UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON

In re PNW HEALTHCARE HOLDINGS, LLC, et al., [1] Debtors.	No. 19-43754-MJH (Jointly Administered) ORDER RESOLVING THE OFFICIAL UNSECURED CREDITORS COMMITTEE'S FIFTH OMNIBUS CLAIMS OBJECTION (OVERSTATED CLAIMS) WITH RESPECT TO CERTAIN CLAIMS

[1] The debtors and debtors-in-possession in the above-captioned, jointly administered chapter 11 bankruptcy proceedings, along with the last four digits of each Debtor's federal tax identification number, are: PNW Healthcare Holdings, LLC (9801); North Auburn Health, LLC dba North Auburn Rehabilitation & Health Center (3159); Sequim Health, LLC dba Sequim Health & Rehabilitation (7737); Bremerton Health, LLC dba Bremerton Convalescent & Rehabilitation Center (3188); Crestwood Convalescent-Port Angeles, LLC dba Crestwood Health & Rehabilitation Center (6565); Fir Lane Health-Shelton, LLC dba Fir Lane Health & Rehabilitation Center (7798); Forest Ridge Health-Bremerton, LLC dba Forest Ridge Health & Rehabilitation Center (4019); Meadow Park Health-St Helen, LLC dba Meadow Park Health & Specialty Care Center (9109); Cherrywood Place-Spokane, LLC dba Cherrywood Place (7776); Riverside Nursing-Centralia, LLC dba Riverside Nursing & Rehabilitation Center (3792); PNW Master Tenant I, LLC (9824); Franklin Hills Health-Spokane, LLC dba Franklin Hills Health & Rehabilitation Center (1763); Aldercrest Health-Edmonds, LLC dba Aldercrest Health & Rehabilitation Center (3827); PNW Master Tenant II, LLC (5319); Gardens on University-Spokane Valley, LLC dba The Gardens on University (1917); Puget Sound Healthcare-Olympia, LLC dba Puget Sound Healthcare Center (4419); Care Center East Health-Portland, LLC dba Care Center East Health & Specialty Care Center (8950); LaCrosse Health-Coeur d'Alene, LLC dba LaCrosse Health & Rehabilitation Center (8594); Ivy Court-Coeur d'Alene, LLC dba Ivy Court (3197); Cornerstone Healthcare Services, LLC (1265); and CRN Pool, LLC (9083).

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This matter came before the Court on *The Official Unsecured Creditors Committee's Fifth Omnibus Claims Objection (Overstated Claims)* (the "Objection"). Capitalized terms not defined in this Order shall have their meanings as set forth in the Objection. Appearances were as noted on the record.

This Court has found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and has authority to enter a final order consistent with Article III of the United States Constitution; that venue of this proceeding and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and that the notice of the Objection was appropriate under the circumstances and no other notice need be provided. Having reviewed the Objection and the *Certificate of Claims Resolution*, as well as all documents filed in support of or opposition thereto, and having heard the statements of counsel at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Objection and at the Hearing establish just cause for the relief granted herein, it is hereby:

ORDERED as follows:

1. The Objection is resolved solely with respect to the following claims (collectively, the "Resolved Claims") as set forth herein and in **Exhibit I** hereto.

   a. Advanced Lifeline Services, Inc.; Claim Nos. C 156-6 and C 761-17 (the "Advanced Lifeline Claims")
   b. Alaska Cascade Financial Services Inc.; Claim Nos. C 754-3 and C 754-4 (the "Alaska Cascade Claims")
   c. Idaho Department of Health & Welfare; Claim No. C 761-30 (the "Idaho DHW Claim")

2. The Advanced Lifeline Claims shall be consolidated into a single general unsecured claim, allowed in the amount of $859,157.25.

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3. The Alaska Cascade Claims shall be consolidated into a singled general unsecured claim, allowed in the amount of $15,245.75. Duplicate claims C 766-13 and 791-10 filed by Alaska Cascade Financial Services Inc. shall be addressed in an order resolving *The Official Unsecured Creditors Committee's Seventh Omnibus Claims Objection (Duplicate Claims)* [Docket No. 1997].

4. The Idaho DHW Claim has been paid in full and is hereby deemed fully satisfied.

5. For the avoidance of doubt, all Overstated Claims, except for the Resolved Claims, shall be treated in accordance with the *Order Granting the Official Unsecured Creditors Committee's Fifth Omnibus Claims Objection (Overstated Claims)* [Docket No. 1268] and Exhibit 1 thereto; *provided, however*, that the following claims shall be continued, until the hearing scheduled for May 13, 2021 at 9:00 a.m. (PT):

a. Benjamin Medical, PLLC; Claim Nos. C 756-31 and C 766-24
b. Cash Flow Investments, LLC (d/b/a Westside Pizza); Claim No. C 792-2

6 The objection to each claim addressed in the Objection constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate order with respect to each claim. Any stay of this Order pending appeal by any of the claimants subject to this Order shall only apply to the contested matter that involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters covered hereby.

7. This Court shall retain jurisdiction over all affected parties with respect to any matters, claims, or rights arising from or related to the implementation and interpretation of this Order.

//End of Order//

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IN RE: PNW HEALTHCARE HOLDINGS LLC
CASE NO. 19-43754-MJH
ORDER RESOLVING FIFTH OMNIBUS CLAIM OBJECTION (OVERSTATED CLAIMS) WITH RESPECT TO CERTAIN CLAIMS
EXHIBIT I

Name of Claimant	Proof of Claim No.	Priority	Claim Amount	Total Claim Amount	Total AP Aging List Amount	Allowed Consolidated Claim Amount	Reason for Modification	Treatment of Claim(s)
Advanced Lifeline Services, Inc	C 761-17	Unsecured	$859,157.25	$1,718,314.50	$773,524.10	$773,524.10	The Allowed Condolidated Claim Amount is the amount the debtors' books and records show as being due to the claimant.	The Debtors and the creditor have agreed that the creditor will have an allowed general unsecured claim of $859,157.25.
Advanced Lifeline Services, Inc	C 156-6	Unsecured	$859,157.25					
Alaska Cascade Financial Services Inc	C 754-31	Unsecured	$9,694.92	$15,245.75	$7,819.04	$7,819.04	The Allowed Consolidated Claim Amount is the amount the debtors' books and records show as being due to the claimant [aka Restoration Health Services].	The Debtors and the creditor have agreed that proof of claim C 754-3 and proof of claim C 754-4 will be allowed as one general unsecured claim in the amount of $15,245.75. NOTE: Proof of claim C 754-3 was misidentified on the Objection [Docket No. 1193] as proof of claim C 754-31.
Alaska Cascade Financial Services Inc	C 754-4	Unsecured	$5,550.83					
Idaho Department Of Health & Welfare	C 761-30	Unsecured	$40,000.00	$40,000.00	$1,820.00	$1,820.00	The Allowed Condolidated Claim Amount is the amount the debtors' books and records show as being due to the claimant.	The Debtors have paid the creditor the full amount of the claim. The creditor agreed that the Debtors may inform the Court that the claim has been paid in full.

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