

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

	)	
In re:	)	Chapter 11
	)	
TEHUM CARE SERVICES, INC., <sup>1</sup>	)	Case No. 23-90086 (CML)
	)	
Debtor.	)	
	)	
	)	

**STATEMENT AND RESERVATION OF RIGHTS OF IDAHO PARTIES  
IN CONNECTION WITH (I) JOINT MOTION FOR ENTRY OF AN ORDER  
(I) AUTHORIZING AND APPROVING THE SETTLEMENT BY AND AMONG  
THE DEBTOR, THE UCC, AND THE PARTIES TO THE SETTLEMENT  
AGREEMENT AND (II) GRANTING RELATED RELIEF; AND  
(2) MOTION OF THE OFFICIAL COMMITTEE OF TORT CLAIMANTS AND  
CERTAIN TORT CLAIMANTS FOR STRUCTURED DISMISSAL OF  
CHAPTER 11 CASE**

COME NOW, through undersigned counsel, the State of Idaho, the Idaho Department of Correction, and certain officials or employees of the State of Idaho (collectively, the “Idaho Parties”) and file this *Statement and Reservation of Rights of Idaho Parties* (“Statement”) to both the (1) *Joint Motion for Entry of an Order (I) Authorizing and Approving the Settlement by and Among the Debtor, the UCC, and the Parties to the Settlement Agreement and (II) Granting Related Relief* [Dkt. No. 1259] (the “Settlement Motion”); and (2) *Motion of the Official Committee of Tort Claimants and Certain Tort Claimants for Structured Dismissal of Chapter 11 Case* [Dkt. No. 1260] (the “Dismissal Motion”), and respectfully state as follows:

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<sup>1</sup> The last four digits of the Debtor’s federal tax identification number is 8853. The Debtor’s service address is: 205 Powell Place, Suite 104, Brentwood, Tennessee 37027.



**I. STATEMENT AND RESERVATION OF RIGHTS**

1. The Idaho Parties are stuck between the proverbial rock and hard place. On the one hand, after being led to believe that the UCC was committed to delivering a clean proposed settlement (one without ties to a proposed plan<sup>2</sup>), the Debtor and UCC did not propose an actual settlement, but instead outlined the same unconfirmable plan previously proposed with a bigger (perhaps) number attached. On the other hand, dismissal of this chapter 11 case likely equates to a free-for-all against the Debtor and YesCare, *et al.* with no real hope of recovery and multiple years of costly litigation.

2. Because of the finality and assured chaos attendant with dismissal, the Idaho Parties do not support the Dismissal Motion. The Idaho Parties also do not support the Settlement Motion which, among other questionable provisions, requires the Idaho Parties to give up personal causes of action against the released parties in order to receive a recovery on claims against the Debtor from Estate assets.<sup>3</sup> The anticipated deficiencies in the Debtor and UCC's plan are still curable.

3. Accordingly, the Idaho Parties respectfully reserve all rights to object to the Debtor and UCC's proposed plan, if and when filed, at the time that may be set for such objections by further order of this Court.

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<sup>2</sup> Statement of N. Zluticky, November 14, 2023 Hearing Transcript at 16-17 ("And if we're able to reach an agreement, we'll file a 9019, and we will be here just on the 9019. It's just going to focus on the fundamentals of the deal. Is this a good deal or not? And it's not going to focus on all of the disclosure, all the plan issues.")

<sup>3</sup> See Settlement Agreement at 9(ii).

RESPECTFULLY SUBMITTED this 23rd day of February, 2024.

Respectfully submitted,

**MUNSCH HARDT KOPF & HARR, P.C.**

By: /s/ Brenda L. Funk

John D. Cornwell  
Texas Bar No. 24050450  
Brenda L. Funk  
Texas Bar No. 24012664  
700 Milam Street, Suite 800  
Houston, TX 77002-2806  
Telephone: 713.222.1470  
Facsimile: 713.222.1475  
jcornwell@munsch.com  
bfunk@munsch.com

Randall W. Miller  
Texas Bar No. 24092838  
500 N. Akard Street, Suite 3800  
Dallas, Texas 75201-6659  
Telephone: 214.855.7539  
Facsimile: 214.855.7584  
rmiller@munsch.com

**SPECIAL DEPUTY ATTORNEYS  
GENERAL FOR THE STATE OF  
IDAHO PARTIES**

**CERTIFICATE OF SERVICE**

I hereby certify that on this 23rd day of February, 2024, a true and correct copy of this document was served by the Court's ECF system on all parties entitled to notice thereof.

/s/ Brenda L. Funk

Brenda L. Funk  
Texas Bar No. 24012664