

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:

LAVIE CARE CENTERS, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 24-55507 (PMB)

(Jointly Administered)

**AMERIHEALTH CARITAS HEALTH PLAN'S
D/B/A AMERIHEALTH CARITAS PENNSYLVANIA REQUEST FOR
PAYMENT OF ADMINISTRATIVE EXPENSE CLAIM**

AmeriHealth Caritas Health Plan d/b/a AmeriHealth Caritas Pennsylvania (“ACHP”), by and through counsel, hereby submits this request for payment of administrative expense claim (the “Request”):

BACKGROUND REGARDING ACHP

1. ACHP is a managed care organization (“MCO”) responsible for providing and/or arranging healthcare services to certain Pennsylvania individuals (each individually a “Member”) who are enrolled in ACHP’s Medicaid managed care plan.
2. As an MCO, ACHP contracts with various healthcare providers (each a “Provider”) that agree to render or provide certain healthcare services or supplies to Members.
3. In turn, ACHP agrees to compensate the Provider pursuant to certain terms and conditions governed by the respective provider agreement.

¹ The last four digits of LaVie Care Centers, LLC’s federal tax identification number are 5592. There are 282 Debtors in these chapter 11 cases, which are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/LaVie>. The location of LaVie Care Centers, LLC’s corporate headquarters and the Debtors’ service address is 1040 Crown Pointe Parkway, Suite 600, Atlanta, GA 30338.



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4. The Debtors submits a high volume of claims to ACHP, and ACHP typically makes payment to the Debtors. However, there are circumstances in which ACHP overpays the Debtors, so that payment is due from the Debtors to ACHP. Given the volume of claims involved and the time needed to fully reconcile claims, determination of any overpayment is not a simple process and sometimes occurs months or years after ACHP makes payments to the Debtors. It is therefore possible that ACHP may have future potential overpayment claims against the Debtors, but such potential claims are not yet known or are otherwise not ripe.

**BACKGROUND REGARDING DEBTORS’
BANKRUPTCY CASE AND DEBTORS’ RELATIONSHIP WITH ACHP**

5. On June 2, 2024 (the “Petition Date”), LaVie Care Centers LLC and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), commenced the above-captioned chapter 11 cases by filing petitions for relief under chapter 11 of the Bankruptcy Court in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “Court”).

6. On December 4, 2024, the Debtors filed the *Notice of Filing of Further Modifications to Debtors’ Modified Second Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Reorganization* [D.I. 730] (the “Plan”).

7. On December 5, 2024, the Court entered its *Findings of Fact, Conclusions of Law, and Order Approving of Final Basis and Confirming Debtors’ Modified Second Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Reorganization* [D.I. 735].

8. On June 2, 2025, the Debtors filed the *Notice of (I) Entry of Order Confirming Debtors’ Second Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Reorganization and (II) Occurrence of Effective Date* [D.I. 1016] (the “Notice”). Pursuant to the

Notice, requests for payment of Administrative Expense Claims (as defined in the Plan) must be filed by July 1, 2025.

9. ACHP's records indicate that ACHP and the respective Debtors (as detailed in the table below) are parties to certain Ancillary Provider Services Agreements (together with all amendments, supplements, and ancillary agreements, the "Agreements")² pursuant to which the respective Debtors provide certain healthcare services to ACHP's Members, and ACHP, as an MCO, compensates the respective Debtor for such services. Based on ACHP's records, those Agreements are with the following Debtor entities:

<u>Legal Debtor Name</u>	<u>Doing Business As Name</u>
Locust Grove Facility Operations, LLC	Locust Grove Retirement Village
Penn Village Facility Operations, LLC	The Manor at Penn Village
Manor at St. Luke Village Facility Operations, LLC	The Manor at St. Luke Village
Pavilion at St. Luke Village Facility Operations, LLC	The Pavilion at St. Luke Village
Pennknoll Village Facility Operations, LLC	Pennknoll Village

REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE CLAIM

10. ACHP hereby reserves its rights to and requests payment of any contingent and unliquidated Administrative Expense Claims it may have against the Debtors pursuant to section 503(b) of title 11 of the United States Code (the "Bankruptcy Code").

11. Under section 503(b)(1)(A) of the Bankruptcy Code:

After notice and a hearing, there shall be allowed administrative expenses other than claims allowed under section 502(f) of this title, including—(1) (A) the actual, necessary costs and expenses of preserving the estate. . .

² The Agreements contain commercially sensitive information and are not attached to this Objection. The Debtors are in possession of the Agreements. Subject to the confidentiality provisions of the Agreements and adequate assurances that all appropriate protections will be maintained, copies of the Agreements will be made available to a proper party with a legitimate purpose for requesting this information by contacting Lucian B. Murley, Esq., Saul Ewing LLP, 1201 North Market Street, Suite 2300, Wilmington, DE 19801.

12. Bankruptcy courts “have broad discretion in determining whether an administrative expense claim justifies allowance.” *Matter of Dayhuff*, 185 B.R. 971, 973 (Bankr. N.D. Ga. 1995) (citing *Younger v. United States (In re Younger)*, 165 B.R. 965, 967 (S.D. Ga. 1994)). Section 503(b)(1)(A) of the Bankruptcy Code “applies to postpetition claims only. It involves costs and expenses incurred in preserving the estate, which comes into existence upon the filing of the bankruptcy petition.” *Matter of Growth Dev. Corp.*, 168 B.R. 1009, 1018 (Bankr. N.D. Ga. 1994).

13. The services provided by ACHP to the Debtors under the Agreements constitute actual, necessary costs that are critical to the preservation of the Debtors’ estates.

14. Pursuant to section 3.1 of the Agreements, “ACHP shall pay [Debtor] for Plan Benefits provided to Members subject to the terms of this Agreement at the rates specified in Appendix A-1. [Debtor] shall not be entitled to reimbursement if the Member was not eligible at the time services were rendered.” Moreover, section 2.4 of the Agreements states, “ACHP shall have the right to offset claims payments to [Debtor] by any amount owed by [Debtor] to ACHP.”

15. Pursuant to the Agreements, ACHP may have made significant payments to the Debtors after the Petition Date.

16. To preserve its rights under sections 2.4 and 3.1 of the Agreements regarding any overpayment or offset claim(s) against the Debtors, whether known or unknown to ACHP presently or in the future, ACHP hereby asserts a contingent and unliquidated Administrative Expense Claim(s) related to such overpayment and offset claim(s) that it may have.

17. Pursuant to section 9.10 of the Agreements, the Debtors are required “to indemnify and hold harmless the Department, the Commonwealth of Pennsylvania, its directors, officers employees and agents and Members from any claim, suit, cost, injuries, death, loss, liability, judgment, or expense, including, but not limited to, costs of defense incurred by the Department,

the Commonwealth, its directors, officers, employees and agents as a result of intentional conduct, negligent actions or omission or breach of this Agreement by [Debtor] or [Debtor] employees, agents, officers, or contractors.”

18. To preserve its rights under section 9.10 of the Agreements against the Debtors, ACHP hereby asserts a contingent and unliquidated Administrative Expense Claim(s) for indemnification it may have, whether such claim(s) is known or unknown to ACHP presently or in the future.

RESERVATION OF RIGHTS

19. ACHP reserves the right to amend and supplement this Request for any reason.

CONCLUSION

WHEREFORE, ACHP respectfully requests that the Court enter an order (i) allowing contingent and unliquidated Administrative Expense Claims that ACHP may have against the Debtors and directing the payment of contingent and unliquidated Administrative Expense Claims ACHP may have against the Debtors pursuant to section 503(b)(1)(A) of the Bankruptcy Court and (ii) granting such other and further relief as the Court deems just and proper.

Dated: July 1, 2025

SAUL EWING LLP

/s/ Steven C. Reingold

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**IN THE UNITED STATES BANKRUPTCY COURT
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In re:

LAVIE CARE CENTERS, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 24-55507 (PMB)

(Jointly Administered)

**ORDER GRANTING AMERIHEALTH CARITAS HEALTH PLAN'S
D/B/A AMERIHEALTH CARITAS PENNSYLVANIA REQUEST FOR
PAYMENT OF ADMINISTRATIVE EXPENSE CLAIM**

Upon consideration of the *AmeriHealth Caritas Health Plan's d/b/a AmeriHealth Caritas Pennsylvania Request for Payment of Administrative Expense Claim* (the "Request")², and due and proper notice of the Request having been given; and it appearing that no other or further notice is required; and it appearing that the Court has jurisdiction to consider the request pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue is proper pursuant 28 U.S.C. §§ 1408 and 1409; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and after due deliberation, and sufficient cause appearing,

HEREBY ORDERED THAT:

1. The Request is GRANTED in its entirety.

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² Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Request.

2. ACHP is hereby granted allowed contingent and unliquidated Administrative Expense Claims pursuant to 11 U.S.C. § 503(b)(1)(A) for unpaid postpetition obligations due and owing under the Agreements to the extent that such claims against the Debtors may exist (the “Administrative Expense Claim”).

3. The Debtors are authorized and directed to pay the full amount of the Administrative Expense Claim.

4. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation and interpretation of this order.

CERTIFICATE OF SERVICE

I certify that on July 1, 2025, a true and correct copy of the foregoing document was served via the Electronic Case Filing System for the United States Bankruptcy Court for the Northern District of Georgia on all parties registered to receive electronic notices and on the parties listed in the attached service list via electronic mail.

/s/ Steven C. Reingold

Steven C. Reingold

SERVICE LIST

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