



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed December 19, 2019

Harvey G. C. Gammage

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

Senior Care Centers, LLC, *et al.*,¹

Debtors.

Senior Care Centers, LLC, a Delaware limited liability company, and PM Management - Frisco NC, LLC dba Victoria Gardens of Frisco, a Texas limited liability company,

Debtor/Plaintiff,

v.

Alex M. Azar II, in his official capacity as Secretary, United States Department of Health and Human Services; and Seema Verma, in her official capacity as Administrator, Centers for Medicare and Medicaid Services,

Defendants.

Chapter 11

Case No. 18-33967 (BJH)

(Jointly Administered)

Adv. No. 19-03240 (BJH)

¹ The Debtors in the Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are set forth in the *Order (I) Directing Joint Administration of Chapter 11 Cases, and (II) Granting Related Relief* [Bankr. Docket No. 569] and may also be found on the Debtors' claims agent's website at <https://omnimgt.com/SeniorCareCenters>. The location of the Debtors' service address is 600 North Pearl Street, Suite 1100, Dallas, Texas 75201.

**ORDER CONVERTING DEBTORS' APPLICATION FOR TEMPORARY
RESTRAINING ORDER TO A PRELIMINARY INJUNCTION MOTION
AND BRIEFING AND HEARING SCHEDULE ON THAT MOTION**

The United States of America, on behalf of the U.S. Department of Health and Human Services' Centers for Medicare & Medicaid Services ("**CMS**") and Senior Care Centers, LLC ("**Senior Care Centers**"), and PM Management – Frisco NC, LLC ("**Frisco**") (collectively, the "**Debtors**" or the "**Plaintiffs**") hereby stipulate and agree to the following order to convert the *Plaintiffs' Application for Temporary Restraining Order* [Adv. Docket No. 3] (filed on December 19, 2019 to a preliminary injunction motion the "**Motion**") and to set a briefing and argument schedule for the Motion.

1. Debtors agree the Motion will be converted from an application for a temporary restraining order staying the termination of Frisco's Medicare provider agreement (the "**Frisco Provider Agreement**") to a motion for a preliminary injunction seeking the same relief.

2. The United States' response (the "**Response**") to the Motion shall be filed and served by electronic mail on counsel to the Debtors no later than 4:00 p.m. Central Time on January 30, 2020.

3. Debtors' reply (the "**Reply**") to the Response shall be filed and served by electronic mail on counsel to the United States no later than 4:00 p.m. Central Time on February 6, 2020.

4. Debtors and CMS agree to make available their respective Rule 30(b)(6) witnesses for depositions on or before January 21, 2020. Debtors and CMS agree to serve electronically no more than ten (10) requests for production on or before January 6, 2016. Debtors and CMS agree to respond electronically to requests for production, including actual delivery of electronic copies of documents, on or before January 13, 2016. Debtors and CMS agree that Rule 26(f) does not apply.

5. The Court shall conduct a hearing on the Motion at the previously scheduled omnibus hearing date on February 11, 2020 at 2:00 p.m. Central Time.

6. In exchange for Debtors' agreement not to seek a temporary restraining order and to conduct discovery and proceed to a preliminary injunction hearing as set forth herein, the United States, on behalf of CMS agrees that it will not terminate the Frisco Provider Agreement, as described in CMS's December 10, 2019 letter to Victoria Gardens of Frisco, until the Court has ruled on the merits of the Motion.

7. Subject to the United States' agreement not to take action as set forth in paragraph 6, nothing contained in this Stipulated Order impairs, affects, waives, prohibits, or otherwise limits the claims, causes of action, rights, powers, and authority of the United States or Debtors with respect to any action in this adversary proceeding, the above captioned bankruptcy cases, or any other action or proceeding, including any rights to appeal or move to reconsider any ruling by the Court as it relates to the termination of the Frisco Provider Agreement.

End of Order

Order submitted by:

/s/ Leah V. Lerman

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/s/ Trey A. Monsour

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-and-

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Counsel for the United States of America

Counsel to the Debtors and Debtors in Possession

United States Bankruptcy Court
Northern District of Texas

Senior Care Centers, LLC, a Delaware lim,
Plaintiff

Adv. Proc. No. 19-03240-bjh

Alex M. Azar II, in his official capacit,
Defendant

CERTIFICATE OF NOTICE

District/off: 0539-3

User: dharden
Form ID: pdf001

Page 1 of 1
Total Noticed: 3

Date Rcvd: Dec 20, 2019

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Dec 22, 2019.

ust +Cheryl Wilcoxson, US Trustee, 1100 Commerce St., Ste. 976, Dallas, TX 75242-0996

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

ust +E-mail/Text: ustpreion06.ty.ecf@usdoj.gov Dec 21 2019 00:24:43 US Trustee,
Office of the U.S. Trustee, 110 N. College Ave., Suite 300, Tyler, TX 75702-7231
ust +E-mail/Text: ustpreion06.da.ecf@usdoj.gov Dec 21 2019 00:24:42 United States Trustee,
1100 Commerce Street, Room 976, Dallas, TX 75242-0996

TOTAL: 2

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

ust Sandra Nixon, U.S. Trustee
ust mario zavala
ust* +US Trustee, Office of the U.S. Trustee, 110 N. College Ave., Suite 300,
Tyler, TX 75702-7231

TOTALS: 2, * 1, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Dec 22, 2019

Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on December 20, 2019 at the address(es) listed below:

Trey Andrew Monsour on behalf of Plaintiff PM Management - Frisco NC, LLC
TMonsour@Polsinelli.com, HDocketing@Polsinelli.com;rsam@polsinelli.com;lmiernik@polsinelli.com
Trey Andrew Monsour on behalf of Plaintiff Senior Care Centers, LLC, a Delaware limited
liability company TMonsour@Polsinelli.com,
HDocketing@Polsinelli.com;rsam@polsinelli.com;lmiernik@polsinelli.com

TOTAL: 2