

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

In re: §
§ Chapter 11
TEHUM CARE SERVICES, INC §
§ Case No. 23-90086 (CML)
§
Debtor¹ §

RESPONSE BY COVERYS SPECIALTY INSURANCE COMPANY
TO THE JOINT CHAPTER 11 PLAN OF THE TORT CLAIMANTS’ COMMITTEE,
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, AND DEBTOR
(Re: Docket No. 1815)

NOW COMES Coverys Specialty Insurance Company (“Coverys”), by and through its undersigned counsel, and files this *Response* (the “**Response**”) to the *Joint Chapter 11 Plan of the Tort Claimants’ Committee, Official Committee of Unsecured Creditors, and Debtor* [Dkt. No. 1815] (the “**Plan**”) jointly filed by the Tort Claimants’ Committee, the Official Committee of Unsecured Creditors, and Tehum Care Services, Inc. (collectively, the “**Plan Proponents**”) in the above-captioned case.

In support of the Response, Coverys states the following:

I. Background

1. On November 1, 2024, Coverys filed its *Objection* to the *Disclosure Statement Regarding Joint Chapter 11 Plan of the Tort Claimants’ Committee, the Official Committee of Unsecured Creditors, and Debtor* [Dkt. No. 1782] (the “**Objection**”).²

2. On November 4, 2024, the Tort Claimants’ Committee filed its *Omnibus Reply* to the Disclosure Statement objections, including the *Objection* [Dkt. No. 1793] (the “**Reply**”). On

¹ 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.

² The Objection is incorporated herein as if set forth in full.



November 4, 2024, the Debtor and Official Committee of Unsecured Creditors joined in the Reply. [Dkt. No. 1794].

3. After the Reply was filed, Coverys and the Plan Proponents engaged in good faith negotiations over revisions to the Plan.

4. The agreed upon changes to the Plan resulting from the negotiations between the Plan Proponents and Coverys are shown in redline in the *Notice of Filing Changed Pages of the Joint Chapter 11 Plan of the Tort Claimants' Committee, Official Committee of Unsecured Creditors, and Debtor and Related Disclosure Statement* [Dkt. No. 1814]. These changes were incorporated into the “solicitation” version of the *Joint Chapter 11 Plan of the Tort Claimants' Committee, Official Committee of Unsecured Creditors, and Debtor and Related Disclosure Statement* [Dkt. No. 1815] (*i.e.*, the Plan as defined herein) on which creditors voted.

II. Response and Reservation of Rights

5. Coverys was proactive in addressing confirmation issues in its Objection³ because it understood the extraordinary solicitation measures that the Plan Proponents planned to take in this case, and it wanted to ensure that certain issues were addressed before the time and expense of solicitation. In short, Coverys sought to have the solicitation version of the Plan be the same version considered by the Court at the confirmation hearing. The consensual changes to the Plan resulting from the Objection are the results of those early efforts.

6. To the extent any party in interest objects or provides informal comments to the Plan, and the Plan Proponents agree to discuss those objections or informal comments with the responding party(ies), Coverys requests the opportunity to participate in any and all additional discussions and negotiations over potential further revisions, edits, additions, supplements, or

³ The Reply characterized the Objection as “misplaced confirmation objections.” Reply, ¶ 83

restatements to the Plan (and join in any subsequently filed objections to the Plan) to ensure that the Plan fully preserves the rights and defenses of Coverys as reflected in the Plan sent for solicitation. Dkt. No. 1815.

7. To that end, this Response is submitted without prejudice to, and with full reservation of, Coverys' rights, claims, defenses, objections, and remedies, including the right to object to any further modifications to the Plan on which creditors voted, supplement this Response or the Objection or modify, amend, or withdraw this Response or the Objection, to seek discovery, to raise additional objections or join in others and to introduce evidence at any hearing related to the Plan, and without in any way limiting any other rights of Coverys to object to the Plan, or join in any other objection to the Plan, on any grounds, as may be appropriate.

[Signature Page Follows]

Dated: February 21, 2025
Boston, Massachusetts

Respectfully submitted,

VERRILL DANA LLP

By: /s/ Thomas O. Bean

Thomas O. Bean (admitted *pro hac vice*)

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Certificate of Service

I, Thomas O. Bean of Verrill Dana, LLP, certify that I am over the age of eighteen and, on February 21, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas in the above-captioned case.

/s/ Thomas O. Bean
Thomas O. Bean (admitted *pro hac vice*)