

**THIS IS A SUPPLEMENT TO THE EMERGENCY OMNIBUS MOTION TO REJECT CERTAIN EXECUTORY CONTRACTS AS OF THE CLOSING DATE OF THE SALE OF ST. FRANCIS MEDICAL CENTER**

**PARTIES RECEIVING THIS SUPPLEMENT SHOULD LOCATE THEIR NAMES AND CONTRACTS ON THE AMENDED EXHIBIT ATTACHED TO THIS MOTION. YOUR RIGHTS MAY BE AFFECTED BY THE EMERGENCY MOTION AND YOU SHOULD THEREFORE READ IT CAREFULLY.**

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**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF CALIFORNIA, INC., *et al.*,

Debtors and Debtors in Possession.

- Affects All Debtors
- Affects Verity Health System of California, Inc.
- Affects O'Connor Hospital
- Affects Saint Louise Regional Hospital
- Affects St. Francis Medical Center
- Affects St. Vincent Medical Center
- Affects Seton Medical Center
- Affects O'Connor Hospital Foundation
- Affects Saint Louise Regional Hospital Foundation
- Affects St. Francis Medical Center of Lynwood Foundation
- Affects St. Vincent Foundation
- Affects St. Vincent Dialysis Center, Inc.
- Affects Seton Medical Center Foundation
- Affects Verity Business Services
- Affects Verity Medical Foundation
- Affects Verity Holdings, LLC
- Affects De Paul Ventures, LLC
- Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors in Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

- Case No. 2:18-bk-20162-ER
- Case No. 2:18-bk-20163-ER
- Case No. 2:18-bk-20164-ER
- Case No. 2:18-bk-20165-ER
- Case No. 2:18-bk-20167-ER
- Case No. 2:18-bk-20168-ER
- Case No. 2:18-bk-20169-ER
- Case No. 2:18-bk-20171-ER
- Case No. 2:18-bk-20172-ER
- Case No. 2:18-bk-20173-ER
- Case No. 2:18-bk-20175-ER
- Case No. 2:18-bk-20176-ER
- Case No. 2:18-bk-20178-ER
- Case No. 2:18-bk-20179-ER
- Case No. 2:18-bk-20180-ER
- Case No. 2:18-bk-20181-ER

Hon. Ernest M. Robles

Chapter 11 Cases

**SUPPLEMENT TO DEBTORS' EMERGENCY MOTION AND SEVENTH OMNIBUS MOTION TO REJECT, PURSUANT TO 11 U.S.C. § 365(A), CERTAIN PAYOR, ADMINISTRATIVE AND RISK-SHARING AGREEMENTS**

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[Relates to Docket Nos. 4511, 4634, 4873, 4993, 5266, 5424, 5441]

Hearing:

Date: August 12, 2020  
Time: 10:00 a.m. (Pacific Time)  
Place: Courtroom 1568  
225 E. Temple Street  
Los Angeles, CA 90012

Verity Health System of California, Inc. (“VHS”) and the affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 bankruptcy cases (the “Cases”), hereby file this supplement (the “Supplement”) to the *Debtors’ Emergency Motion and Seventh Omnibus Motion to Reject, Pursuant to 11 U.S.C. § 365(a), Certain Payor, Administrative and Risk-Sharing Agreements* [5424] (“Motion”),<sup>1</sup> for the entry of an order rejecting certain agreements between St. Francis Medical Center (“SFMC” or “Hospital”) and the various health benefit plan payors and medical groups (collectively, the “Payors”), pursuant to § 365(a),<sup>2</sup> effective as of the closing date (the “Closing Date”) of the sale (the “Sale”) of SFMC.

I.

SUPPLEMENT

The Motion seeks rejection of certain agreements between SFMC and the Payors<sup>3</sup> listed on Exhibit “A” to the Motion (collectively, the “Agreements”). Exhibit “A” reflected one agreement with DaVita, Inc. Based on communications with counsel to DaVita, Inc., the Debtors hereby modify Exhibit “A” to correctly identify two agreements with DaVita, Inc. and DaVita Healthcare Partners.<sup>4</sup>

<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Motion.

<sup>2</sup> Unless specified otherwise, all chapter and section references are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532, and all “Rule” references are to the Federal Rules of Bankruptcy Procedure, Rules 1001-9037. All “LBR” references are to the Local Bankruptcy Rules for the United States Bankruptcy Court for the Central District of California.

<sup>3</sup> Pachulski Stang Ziehl & Jones LLP will address any objections or response to the relief sought in this Motion filed by clients of Dentons US LLP.

<sup>4</sup> Any counter-party to a contract listed on **Exhibit “A”** hereto that is uncertain of the agreement being rejected by the Motion should contact counsel for the Debtors. The Debtors will attach a final exhibit to the order entered on the Motion with any updated or revised information.



**Exhibit A**

**Amended Exhibit of Agreements**

**Verity Health System**

**St. Francis Medical Center - Amended Fee for Service, Managed Care and Other Payor Agreements to be Rejected**

Ref #	Debtor	Contract Counterparty	Nature of Contact (1)
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**Risk Agreements:**

1	SFMC	APPLECARE MEDICAL GROUP ST. FRANCIS, INC. ("AMGSF")	RISK SHARING AGREEMENT DATED AS OF JANUARY 1, 2004
2	SFMC	APPLECARE MEDICAL GROUP, INC. ("AMGDO")	RISK SHARING AGREEMENT DATED AS OF JUNE 1, 2007
3	SFMC	APPLECARE MEDICAL GROUP, INC. / APPLECARE MEDICAL GROUP ST. FRANCIS, INC.	ANCILLARY PROVIDER SERVICES AGREEMENT DATED AS OF FEBRUARY 1, 2000
4	SFMC	APPLECARE MEDICAL MANAGEMENT, LLC	CAPITATION MANAGEMENT AGREEMENT DATED AS OF AUGUST 1, 2010

**Capitation Agreements:**

5	SFMC	ALIGNMENT HEALTH SENIOR	MEDICARE ADVANTAGE HOSPITAL SERVICE AGREEMENT: AMGSF / AMGDO
6	SFMC	BLUE CROSS SENIOR	CAPITATION AGREEMENT: AMGSF / AMGDO
7	SFMC	BLUE SHIELD SENIOR	CAPITATION AGREEMENT: AMGSF / AMGDO
8	SFMC	EASY CHOICE SENIOR	CAPITATION AGREEMENT: AMGSF / AMGDO
9	SFMC	HEALTH NET	PROVIDER PARTICIPATION AGREEMENT EFFECTIVE MAY 1, 2008
10	SFMC	HUMANA SENIOR	CAPITATION AGREEMENT: AMGSF / AMGDO
11	SFMC	L.A. CARE CMC	CAPITATION AGREEMENT: AMGSF / AMGDO
12	SFMC	SCAN SENIOR	CAPITATION AGREEMENT: AMGSF / AMGDO
13	SFMC	MOLINA MEDICAL	CAPITATION AGREEMENT: ANGELES
14	SFMC	CARE 1ST	CARE 1ST FULL RISK CONTRACT WITH ANGELES IPA MEDI-CAL EFFECTIVE 1-1-2017
15	SFMC	CARE 1ST	CARE 1ST FULL RISK CONTRACT WITH APPLECARE MEDICAL GROUP DOWNEY-SELECT MEDICARE EFFECTIVE 7-1-2014
16	SFMC	CARE 1ST	CARE 1ST FULL RISK CONTRACT WITH APPLECARE MEDICAL GROUP ST. FRANCIS MEDICARE EFFECTIVE 7-1-2014
17	SFMC	CARE 1ST	CARE 1ST HOSPITAL SERVICES AGREEMENT EFFECTIVE 1-1-2013, INCLUDING MEDICARE FEE FOR SERVICE 1-1-2013 AMENDMENT (ADDING MEDICARE FULL RISK FOR APPLECARE MEDICAL GROUP DOWNEY 7-1-2013)

**Other Related Agreements: Hospital Services, Fee for Service, Facility Services, Ancillary Services, Provider Agreements, Managed Care Vendor**

18	SFMC	AETNA	CALIFORNIA NON-CAPITATED HOSPITAL SERVICES AGREEMENT / MEDICARE AMENDMENT EFFECTIVE 4/10/10
19	SFMC	AHMC HEALTHCARE INC.	HOSPITAL SERVICES AGREEMENT
20	SFMC	AMERICA'S CHOICE PROVIDER NETWORK	HOSPITAL SERVICES AGREEMENT
21	SFMC	ANTHEM BLUE CROSS	FACILITY SERVICES AGREEMENT
22	SFMC	ANTHEM BLUE CROSS MEDICAL	HOSPITAL SERVICES AGREEMENT
23	SFMC	ALTAMED COMMERCIAL, SENIORCAP, MEDICAL	PARTICIPATING PROVIDER AGREEMENT
24	SFMC	ALTAMED SENIOR BUENA CARE	PARTICIPATING PROVIDER AGREEMENT
25	SFMC	BLUE SHIELD OF CALIFORNIA	HOSPITAL SERVICES AGREEMENT
26	SFMC	BRAND NEW DAY HMO - UNIVERSAL CARE	LETTER OF AGREEMENT
27	SFMC	CARE 1ST HEALTH PLAN HMO	HOSPITAL SERVICES AGREEMENT
28	SFMC	CENTRAL HEALTH PLAN	HOSPITAL SERVICES AGREEMENT
29	SFMC	DAVITA HEALTHCARE PARTNERS	HOSPITAL SERVICES AGREEMENT
30	SFMC	DAVITA INC.	DIALYSIS MANAGED CARE AGREEMENT
31	SFMC	DVA RENAL HEALTHCARE, INC.	ACUTE SERVICES AGREEMENT
32	SFMC	FIRST HEALTH GROUP CORP	FEE FOR SERVICE AGREEMENT
33	SFMC	HEALTH NET, INC.	PROVIDER PARTICIPATION AGREEMENT EFFECTIVE MAY 1, 2008 (FEE FOR SERVICE)
34	SFMC	CHOICE CARE - HUMANA HEALTH PLAN	FEE FOR SERVICE AGREEMENT
35	SFMC	HEALTH VALUE MANAGEMENT DBA CHOICE CARE NETWORK (HUMANA)	FEE FOR SERVICE AGREEMENT
36	SFMC	HERITAGE PROVIDER NETWORK INC	HOSPITAL SERVICES AGREEMENT
37	SFMC	HONORED CITIZENS CHOICE HEALTH PLAN MA (ALSO CITIZENS CHOICE HEALTHPLAN)	FEE FOR SERVICE AGREEMENT
38	SFMC	KAISER FOUNDATION HOSPITALS	HOSPITAL SERVICES AGREEMENT
39	SFMC	L.A. CARE HEALTH PLAN	HOSPITAL SERVICES AGREEMENT

**Verity Health System**

**St. Francis Medical Center - Amended Fee for Service, Managed Care and Other Payor Agreements to be Rejected**

Ref #	Debtor	Contract Counterparty	Nature of Contact (1)
40	SFMC	LATINO HEALTH CARE	FEE FOR SERVICE AGREEMENT
41	SFMC	LATINO HEALTH CARE	ANCILLARY SERVICES AGREEMENT
42	SFMC	MANAGED HEALTH NETWORK, INC. DBA MHN INC	FEE FOR SERVICE AGREEMENT
43	SFMC	MOLINA HEALTHCARE OF CALIFORNIA	HOSPITAL SERVICES AGREEMENT
44	SFMC	MULTIPLAN, INC.	FEE FOR SERVICE AGREEMENT
45	SFMC	SCAN HEALTH PLAN	FEE FOR SERVICE AGREEMENT
46	SFMC	IMPERIAL HEALTH PLAN VHS	FEE FOR SERVICE AGREEMENT
47	SFMC	NX HEALTH NETWORK	PARTICIPATING FACILITY AGREEMENT
48	SFMC	TRICARE HEALTH NET FEDERAL	FACILITY SERVICES AGREEMENT
49	SFMC	INTERPLAN	FEE FOR SERVICE AGREEMENT
50	SFMC	INTEGRATED HEALTH PLAN	FEE FOR SERVICE AGREEMENT
51	SFMC	COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH	PARTICIPATING PROVIDER AGREEMENT
52	SFMC	COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC HEALTH	PARTICIPATING PROVIDER AGREEMENT
53	SFMC	LONG BEACH MEMORIAL MEDICAL CENTER	PROVIDER SERVICES AGREEMENT
54	SFMC	UNIVERSITY OF SOUTHERN CALIFORNIA	PROVIDER SERVICES AGREEMENT
55	SFMC	CEDARS SINAI MEDICAL CENTER	PROVIDER SERVICES AGREEMENT
56	SFMC	SOUTHERN CALIFORNIA CROSSROADS	PARTICIPATING PROVIDER AGREEMENT
57	SFMC	BEVERLY HEALTHCARE COMMUNITY CARE CENTER DBA BEVERLY HEALTHCARE-CALIFORNIA, INC.	MANAGED CARE VENDOR AGREEMENT
58	SFMC	J&S HOME HEALTH SERVICES, INC.	MANAGED CARE VENDOR AGREEMENT
59	SFMC	M/S SURGERY CENTER, LLC	PARTICIPATING PROVIDER AGREEMENT
60	SFMC	BLOOMFIELD EAST	MANAGED CARE VENDOR AGREEMENT

(1) Agreements may have been amended and supplemented from time to time