 362(d)**

Upon consideration of the Motion of Terri Scarborough (the “Movant”) for An Order Modifying the Automatic Stay Pursuant to 11 U.S.C. § 362(d) (the “Motion”), it is hereby ORDERED that:

1. The Motion is GRANTED.
2. The Automatic Stay hereby is modified to permit Movant to take any and all action necessary or appropriate to commence and prosecute the State Court Action¹ to final judgment against the Debtors and any other individuals and entities, including any subsequent appeals, and to permit Movant to enforce any judgment, including any alternative dispute resolution award, mediation, or settlement obtained in the State Court Action, against any applicable insurance policies.
3. The Automatic Stay is further modified to permit the State Court to enter final judgment against the Debtors and any other individuals or entities.
4. Any collection action against the Debtors’ estate on account of any judgment obtained (other than collection action against the applicable insurance policies) shall be taken in

¹ Capitalized terms not defined in this Order shall have the meanings ascribed to them in the Motion.

this Court pursuant to the Federal Rules of Bankruptcy Procedures and applicable orders of this Court.

5. This Order shall become immediately effective upon entry by the Court and is not subject to the fourteen-day stay provided in Federal Rule of Bankruptcy Procedure 4001(a)(3).

6. The Court shall retain jurisdiction over any and all issues arising from or related to the implementation and interpretation of this Order.

CERTIFICATE OF SERVICE

I, David A. Felice, hereby certify that on August 28, 2024, I caused to be served the foregoing *Motion of Terri Scarborough for an Order Modifying the Automatic Stay Pursuant to 11 U.S.C. § 362(d)* upon the parties on the attached Service List, attached hereto as **Exhibit A**, via electronic mail, and **Exhibit B** via U.S. First Class Mail.

Dated: August 28, 2024

/s/ David A. Felice

David A. Felice (#4090)

EXHIBIT A

Description	CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country	Phone	Fax	Email
Bankruptcy Servicer for Ford Motor Credit Company, LLC	AIS Portfolio Services, LLC	Ford Motor Credit Company, LLC Department	4515 N Santa Fe Ave. Dept. APS			Oklahoma City	OK	73118		817-277-2011	817-461-8070	ECFNotices@aisinfo.com
Counsel for Rock Island County Treasurer and Rock Island County Health Department	Assistant State Attorney	State Attorney's Office	Austin Carlson	1317 3rd Ave.	2nd Floor	Rock Island	IL	61201		309-558-3219	309-786-5052	carlsona@rockislandcountytill.gov
Counsel to Lument Real Estate Capital LLC, f/k/a Lancaster Pollard Mortgage Company	Ballard Spahr LLP	Matthew G. Summers, Laurel D. Rogien, Margaret Vesper	919 North Market Street, 11th Floor			Wilmington	DE	19801-3034		302-252-4465	302-252-4466	summersm@ballardspahr.com; vesperm@ballardspahr.com
Prepetition Lenders	Bank of Farmington		16 North Main	PO Box 320		Farmington	IL	61531				wdeborc@bankoffarmington.com
Prepetition Lenders	Bank of Rantoul		201 E Champaign			Rantoul	IL	61866		217-892-2143		swonderlin@bankofrantoul.bank
Counsel for X-Caliber Funding LLC	Blank Rome LLP	Lawrence R Thomas III, Jordan L Williams	1201 Market Street Ste 800			Wilmington	DE	19801		302-425-6400	302-425-6464	lorenzothomas@blankrome.com; jordan.williams@blankrome.com; ken.ottaviano@blankrome.com
Counsel for X-Caliber Funding LLC	Blank Rome LLP	Kenneth J Ottaviano, Paige B Tinkham	444 West Lake St Ste 1650			Chicago	IL	60606		312-776-2600	312-776-2601	Paige.tinkham@blankrome.com
Counsel to McKesson Corporation, on behalf of itself and certain corporate affiliates	Buchalter, A Professional Corporation	Jeffrey K. Garfinkle	18400 Von Karman Avenue, Suite 800			Irvine	CA	92612		949-760-1121		jgarfinkle@buchalter.com
Counsel to Wells Fargo Bank, N.A.	Burr & Forman LLP	J. Cory Falowski	222 Delaware Avenue, Suite 1030			Wilmington	DE	19801		302-830-2312	302-397-2566	rfalowski@burr.com
Counsel for Bank of Rantoul	Clingen Callow & McLean, LLC	John A. Lipinsky	2300 Cabot Drive, Suite 500			Lisle	IL	60532		630-871-2600	630-871-9869	lipinsky@ccmlawyer.com
Prepetition Lenders	Column Financial	N. Dante LaRocca	Eleven Madison Avenue			New York	NY	10010		646-935-8520		Tyler.Layne@hklaw.com; Melissa.Jones@hklaw.com; Hannah.Berry@hklaw.com
Prepetition Lenders	Community State Bank		625 SE 2nd Street	P.O. Box 78		Galva	IL	61434		309-932-8181		L.Pieper@commstatebank.com
Counsel for Omnicare, Inc. and its Affiliated Entities	Cooch and Taylor, P.A	R. Grant Dick IV	The Brandywine Building	1000 N. West St., Suite 1500		Wilmington	DE	19801		302-984-3867		gdick@coochtaylor.com
Prepetition Lenders	Credit Suisse	McGuireWoods LLP	Art Gambill	1230 Peachtree Street, N.E., Suite 2100		Atlanta	GA	30309-3534		404-443-5741	404-443-5599	agambill@mcguirewoods.com
Delaware State AG and DOJ	Delaware Dept of Justice	Attorney General	Attn Bankruptcy Department	Carvel State Building	820 N French St	Wilmington	DE	19801		302-577-8400	302-577-6630	attorney_general@state.de.us;
DE Secretary of State	Delaware Secretary of State	Franchise Tax	Division of Corporations	PO Box 898		Dover	DE	19903		302-739-3073	302-739-5831	dosdoc_bankruptcy@state.de.us
DE State Treasury	Delaware State Treasury		820 Silver Lake Blvd., Suite 100			Dover	DE	19904		302-672-6700	302-739-2274	statetreasurer@state.de.us
Counsel for Martin Brothers Distributing Company, Inc.	DLA Piper LLP	Aaron S. Applebaum, Emily C.S. Jones	1201 North Market Street, Ste 2100			Wilmington	DE	19801		302-468-5700	302-394-2341	aaron.applebaum@us.dlapiper.com; emily.jones@us.dlapiper.com
Prepetition Lenders	eCapital	Legal Department	20807 Biscayne Blvd, Suite 203			Aventura	FL	33180		203-266-3210		EHLegal@ecapital.com
Prepetition Lenders	eCapital	Kincaid, Frame & Associates Co., LPA	Timothy J. Kincaid	6151 Wilson Mills Road, Suite 310		Highland Heights	OH	44143				Tkincaid@kincaidframe.com
Counsel for Omnicare, Inc. and its Affiliated Entities	Foley & Lardner, LLP	Geoffrey S. Goodman	321 N. Clark St., Ste. 3000			Chicago	IL	60654-4762		312-832-4514		GGoodman@foley.com
Counsel to Hickory Point Bank & Trust	Gellert Scali Busenkell & Brown, LLC	Michael Busenkell	1201 North Orange Street, Suite 300			Wilmington	DE	19801		302-425-5812	302-425-5814	mbsenkell@qsblaw.com
Prepetition Lenders	GMF Petersen Note LLC	McDermott Will & Emery LLP	Brian R. Donnelly	340 Madison Avenue		New York	NY	10006		212-547-5340	646-417-7674	bdonnelly@mwe.com
Counsel to Official Committee of Unsecured Creditors	Greenberg Traurig, LLP	Anthony W. Clark, Dennis A. Meloro	222 Delaware Avenue	Suite 1600		Wilmington	DE	19801		302-661-7000		Anthony.Clark@gtlaw.com; Dennis.Meloro@gtlaw.com
Counsel to Official Committee of Unsecured Creditors	Greenberg Traurig, LLP	Shari L. Heyen	1000 Louisiana Street	Suite 6700		Houston	TX	77002		713-374-3500		shari.heyen@qtlaw.com
Counsel to Official Committee of Unsecured Creditors	Greenberg Traurig, LLP	Nancy A. Peterman, Danny Duerdoth	77 West Wacker Drive	Suite 3100		Chicago	IL	60601		312-456-8400		petermann@qtlaw.com; duerdothd@qtlaw.com
Counsel to Hickory Point Bank & Trust	Hart, Southworth & Witsman	Samuel J. Witsman	1 North Old State Capitol Plaza	Suite 501		Springfield	IL	62701		217-753-0055		switsman@hswlnet.com
Prepetition Lenders	Hickory Point Bank		225 N Water St.			Decatur	IL	62523		217-875-5131		Jeff.Raese@hickorypointbank.com
Counsel for Column Financial, Inc.	Holland & Knight LLP	David E Lemke Tyler Layne	Nashville City Center	511 Union St Ste 2700		Nashville	TN	37219		615-244-6380	615-244-6804	Tyler.Layne@hklaw.com; David.Lemke@hklaw.com
Counsel for Column Financial, Inc.	Holland & Knight LLP	Trip Nix	100 Congress Ave Ste 1800			Austin	TX	78701		512-685-6400	512-685-6417	Trip.Nix@hklaw.com
Illinois Attorney General	Attn Bankruptcy Department	James R. Thompson Ctr	100 W. Randolph St.			Chicago	IL	60601		312-814-3000		bankruptcy_notices@iag.gov
IRS	Internal Revenue Service	Attn Susanne Larson	31 Hopkins Plz Rm 1150			Baltimore	MD	21201		800-913-9358	855-852-4141	SBSSE.InsolvencyBatt@irs.gov
Iowa Attorney General	Iowa Attorney General	Attn Bankruptcy Department	Hoover State Office Bldg	1305 E. Walnut Street		Des Moines	IA	50319		515-281-5164	515-281-4209	IDR.Bankruptcy@iag.iowa.gov
Prepetition Lenders	JMB Capital Partners Lending, LLC	Robert M. Hirsch	Norton Rose Fulbright US LLP			New York	NY	10019-6022		212-318-3060		robert.hirsch@nortonrosefulbright.com
Claims Agent	KCC	Andres Estrada	222 N Pacific Coast Highway, Suite 300			El Segundo	CA	90245		888-830-4662	310-751-2646	petersenhealthinfo@kccilc.com
Counsel for Column Financial, Inc.	Landis Rath & Cobb LLP	Richard S Cobb, Joshua B Brooks, Adam Landis	919 Market St Ste 1800			Wilmington	DE	19801		302-467-4400	302-467-4450	cobb@lrclaw.com; brooks@lrclaw.com; landis@lrclaw.com
Counsel to GMF Petersen Note, LLC	McDermott Will & Emery LLP	Kristin Going Stacy A Lutkus	One Vanderbilt Ave			New York	NY	10017-3852		212-547-5400	212-547-5444	kgoing@mwe.com; salutkus@mwe.com
Counsel to GMF Petersen Note, LLC	McDermott Will & Emery LLP	David R Hurst	The Brandywine Building	1000 N West St Ste 1400		Wilmington	DE	19801		302-485-3900	302-351-8711	dhurst@mwe.com
Attorneys for Hartford Fire Insurance Company and its affiliated sureties	McElroy, Deutsch, Mulvaney & Carpenter, LLP	Gary D. Bressler	300 Delaware Avenue, Suite 1014			Wilmington	DE	19801		302-300-4515	302-654-4031	dbressler@mdmc-law.com
Missouri Attorney General	Missouri Attorney General	Attn Bankruptcy Department	Supreme Court Bldg	207 W. High St.	P.O. Box 899	Jefferson City	MO	65101		573-751-3321	573-751-0774	attorney_general@ago.mo.gov
Counsel to JMB Capital Partners Lending LLC	Morris James LLP	Eric J. Monzo, Brya M. Keelson, Christopher M. Donnelly	500 Delaware Ave Ste 1500			Wilmington	DE	19801		302-888-6800	302-571-1750	emonzo@morrisjames.com; bkeelson@morrisjames.com; cdonnelly@morrisjames.com
Counsel to DIP Lender and JMB Capital Partners Lending LLC	Norton Rose Fulbright US LLP	Robert M Hirsh, Francisco Vazquez, Emily Hong	1301 Avenue of the Americas			New York	NY	10019-6022		212-318-3060	212-408-5100	robert.hirsch@nortonrosefulbright.com; francisco.vazquez@nortonrosefulbright.com; emily.hong@nortonrosefulbright.com
Counsel for Martin Brothers Distributing Company, Inc.	Nyemaster Goode, P.C.	Kristina M. Stanger	700 Walnut Street, Ste 1600			Des Moines	IA	50309		515-283-8009		kmstanger@nyemaster.com
Counsel for the Illinois Department of Healthcare and Family Services	Office of the Illinois Attorney General	John P. Reding Assistant AG	115 South LaSalle Street			Chicago	IL	60603		312-848-5380		John.reding@iag.gov
US Trustee for District of DE	Office of the United States Trustee Delaware	Linda Richenderfer	844 King St Ste 2207	Lockbox 35		Wilmington	DE	19801		302-573-6491	302-573-6497	Linda.Richenderfer@usdoj.gov
Counsel for National Fire & Marine Insurance Company and its Affiliated Entities	Phillips, McLaughlin & Hall, P.A.	John C. Phillips, Jr. and David A. Bilson	1200 N. Broom Street			Wilmington	DE	19806		302-655-4200	302-655-4210	jcp@pmhdela.com; dab@pmhdela.com
Proposed Counsel for the Patient Care Ombudsman	Porzio, Bromberg & Newman, P.C.	Cheryl A. Santaniello	300 Delaware Avenue, Suite 1220			Wilmington	DE	19801		302-526-1235	302-416-6064	csantaniello@pbnlaw.com
Proposed Counsel for the Patient Care Ombudsman	Porzio, Bromberg & Newman, P.C.	Robert M. Schechter, Christopher P. Mazza	100 Southgate Parkway	PO Box 1997		Morristown	NJ	07962		973-538-4006	973-538-5146	mschechter@pbnlaw.com; cpmazza@pbnlaw.com
Prepetition Lenders, Counsel to Bank of Farmington	Rafool & Bourne	Sumner A. Bourne	401 Main St., Suite 1130			Peoria	IL	61602				sbourne@rafoolbourne.com
Counsel for National Fire & Marine Insurance Company and its Affiliated Entities	Roopers Malecki	Andrew L. Marquis	750 Third Avenue, 25th Floor			New York	NY	10017		212-668-5927		andrew.marquis@roopers.com
Debtors	SC Healthcare Holding, LLC	David R. Campbell	830 West Trailbreak Dr.			Peoria	IL	61614				dcampbell@ostzlerhanrich.com

EXHIBIT A

Description	CreditorName	CreditorNoticeName	Address1	Address2	Address3	City	State	Zip	Country	Phone	Fax	Email
SEC Headquarters	Securities & Exchange Commission	Secretary of the Treasury	100 F St NE			Washington	DC	20549		202-942-8088	202-772-9317 or 202-772-9318	SECBankruptcy-OGC-ADO@SEC.GOV; sectbankruptcy@sec.gov
SEC Regional Office	Securities & Exchange Commission	PA Regional Office	Regional Director	One Penn Center	1617 JFK Boulevard Ste 520	Philadelphia	PA	19103		215-597-3100	215-597-3194	philadelphia@sec.gov
SEC Regional Office	Securities & Exchange Commission	NY Regional Office	Regional Director	100 Pearl St, Suite 20-100		New York	NY	10004-2616		212-336-1100	212-336-1320	bankruptcynticeschr@sec.gov; nyrobankruptcy@sec.gov
Prepetition Lenders	Solutions Bank		200 Main Street	PO Box 278		Forrester	IL	61030				EVock@solutions.bank
Prepetition Lenders, Counsel to Pillar Capital Finance LLC & Berkadia Commercial Mortgage, LLC	Troutman Pepper	Blair L. Schiff	401 9th Street, N.W. Suite 1000			Washington	DC	20004				blair.schiff@troutman.com
Counsel to Grandbridge Real Estate Capital LLC and Berkadia Commercial Mortgage LLC	Troutman Pepper Hamilton Sanders LLP	David M. Fournier, Heather P. Smilie	Hercules Plaza, Suite 5100	1313 N. Market Street, Suite 5100		Wilmington	DE	19801		302-777-6500	302-421-8390	david.fournier@troutman.com; heather.smilie@troutman.com
Counsel to Grandbridge Real Estate Capital LLC and Berkadia Commercial Mortgage LLC	Troutman Pepper Hamilton Sanders LLP	Matthew R. Brooks	875 Third Avenue			New York	NY	10022		212-704-6000	212-704-6288	matthew.brooks@troutman.com
Prepetition Lenders	UBS	c/o Holland & Knight	Nashville City Center	511 Union Street Suite 2700		Nashville	TN	37219		615-244-6380	615-244-6804	Tyler.Layne@hklaw.com; Melissa.Jones@hklaw.com ; Hannah.Berry@hklaw.com
US Attorney for District of Delaware	US Attorney for District of Delaware	US Attorney for Delaware	1313 N Market Street	Hercules Building		Wilmington	DE	19801		302-573-6277	302-573-6220	usade.ecfbankruptcy@usdoj.gov
Attorneys for the United States	US Department of Justice	Civil Division	J Zachary Balasko	P.O. Box 875	Ben Franklin Station	Washington	DC	20044-0875		202-514-7162	202-514-9163	john.z.balasko@usdoj.gov
Counsel to Lument Real Estate Capital LLC, f/k/a Lancaster Pollard Mortgage Company	Vorvs, Sater, Seymour and Pease LLP	Kari B. Coniglio, Carrie M. Brosius	200 Public Square, Suite 1400			Cleveland	OH	44114		216-479-6167		kconiglio@vorvs.com; cmbrosius@vorvs.com
Counsel for Bank of Rantoul	Werb & Sullivan	Brian A. Sullivan	1225 N. King Street, Suite 600			Wilmington	DE	19801		302-652-1100	302-652-1111	bsullivan@werbsullivan.com
Counsel for the Debtors and Debtors in Possession	Winston & Strawn LLP	Daniel J. McGuire, Gregory M. Gartland, Joel McKnight Mudd	35 W. Wacker Drive			Chicago	IL	60601		713-651-2600; 312-558-5600	312-558-5700	dmcguire@winston.com; ggartland@winston.com; jmudd@winston.com
Counsel for the Debtors and Debtors in Possession	Winston & Strawn LLP	Carrie V. Hardman	200 Park Avenue			New York	NY	10166		212-294-6700	212-294-4700	chardman@winston.com
Local Counsel for the Debtors and Debtors in Possession	Young Conaway Stargatt & Taylor, LLP	Andrew L. Magaziner, Kenneth J. Enos, Shella Borovinskaya, Carol E. Cox	1000 North King Street	Rodney Square		Wilmington	DE	19801		302-571-6600	302-571-1253	amagaziner@ycst.com; kenos@ycst.com; sborovinskaya@ycst.com; ccox@ycst.com

EXHIBIT B
Service by U.S. First Class Mail

AMI Capital, Inc.
Servicing Department
7200 Wisconsin Ave., Suite 200
Bethesda, MD 20814

**Assistant Secretary of Housing/Federal
Housing Commissioner, DHUD, Washington,
DC ISAOA ATIMA**
Lument Real Estate Capital, LLC
10 W. Broad Street
8th Floor
Columbus, OH 43215

Berkadia Commercial Mortgage, LLC
323 Norristown Road, Suite 300
Ambler, PA 19002

**Berkadia Commercial Mortgage, LLC and the
Assistant Secretary for Housing-Federal
Housing Commissioner, DHUD**
c/o Berkadia Commercial Mortgage LLC
PO Box 557
Ambler, PA 19002

Better Bank of Chillicothe
900 N. 4th Street
Chillicothe, IL 61523-1708

Better Banks
5600 S. Adams St.
Bartonville, IL 61607-1902

Better Banks
201 N. 2nd St.
Dunlap, IL 61525-8001

Capital Funding, LLC
General Counsel
1422 Clarkview Road
Baltimore, MD 21209

Chase Bank
7707 N. Knoxville Ave.
Peoria, IL 61614-2080

Community State Bank of Kewanee
PO Box 549
Kewanee, IL 61443

Credit Suisse
Patrick Hart
11 Madison Avenue
New York, NY 10010

Credit Suisse
Sector Financial Inc.
Attn Healthcare Portfolio Manager
5404 Wisconsin Avenue, Suite 410
Chevy Chase, MD 20815

Ford Credit
PO Box 542000
Omaha, NE 68154

GMF Petersen Note LLC
c/o GMF Capital
Daniel Klodor
650 Madison Avenue, Floor 22
New York, NY 10022

Grandbridge Real Estate Capital LLC
ISAOA/ATIMA
214 North Tryon Street
Suite 2000
Charlotte, NC 28202

IHMVCU
PO Box 810
Moline, IL 61265

Internal Revenue Service
Centralized Insolvency Operation
PO Box 7346
Philadelphia, PA 19101-7346

Internal Revenue Service
Centralized Insolvency Operation
2970 Market St
Philadelphia, PA 19104

**KeyBank National Association as Servicer for
an on behalf of Credit Suisse First Boston
Mortgage Capital LLC**
11501 Outlook Street
Suite 300
Overland Park, KS 66211

Lancaster Pollard Mortgage Company
Loan Servicing
65 East State Street, 16th Floor
Columbus, OH 43215

Midwest Bank of Western IL
200 E. Broadway
Monmouth, IL 61462-1871

Pillar Capital Finance LLC
FHA Servicing - Lauri Wrubel
33 Bloomfield Hills Parkway, Suite 125
Bloomfield Hills, MI 48304

Pillar Capital Finance LLC
8120 Woodmont Avenue, Suite 860
Bethesda, MD 20814

**Secretary of Housing and Urban Development,
ATIMA**
451 7th Street. SW
Washington, DC 20410

US Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Wells Fargo Bank National Association
WFMC Insurance
1525 West WT Harris Blvd
Charlotte, NC 28262

X-Caliber Capital Corp.
Loan Servicing
3 West Main Street, Suite 103
Irvington, NY 10533